

PUBLIC DISCLOSURE

December 9, 1996

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

SunTrust Bank, Atlanta
06130330

Atlanta, Georgia

FEDERAL RESERVE BANK OF ATLANTA
104 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30303-2713

NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

	<u>Page</u>
General Information	1
Summary	
Overall Rating	2
Lending, Investment, Service Test Table	3
Description of Institution	4
Description of Assessment Area	5
Conclusions with Respect to Performance Tests	
Lending Test	12
Investment Test	20
Service Test	23
Compliance with Antidiscrimination Laws	28
Scope of Examination	29

GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **SunTrust Bank, Atlanta**, prepared by the **Federal Reserve Bank of Atlanta**, the institution's supervisory agency, as of **December 9, 1996**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all, of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

SUMMARY

INSTITUTION'S CRA RATING: This institution is rated Satisfactory.

SunTrust Bank, Atlanta's overall CRA performance is rated satisfactory based on a review of its qualified loans, investments, and services within the assessment area. Management has taken an active and affirmative role in meeting credit needs throughout the assessment area, including low- and moderate-income areas, low- and moderate-income individuals, and small businesses and farms, in a manner consistent with its resources, capabilities, and operating philosophies.

A significant majority of the bank's loans were originated within the assessment area. Loans to small businesses reflect appropriate penetration throughout most of the bank's assessment area by geographies, loan amount, and business revenues. Commercial loans account for a majority of the bank's loans, whereas single-family residential loans account for a less significant percentage. As such, greater weight was given to the commercial lending portion of the lending test. Qualified loans equated to a significant percentage of the bank's total assets and total loans.

The bank maintains a moderate level of qualified investments. Occasionally the bank served in a leadership position with regard to qualified community development investments. Furthermore, the responsiveness, innovativeness, and complexity of such investments was considered to be significant.

The level of branch services available to all geographies evidenced a lack of penetration in certain low- and moderate-income areas. The lack of branches was counterbalanced by a higher level of ATM availability in some of the moderate-income areas. Alternative delivery means were also considered in the review of services. The bank maintains a significant level of community development services targeted specifically to the assessment area.

SUMMARY (CONTINUED)

The following table indicates the performance level of **SunTrust Bank, Atlanta** with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	SUNTRUST BANK, ATLANTA		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	
Low Satisfactory			X
Needs to Improve			
Substantial Noncompliance			

* Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

DESCRIPTION OF INSTITUTION

SunTrust Bank, Atlanta (SunTrust) reported total assets of \$14.4 billion on the September 30, 1996 Consolidated Report of Condition. Average assets during the quarter were \$12.3 billion, indicating recent growth. SunTrust is the lead bank for SunTrust Banks, Inc., a bank holding company based in Atlanta, Georgia.

The bank reported the following loan portfolio mix as of September 30, 1996:

Loan Type	Percentage of Total Loans
Construction and Development	5.2%
1-4 Family Residential	14.4%
Nonfarm Nonresidential	7.4%
Commercial and Industrial	54.8%
Loans to Individuals	8.1%
Leases	3.6%
Other	6.5%
Total	100.0%

SunTrust has traditionally remained a commercial lender, as is evidenced above. The majority of loans, by dollar amount, are commercial in nature, whereas one- to four-family residential loans account for less than 15 percent of total loans.

DESCRIPTION OF ASSESSMENT AREA

SunTrust's assessment area is the entire Atlanta Metropolitan Statistical Area (MSA #0520). The assessment area consists of 504 census tracts/BNAs within 20 counties. These tracts include 66 low-income tracts, 118 moderate-income tracts, 192 middle-income tracts, and 128 upper-income tracts. Although low- and moderate-income (LMI) tracts represent 36.5 percent of total tracts, only 26.4 percent of the population resides in these tracts.

Population Summary

The total population of the bank's assessment area represents approximately 46 percent of the total population of the state of Georgia. According to information provided by Regional Employment and Income Series (REIS) through 1994, the population in the bank's assessment area increased approximately 12 percent from just under 3 million in 1990 to 3.3 million in 1994. The assessment area is racially mixed; minorities represent 29 percent of the population in the assessment area. Since only 0.4 percent of the population does not speak English, there does not seem to be a strong demand for bank services available in a language other than English. 8 percent of the population is over the age of 65.

The following tables show the assessment area's household and family demographics based on census tract income level.

BY HOUSEHOLDS

Census Tract Income Category	Number of Households in Census Tract Income Category	Percentage of Total Households	Households Above Poverty in Census Tract Income Category	Percentage of Households Above Poverty in Census Tract Income Category
Low-Income	62,574	5.7%	35,849	3.6%
Moderate-Income	219,239	19.9%	182,619	18.4%
Middle-Income	500,269	45.3%	464,889	46.8%
Upper-Income	321,009	29.1%	309,175	31.2%
Assessment Area Total	1,103,091	100.0%	992,532	100.0%

Of the households in low-income census tracts, 26,725 (approximately 43 percent) are below the poverty level. The exclusion of households below the poverty level would significantly lower the number of lendable households.

DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

Population Summary (Continued)

BY FAMILIES

Census Tract Income Category	Number of Families in Census Tract Income Category	Percentage of Total Families
Low-Income	41,046	5.2%
Moderate-Income	153,224	19.6%
Middle-Income	352,287	44.9%
Upper-Income	237,837	30.3%
Assessment Area Total	784,394	100.0%

Income Characteristics

Approximately 1.1 million households reside in the bank's assessment area. The 1990 median household income in the assessment area was \$35,607 compared to \$29,021 for the state. Of the 1.1 million households, 22 percent are low-income households, 17 percent are moderate-income households, 21 percent are middle-income households, and 40 percent are upper-income households. Therefore, approximately 39 percent of the households in the assessment area are LMI households, which is comparable to the percentage of LMI households in the state. 10 percent of the households in the assessment area live below the poverty level compared to 15 percent of households living below the poverty level in the state. The percentages of middle-income and upper-income households in the assessment area are similar to those in the entire state.

Almost half (43 percent) of the total households in low-income census tracts live below the poverty level. In addition, 26 percent of total households in low-income tracts receive some form of public assistance. Therefore, one would expect a considerably lower level of loan application activity from low-income tracts.

Approximately 784,000 families live in the bank's assessment area. The 1990 median family income was \$41,047 compared to \$33,529 for the state. Of the 784,000 families, approximately 20 percent are low-income families, 18 percent are moderate-income families, 23 percent are middle-income families, and 39 percent are upper-income families. Approximately 38 percent of families in both the assessment area and the state earn incomes in the LMI range. 8 percent of families live below the poverty level in the assessment area compared to 11 percent of families living below the poverty level in the state. The percentages of middle-income and upper-income families for the state are similar to the assessment area percentages.

DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

Income Characteristics (Continued)

BY HOUSEHOLDS

Household Income Category	Number of Households in Income Category	Percentage of Total Households	Households in Income Category Above Poverty	Percentage of Households in Income Category Above Poverty
Low-Income	241,339	21.9%	130,780	13.2%
Moderate-Income	187,195	17.0%	187,195	18.9%
Middle-Income	237,313	21.5%	237,313	23.9%
Upper-Income	437,244	39.6%	437,244	44.0%
Assessment Area Total	1,103,091	100.0%	992,532	100.0%

Approximately 110,559 (10 percent) of the households in the assessment area are below the poverty level. The last two columns in the table above factor out the number of households below the poverty level, assuming that all households below poverty are low-income households. However, based on the number of persons in the household, some households living below poverty may actually be moderate-income households.

BY FAMILIES

Family Income Category	Number of Families in Income Category	Percentage of Total Families	Families in Income Category Above Poverty	Percentage of Families in Income Category Above Poverty
Low-Income	152,852	19.5%	92,093	12.7%
Moderate-Income	143,392	18.3%	143,392	19.8%
Middle-Income	185,318	23.6%	185,318	25.6%
Upper-Income	302,832	38.6%	302,832	41.9%
Assessment Area Total	784,394	100.0%	723,635	100.0%

Approximately 7.7 percent of the families residing in the assessment area are below the poverty level. Again, the assumption is made that all families below poverty are low-income, although based on the number of persons in the family, some families living below poverty may actually be moderate-income families.

DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

Income Characteristics (Continued)

The percentage of families in the assessment area is high, as 71 percent of total households in the assessment area are families. This percentage is similar for the state, where approximately 73 percent of all households are families. A relatively low percentage (1.6 percent) of the population in the bank's assessment area consists of persons living in institutions or group quarters.

The bank's assessment area is generally a mixed income area. The distribution of households and families by income level does not seem to be concentrated in any one income group.

Housing Characteristics

The 1990 census placed the number of housing units in the bank's assessment area at approximately 1.2 million. Most of these units were one- to four-family units (approximately 71 percent), followed by multifamily units (24 percent) and mobile homes (approximately 5 percent). The percentage of multifamily units in the assessment area was greater than the percentage of multifamily units in the state (15 percent). Conversely, the percentage of mobile home units is greater in the state as a whole than in the bank's assessment area.

The table below shows the percentage of owner-occupied housing in each census tract income level.

Tract by Income Level	Total Units	Owner-Occupied Units	Percent of Owner-Occupied Units to Total Units
Low-Income	76,039	19,509	25.7%
Moderate-Income	247,330	116,655	47.2%
Middle-Income	553,251	312,122	56.4%
Upper-Income	347,747	243,110	69.9%
Total	1,224,367	691,396	56.5%

Of the 1.2 million housing units in the assessment area, approximately 57 percent are owner-occupied units, 33 percent are rental units, and 10 percent are vacant units.

Most of the owner-occupied units in the assessment area are in middle- and upper-income census tracts. Consequently, LMI tracts have more rental and vacant units. Only 26 percent of housing units in low-income tracts are owner-occupied. 74 percent of housing units in low-income tracts are either rental properties (57

DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

Housing Characteristics (Continued)

percent) or are vacant (17 percent). Most of the boarded-up units are concentrated in low-income tracts. The statistics are only somewhat better in moderate-income census tracts. The percentage of owner-occupied units in middle- and upper-income tracts notably exceeds that in LMI tracts. One would expect a lower level of demand for housing-related loans in LMI tracts.

Housing throughout the assessment area primarily consists of one- to four-family structures (71 percent); however, only 64 percent of structures in LMI tracts are one- to four-family structures. One- to four-family structures constitute 69 percent of the structures in middle-income tracts and 80 percent of those in upper-income tracts. Also, multifamily housing structures are less prevalent in middle- and upper-income tracts (22 percent) compared to LMI tracts (29 percent). The number of mobile homes in the assessment area is insignificant.

The housing stock is oldest in low-income census tracts, followed by moderate-income census tracts. According to the 1990 census, the median age of the housing stock in low-income tracts was 43 years, which was at least 19 years older than the median age of the housing stock in middle- and upper-income tracts. Given the older housing stock in LMI tracts, demand for home improvement or rehabilitation loans be higher.

Affordability Summary

While income levels in the bank's assessment area are generally higher than the state levels, the median housing value is also higher. The median housing value in the bank's assessment area is \$88,358 compared to \$70,707 for the state. Similarly, gross median rent in the assessment area was \$525 compared to \$433 for the state. The percentage of rental units available for less than \$350 per month (16 percent) in the assessment area was significantly less than the percentage of rental units for less than \$350 available statewide (32 percent). As a result, Approximately 14 percent of total households in the assessment area spend more than 30 percent of their income on rent/housing. Also, 37 percent of total rental units in the assessment area cost more than 30 percent of renters' incomes. Approximately 32 percent of households in low-income tracts spend more than 30 percent of their income on rent. In moderate-income tracts, 19 percent of households spend more than 30 percent of their income on rent. Many renters, particularly in low-income census tracts, may be unable to afford to buy a home. These statistics show a need for affordable rental housing in the assessment area.

DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

Affordability Summary (Continued)

Generally, the number of owner-occupied units increases as the dollar value increases. The availability of owner-occupied units valued at less than \$60,000 is less in the assessment area than in the state. Conversely, the percentage of owned-occupied units valued at greater than \$60,000 is greater in the assessment area than in the state.

Although there seems to be no significant difference in overall housing affordability in the assessment area as compared to the state, housing affordability may be a problem for low- and moderate-income households or families in the assessment area. In addition, because of population growth and the resulting demand for housing in the assessment area, the costs of housing may be pushed upward (i.e., supply and demand).

Economic Patterns

According to information obtained from REIS, the leading industries in the assessment area include services, retail trade, and government. During the four-year period ended December 1994, the number of employees in these industries grew between 7.4 percent and 21.5 percent. Except for farm employment, all industries in the market experienced some growth. Overall, employment in the assessment area increased by 11.5 percent during this period. From 1993 to 1994, employment grew by 5.2 percent.

The 1991 City of Atlanta Comprehensive Development Plan (development plan) details expected trends in the city relating to population growth and employment growth over the next decade. This information is highly relevant as the majority of low-income census tracts in the MSA (79 percent) are located in the city of Atlanta. 24 percent of moderate-income tracts in the Atlanta MSA are also located within the city limits.

The development plan projects the greatest employment growth rates in the Northside (23 percent), the Westside (21 percent), and the Northwest (15 percent) areas of the city from 1995 to 2005. The least amount of growth is projected for the Intown South area (7 percent), followed by the Southside area (9 percent) and the Northeast area (14 percent). Employment growth is considered to be an indicator of commercial loan demand in these areas.

DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

Economic Patterns (Continued)

The development plan also projects population shrinkage in the Intown South area (-3 percent) and the Southside area (-2 percent) from 1995 to 2005. The highest population growth is projected for the Northside area (14 percent), followed by the Westside area (11 percent), the Northeast area (10 percent), and the Northwest area (1 percent). Population growth is considered to be an indicator of housing demand in the city of Atlanta.

The bank's assessment area has experienced significant growth recently. The Bureau of Labor Statistics noted an unemployment rate of approximately 4 percent for the fourth quarter of 1995. The unemployment rate has declined since 1992, when the annualized unemployment rate was 6.3 percent. According to the 1990 census, approximately 73 percent of total persons 16 or older within the assessment area are in the labor force. Only about 68 percent of total persons 16 or older in the state are in the labor force. In addition to the decline in the unemployment rate and the overall growth in population and employment, per capita personal income increased approximately 16 percent in the assessment area from 1990 to 1994.

According to the Census Bureau, residential building permits doubled from 1991 to 1995. During the five-year period, new residential permits steadily increased from 23,499 in 1991 to 48,056 in 1995. Single-family residential permits increased steadily over this period. Except for a lull in 1992, multifamily permits increased tremendously. 1,672 multifamily permits were issued in 1991 compared to 12,748 in 1995.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

I. LENDING TEST

Assessment Area Concentration

The bank's level of lending within the assessment area is excellent. The assessment area consists of the Atlanta MSA in its entirety. The table below shows the percentages of various loan types, by number of loans and by dollar volume, that were made inside the assessment area in 1995 and in the first three quarters of 1996. ¹

Loan Type	1995 Percentage Within Assessment Area		1996 Percentage Within Assessment Area	
	#	\$	#	\$
Home Improvement	89%	72%	91%	89%
Home Purchase - Conventional	93%	92%	95%	96%
Home Purchase - FHA	99%	99%	100%	100%
Home Purchase - VA	99%	99%	98%	98%
Multifamily Housing	100%	100%	100%	100%
Refinancing	94%	93%	95%	94%
Small Business	95%	95%	91%	92%
Small Farm	31%	55%	59%	50%

Although small farm lending figures are lower than the other categories, this statistic is expected due to fewer agricultural loans in a highly urban area. Nevertheless, in both 1995 and 1996, the bank made a majority of its small farm loans, either by number or by dollar volume, inside the assessment area. A total of \$831 million was lent to reportable businesses and farms during the assessment period.

¹Loans to small businesses and small farms were reported for the first two quarters of 1996.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

I. LENDING TEST (CONTINUED)

Lending Distribution by Geography

The following table shows the geographic distribution of the bank's HMDA-reportable loans for 1995 and the first three quarters of 1996 by census tract type. The distribution is shown as a percentage of both total number of loans and total dollar volume.

Census Tract Income Category	Home Improvement		Conventional Purchase		FHA/VA		Refinance	
	#	\$	#	\$	#	\$	#	\$
Low-Income	3.5%	1.1%	0.2%	0.1%	0.6%	0.3%	0.1%	0.2%
Moderate-Income	12.9%	7.7%	3.3%	2.2%	12.0%	9.5%	4.1%	2.1%
Middle-Income	48.5%	36.2%	34.1%	26.0%	57.9%	53.8%	36.2%	23.9%
Upper-Income	35.1%	55.0%	62.4%	71.7%	29.5%	36.4%	59.6%	73.8%

Considering the housing characteristics of the census tracts and the income levels of the residents, the geographic distribution is excellent for home improvement loans and fair with regard to FHA/VA loans. However, the geographic distribution of conventional purchase and refinance loans is poor.

The geographic distribution of small business loans is shown below.²

Census Tract Income Category	1995 Small Business Lending		1996 Small Business Lending	
	#	\$	#	\$
Low-Income	4%	5%	3%	5%
Moderate-Income	12%	11%	11%	12%
Middle-Income	43%	41%	45%	42%
Upper-Income	41%	43%	41%	41%

²The data for small business lending were not collected during 1995 in the format required by the revised CRA regulations; consequently, small business loans include those secured by residential real estate. The result is an overstatement of the actual number and dollar volume of small business loans in the assessment area and an understatement of the actual number of community development loans. The 1996 data will be retroactively corrected before submission in March 1997.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

I. LENDING TEST (CONTINUED)

Lending Distribution by Geography (Continued)

The geographic distribution of the bank's small business lending is considered reasonable based on the number of households above the poverty level residing in the various census tracts. Over 75 percent of the low-income census tracts in the assessment area are located in the city of Atlanta, and over 50 percent of these low-income tracts are located in the Intown South and Southside areas of the city. Also, more than half of the moderate-income tracts in the city are located in the Intown South and Southside areas. According to demographic information obtained from the city's development plan, employment growth rates in the Intown South and Southside areas of the city are approximately half those of the other city areas. In addition, population shrinkage is projected in these two areas. Therefore, lower lending levels in low- and moderate-income census tracts are understandable.

Lending Distribution by Borrower Income or Business Revenue

The table below shows the distribution of the bank's HMDA-reportable loans for 1995 and the first three quarters of 1996 based on family income level.

Family Income Category	Home Improvement		Conventional Purchase		FHA/VA		Refinance	
	#	\$	#	\$	#	\$	#	\$
Low-Income	17.3%	9.2%	3.3%	1.3%	22.9%	17.3%	7.5%	3.0%
Moderate-Income	20.6%	10.0%	10.0%	5.2%	30.6%	26.7%	11.8%	5.0%
Middle-Income	27.2%	17.1%	25.2%	16.8%	30.1%	34.0%	23.7%	13.8%
Upper-Income	34.9%	63.7%	61.5%	76.7%	16.4%	22.0%	57.0%	78.2%

Considering income characteristics of the assessment area's population, the bank has an excellent record of lending to borrowers of different income levels with regard to home improvement loans and FHA/VA loan programs. However, the bank's penetration among low- and moderate-income borrowers for conventional and refinance loans is somewhat lower than expected when considering the demographics of the assessment area. However, this concern is mitigated to some degree by the significant number of rental properties in the area, the age of the housing stock which favors home improvement credit, and the relative cost and criteria differences between conventional loans and government guaranteed loans. The total amount of loans originated to low- and moderate-income borrowers equates to \$70.6 million.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

I. LENDING TEST (CONTINUED)

Lending Distribution by Borrower Income or Business Revenue (Continued)

The predominance of the bank's lending is of a commercial nature. Commercial loans account for more than 50 percent of the bank's loan portfolio; therefore, an analysis of commercial loans and loans granted to small businesses would present a more meaningful depiction of the bank's CRA efforts. The following chart depicts, by loan size, the number and dollar volume of small loans (less than \$1 million) to businesses that were made in the assessment area during 1995 and the first two quarters of 1996.

Business Loan Originations by Loan Size				
Loan Amount	#	% by #	\$ (000s)	% by \$
\$100,000 or Less	4,409	66.7%	\$ 130,307	15.5%
\$100,000 - \$250,000	1,100	16.6%	\$ 161,267	19.2%
\$250,000 to \$1 Million	1,103	16.7%	\$ 548,815	65.3%
Total	6,612	100.0%	\$ 840,389	100.0%

As shown, the vast majority of business loans less than \$1 million were for small amounts, as over 80 percent of the originations were less than \$250,000 in size. Overall, the bank extended a very large dollar volume of business loans in amounts less than \$1 million. The total dollar volume of small loans (annualized) made to businesses during the review period equates to 4.5 percent of average assets.

The following table shows the distribution of business loans by the gross annual revenues of the businesses.

Business Loan Originations by Business Revenue Size ³				
Gross Annual Revenues	#	% by #	\$ (000s)	% by \$
Less than \$1 Million	3,169	52.4%	\$ 288,508	35.0%
\$1 Million or More	2,884	47.6%	\$ 535,938	65.0%
Total	6,053	100.0%	\$ 824,446	100.0%

³The numbers reflect only the reported small business loans in which gross annual revenue information was required for the underwriting process. Loans underwritten without this information have been eliminated from the universe of loans reported.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

I. LENDING TEST (CONTINUED)

Lending Distribution by Borrower Income or Business Revenue (Continued)

As shown, the bank has made a majority of small business loans (by number) to businesses with gross annual revenues less than \$1 million. Although the percentage of loans by dollar is not a majority, the amount of credit requested may be a function of the size and financial capacity of the business. Additionally, the amount of credit extended to businesses with less than \$1 million in gross revenues is approximately 2 percent of total assets and 3 percent of total loans.

Community Development Lending

Small Business Administration (SBA) Size-Eligible Business Lending

During the review period, SunTrust originated 27 loans to businesses or farms meeting the eligibility standards of 13 CFR 121.802(a)(2) for a total of \$56 million. An additional 12 loans were originated for a total of \$16.6 million in the third quarter of 1996 (including 3 church loans totaling \$7 million).

Multifamily Loans

During the review period, the bank originated six loft apartment loans in low- or moderate-income census tracts for a total of \$11.3 million. These loans supported the development of 286 units. (In addition, two loans were made in census tract 27.00 for a total of \$6.1 million. Census tract 27.00 has a median family income that is five times the median household income. This census tract would qualify as a moderate-income tract using median household income. Allowing for this disparity would yield eight loans for 437 units at a total of \$17.4 million.)

Additionally, the commercial real estate finance division closed the following multifamily loans or participations during the review period:

Loan Type	# of Units	Loan Amount	Date
Loan on LIHTC ⁴ Approved Complex	138	\$ 3,669,000	March 95
Participation with Local Lenders	120	437,500	August 95
Low-Income Census Tract Complex	45	620,000	June 95
Total	303	\$ 4,726,500	

⁴Low Income Housing Tax Credit.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

I. LENDING TEST (CONTINUED)

Community Development Lending (Continued)

Outstanding multifamily community development loans closed by the commercial real estate finance division total \$39,503,901 as of September 30, 1996.

Other Community Development Loans

During the review period, an additional \$3.4 million in loans were closed in conjunction with the bank's Atlanta Business Community Development Corporation Loan Program (ABCDC). Also considered were student loans originated during the review period totaling \$5 million, of which \$3,995,721 was originated to low- or moderate-income families.

Qualified institutional banking loans totaled \$378 million for 1995 and \$445 million for 1996. These loans were primarily made to various nonprofit organizations and community service providers within the Atlanta MSA. The organizations are either located in low- or moderate-income tracts or provide services targeted to LMI individuals. The institutional banking loans were to such organizations as DeKalb Medical Center, Georgia Student Finance, Metro Atlanta Task Force, Metro Foundation, Sheltering Arms, Wesley Woods, Wesley Homes, and Project Open Hand. Institutional banking loans, on an annualized basis, account for approximately 5 percent of total average assets.

In addition to the above, the bank closed the following community development loans during the first three quarters of 1996:

January 1 to March 31, 1996	\$ 4,660,000
April 1 to June 30, 1996	7,091,000
July 1 to September 30, 1996	<u>8,502,000</u>
Total	<u>\$ 20,253,000</u>

The vast majority of these loan funds were related to multifamily low-income housing development, single-family construction loans to LMI borrowers, low- and moderate-income nursing home facilities (\$6.5 million), and hospital expansion where 40 percent of patients are LMI (\$5 million). In addition, the above totals do not include SunTrust's portion of Atlanta Mortgage Consortium (AMC) loans. The bank originated a total of \$1,719,350 in AMC loans, or 76.5 percent of AMC's total lending of \$2,247,552 in 1996. The bank's reported share of AMC originations is 20.51 percent of the total, or \$460,973.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

I. LENDING TEST (CONTINUED)

Innovative or Flexible Lending Practices

SunTrust has numerous flexible lending programs available to the public, which are comparable in nature to those products offered by similarly situated lenders. The chart below depicts some of the various programs offered and general underwriting guidelines.

Loan Program Guidelines	Urban Residential Finance Authority (URFA) ⁵	Atlanta Mortgage Consortium (AMC)	SunTrust Affordable Housing Program
Loan Limits	\$117,711 - 147,821	\$90,000	\$207,000
Rate & Term	7.25% for 30 years	7.25%	Market conventional fixed rate, 15-30 years
Maximum Loan-to-Value	Based on loan amount <\$50,000=97% >\$50,000=95%	95%	97%
Down Payment Required	3-5%	5%	Minimum of 3% required from borrower
Down Payment Assistance	Interest-free loans available for full down payment amount. Loans may be forgiven after 10 years	Grants available.	N/A
Maximum Income	\$52,100 - 72,940	\$42,000	\$52,100
Allowable Debt Ratios	Vary based on underlying loan type: FHA-insured or FNMA conventional	35/42	33/38 and 28/36
Cash Reserves	One month, if required	One month	One month

Aside from the above programs, the bank participates in five other down payment assistance programs available in the assessment area. Special financing options are available such as prequalification, construction loans, swing loans, second mortgage loans, rehabilitation and home improvement loans, and equity lines.

⁵The URFA bond program functions as a rate buydown of FHA-insured or conventional FNMA loans, with down payment assistance.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

I. LENDING TEST (CONTINUED)

Innovative or Flexible Lending Practices (Continued)

The bank offers a variety of flexible and innovative business products as well. SunTrust's business development center provides special assistance to small businesses and promotes the availability of SBA lending. SunTrust participates in the Entrepreneurial Development loan fund (which is a partnership of banks), The Atlanta Project, and the Atlanta Chamber of Commerce. The bank also supports GRASP, Inc., Microloan Program, which provides entrepreneurs access to small loan amounts (\$500 to \$25,000).

Affiliate Lending - SunTrust Mortgage Company Loans

The bank's affiliate, SunTrust Mortgage Company, originated 303 HMDA-reportable loans in 1995 totaling \$45.4 million. The following table shows the percentages of the loans, by number of loans and by dollar volume, that were originated in the different census tract income levels in the Atlanta MSA.

Census Tract Income Level	FHAVA		Conventional Purchase		Refinance		Home Improvement	
	#	\$	#	\$	#	\$	#	\$
Low/Moderate- Income ⁶	9.5%	7.1%	4.6%	3.1%	5.3%	5.9%	0%	0%
Middle-Income	54.8%	53.6%	29.4%	23.1%	42.1%	33.6%	100.0%	100.0%
Upper-Income	35.7%	39.3%	66.0%	73.8%	52.6%	60.5%	0%	0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Affiliate lending to different census tract income levels appears to be lower than expected in all loan categories. Because the affiliate originated only one home improvement loan, the above results for this loan type are not considered significant.

The following table shows the percentages of the loans, by number of loans and by dollar volume, that were originated to borrowers of different income levels in the Atlanta MSA by SunTrust Mortgage Company in 1995.

⁶The lending totals were obtained from the affiliate's 1995 HMDA report, which did not separate low-income from moderate-income tracts.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

I. LENDING TEST (CONTINUED)

Affiliate Lending - SunTrust Mortgage Company Loans (Continued)

Borrower Income Level	FHA/VA		Conventional Purchase		Refinance		Home Improvement	
	#	\$	#	\$	#	\$	#	\$
Low/Moderate- Income ⁷	34.1%	31.9%	6.9%	3.3%	15.8%	5.7%	0%	0%
Middle-Income	36.6%	40.3%	21.2%	16.4%	15.8%	10.3%	100.0%	100.0%
Upper-Income	29.3%	27.8%	71.9%	80.3%	68.4%	84.0%	0%	0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Affiliate lending levels to borrowers of different incomes appear to be reasonable for FHA and VA products. However, the levels of lending for conventional and refinance products are less than what would be expected, given assessment area demographics. Because the affiliate originated only one home improvement loan, the above results for this loan type are not considered significant.

II. INVESTMENT TEST

Investment and Grant Activity

SunTrust's total investment portfolio totaled approximately \$1.5 billion as of September 30, 1996. The following table depicts investment composition:

Investment Type	Amount	Percentage of Portfolio
Mortgage-Backed Securities	\$674 million	46%
Treasury and Agency Securities	\$659 million	45%
Municipal Bonds	\$127 million	9%

Mortgage-backed, treasury, and agency securities do not generally qualify for CRA credit because community development is not their primary purpose. Because of operating limitations caused by the Tax Reform Act of 1986, the bank's municipal bond portfolio does not include any qualified investments.

⁷The lending totals were obtained from the affiliate's 1995 HMDA report, which did not separate low-income from moderate-income borrowers.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

II. INVESTMENT TEST (CONTINUED)

Investment and Grant Activity (Continued)

SunTrust had approximately \$24.1 million invested in Low Income Housing Tax Credits (LIHTCs) as of September 30, 1996. A total of \$28.4 million has been committed for total investment in the year ending December 31, 1996. An additional \$7.5 million of LIHTC investments are currently under review for purchase in the first quarter of 1997.

Other community development investments made during the review period include the following:

Atlanta Mezzanine Fund	\$ 250,000
Renaissance Capital	50,000
1995 Qualified Investment Distributions	1,130,483
1995 Qualified Investment Commitments	1,119,200
1996 Qualified Investment Distributions	871,000
1996 Qualified Investment Commitments	460,000
Certificates of Deposit - Minority Institutions	<u>650,000</u>
Total	<u>\$ 4,530,683</u>

In addition, SunTrust has made a three-year commitment to fund the administrative costs of the Entrepreneurial Development Loan Fund, which makes loans to small and minority-owned businesses, primarily in the areas targeted by The Atlanta Project. The bank also renewed its commitment to the Atlanta Multi-Family Finance Alliance. The commitment total was raised from \$3.3 million to \$4 million during the assessment period.

Responsiveness to Credit and Community Development Needs

Based on an evaluation of the performance context, area demographics, and contacts made within the community, the bank's investments exhibit a high level of responsiveness. The bank has made a reasonable level of qualifying investments overall. A high level of investment is evident in both the debt and equity sides of LIHTCs, in an assessment area with a particular need for affordable housing. These investments all target the assessment area in specific (and not a greater geographical region), particularly the inner-city census tracts with the greatest need for low-income housing. The LIHTC investments represent multifamily projects with a total of 1,889 units of affordable housing. More than half of these units are located within the city of Atlanta.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

II. INVESTMENT TEST (CONTINUED)

Responsiveness to Credit and Community Development Needs (Continued)

The use of LIHTCs and the involvement in both the debt and equity portions is considered a complex and innovative investment. Overall, these investments serve LMI areas or individuals to a very high degree.

Community Development Initiatives

The bank has taken a leadership role in the origination of AMC loans during the assessment period. SunTrust is responsible for the origination of over 75 percent of all AMC loans originated in the first three quarters of 1996. Although SunTrust originated over \$1.7 million in AMC loans, the bank only received credit for its prorata investment percentage of \$461,000. Therefore, the leadership role the bank has taken during the assessment period deserves recognition beyond the prorata amount recognized under community development lending.

SunTrust has recently entered into a homebuyer assistance program in which only one other Atlanta lender is involved. The initiative, the Atlanta Employer-Assisted Housing Program, requires only an initial \$1,000 in borrower down payment funds. Atlanta government employees can borrow up to 3 percent of the purchase price of a home from the city credit union. Any homebuyer with an income up to \$41,680 can receive up to \$7,500 in down payment assistance. This no-interest loan from the Urban Residential Finance Authority can be forgiven if the borrower resides in the home for 10 years. Additionally, a borrower with an income up to \$52,100 who is purchasing a home within the Atlanta Empowerment Zone can get an \$8,000 interest-free loan for down payment assistance.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

III. SERVICE TEST

Retail Banking Services

Distribution of Branches

A study of branch distribution was completed by comparing the percentage of branches in each of the 20 counties that constitute the Atlanta MSA to the percentage of families residing in each of the 20 counties. The counties were viewed individually because many of the counties have no or few low- or moderate-income tracts. Therefore, a county-by-county comparison allows for a more appropriate assessment.

The four most populous counties in the Atlanta MSA in which SunTrust has a branch presence are shown below. Families residing in Cobb, DeKalb, Fulton, and Gwinnett counties account for 66 percent of the families residing in the Atlanta MSA. Six counties in the Atlanta MSA in which SunTrust has branches are not shown because branch presence is considered representative of family demographics. The remaining ten counties, which contain no SunTrust branches, account for less than 17 percent of the MSA's families and are outlying counties in relation to the Atlanta MSA.

Branch Distribution

Census Tract Type	Cobb County		DeKalb County		Fulton County		Gwinnett County	
	Branch %	Family %	Branch %	Family %	Branch %	Family %	Branch %	Family %
Low-Income	0.0	1.6	0.0	3.1	6.1	22.0	0.0	0.0
Moderate-Income	5.3	6.6	10.0	19.3	12.1 ⁸	20.4	0.0	2.5
Middle-Income	42.1	40.9	25.0	43.9	21.2	21.4	50.0	50.8
Upper-Income	52.6	50.9	65.0	33.7	60.6 ⁸	36.2	50.0	46.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

⁸One of the upper-income census tracts in Fulton County (census tract 27) has a median family income that is five times the median household income. Households outnumber families by a 3:1 ratio in this tract, which contains two branches. A moderate-income tract would result when using the median household income. This would alter the branch percentages to 18.2 percent in moderate-income tracts and 54.5 percent in upper-income tracts, and would be much more reflective of the population percentages.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

III. SERVICE TEST (CONTINUED)

Retail Banking Services (Continued)

As shown, the distribution of branches seems to be reasonable with the exception of a minimal branch presence in low-income tracts in Fulton County and moderate-income tracts in DeKalb County.

A review of ATM locations revealed that the above disparities were partially offset in the areas of low penetration. The percentage of all Fulton County ATMs located in low-income tracts was low (at 10 percent) when compared to the percentage of families residing in low-income tracts (22 percent). However, the percentage of all DeKalb County ATMs located in moderate-income tracts (25 percent) was higher than the percentage of families residing in moderate-income tracts (19.3 percent). Therefore, the availability of ATM locations in DeKalb County moderate-income census tracts is considered to be a significant offsetting factor with regard to full-service branch availability.

Record of Opening and Closing Branches

During the review period, the bank closed 10 branches: one in a low-income census tract (10 percent), three in moderate-income census tracts (30 percent), five in middle-income census tracts (50 percent), and one in an upper-income census tract (10 percent). The bank has adopted a "Policy on Branch Closings, Relocations, Consolidations, and Reductions in Service." Before a final decision is made to close a branch, a three-month waiting period is required to evaluate efforts to restore branch profitability and viability.

During the assessment period, 13 full-service branches were opened: none in low-income census tracts (0 percent), one in a moderate-income census tract (8 percent), five in middle-income census tracts (38 percent), and seven in upper-income census tracts (54 percent). In addition, one limited-service branch located in a middle-income census tract was expanded to a full-service facility. Eight branches have also been opened in Publix grocery stores, all of which are located in upper-income census tracts. It is noted that the majority of branch openings during the review period are concentrated in upper-income census tracts.

Alternative Service Delivery Systems

SunTrust has a network of 162 ATMs in the assessment area. The ATM network has been expanded to include fast-food restaurants and gas stations to improve accessibility and convenience.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

III. SERVICE TEST (CONTINUED)

Retail Banking Services (Continued)

Alternative Service Delivery Systems (Continued)

The bank has also implemented a 24-hour banking service, TeleBank 24. This service provides account information, fund transfer capabilities, loan application options, and check services, such as stop payments and new check ordering, over the telephone. An Atlanta telephone number and a toll-free number are available for nationwide access. Moreover, 24-hour service associates are available over the phone if personal service is required in lieu of automated service. In addition, a personal computer banking service was made available during the review period. This service allows multiple account options and bill paying features. An electronic mail service is included to facilitate account inquiries and message delivery.

Range of Services by Geography

A comparison of services available by geography was conducted. The availability of ATM locations, extended hours, and Saturday banking hours across geographies was not considered to be disparate. These services were made available in low- and moderate-income tracts as well as middle- and upper-income census tracts.

The Lakewood branch, which is located in a low-income census tract, provides special programs targeted to low- and moderate-income individuals and small businesses. The branch provides direct deposit services for recipients of Department of Family and Children's Services assistance. Check-cashing and rent collection services are also provided for tenants of Carver Homes (very low-income tenants). On a seasonal basis, tax preparation services were provided free to depositors during the review period.

Community Development Services

The bank has engaged in a significant number and variety of community development services. The following chart depicts the most significant activities during the review period.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

III. SERVICE TEST (CONTINUED)

Community Development Services (Continued)

Organization Involved	Service Provided
The Atlanta Project	Full-time executive loaned to an organization that provides services for low- and moderate-income communities in the inner city.
Consumer Credit Counseling Service	Participated in annual CCCS Credit Hotline.
Atlanta Business Community Development Center	Provided financial services and information to small businesses and entrepreneurs. Served on credit committee.
Family Counseling Service Urban Ministries	Served as board member and provided technical expertise relating to affordable housing and services targeted to low- and moderate-income areas in Georgia.
Georgia Community-Based Development Inc.	Provided expertise to organization that promotes community-based development in low- and moderate-income areas across the state.
Small Business Development Task Force	Provided start-up kits, advice, guidance, and referral information to entrepreneurs.
Barge Road Public Housing	Served as tenant opportunity advisors and provided financial planning assistance to public housing tenants.
TAPSJOB Program	The Atlanta Project, the Georgia Department of Labor, and the human resources department of the bank participated in making employment opportunities available to residents of TAP clusters.
South DeKalb Business Exposition	Provided financial education for consumer and small businesses, including bank products and services.
Lakewood Business Association/Business Improvement Loan Fund	Provided financial service information to small businesses in low- and moderate-income areas.
Walton County Habitat for Humanity	Served as a board member and provided financial expertise to affordable housing provider.
Cobb County Chamber of Commerce	Served as a board member and provided financial expertise to an organization that promotes economic development in Cobb County.
Douglas County Development Authority	Provided financial and technical expertise to an economic development organization.
South Fulton Revitalization, Inc.	Served as board member to organization that targets revitalization efforts to deteriorating South Fulton County areas.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

III. SERVICE TEST (CONTINUED)

Community Development Services (Continued)

In addition to the above, the bank conducted numerous financial service seminars throughout the assessment area. These seminars were conducted at elementary schools, middle schools, high schools, churches, senior citizens housing, low-income housing projects, and meetings of area realtors. Numerous homebuying seminars were conducted during the review period as well.

Extent of Community Development Services

SunTrust has engaged in a reasonable level of community development services during the review period. The review indicated that a wide array of community development services have been provided and used throughout the assessment area.

Innovativeness and Responsiveness

The SunTrust Growth Project, designed during the review period, has been effective in providing alternative delivery systems such as PC banking and telephone banking, both of which are innovative alternatives.

SunTrust's commitment to The Atlanta Project is commended and considered to be highly innovative. The project was initiated in October 1991 and is focused on a defined geographic area of the poorest communities (or clusters) in metropolitan Atlanta. The project's housing priorities have included public housing, housing rehabilitation, and home ownership in each of the 20 defined clusters, although current goals include improving employment, educational enrollment and graduation rates, and children's health services.

The majority of bank services are targeted to the assessment area specifically, although some services benefit the statewide area. This shows a relatively high level of activity in the assessment area.

The provision of easily accessible alternative delivery services to small businesses, low- or moderate-income areas, and low- or moderate-income individuals is specifically targeted. The bank has also targeted the city of Atlanta and inner-city areas as recipients of community development services. The community development services provided by SunTrust are considered to be responsive to the needs of the community.

COMPLIANCE WITH ANTIDISCRIMINATION LAWS

No credit practices inconsistent with the substantive provisions of the fair housing and fair lending laws and regulations were identified. Limited violations of technical aspects of HMDA were noted. Generally, the bank has comprehensive policies, procedures, training programs, and internal assessment procedures in place to prevent discriminatory or other illegal credit practices.

SCOPE OF EXAMINATIONTIME PERIOD REVIEWED: 10/24/94 to 12/20/96

FINANCIAL INSTITUTION	PRODUCTS REVIEWED
SunTrust Bank, Atlanta	HMDA Reportable Loans Small Business Loans Small Farm Loans LIHTC Investments

AFFILIATES	AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED
SunTrust Mortgage Company	Bank Affiliate	HMDA Reportable Loans

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION:

ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
GEORGIA: MSA 0520 (Atlanta)	On-site	Lakewood - #314 South DeKalb - #327 Jimmy Carter - #401 Haynes Bridge - #350 North Pointe Mall - #354 Berkely Lake - #406 Cumberland - #479 Merchants Walk - #486 Dunwoody - #309 West Peachtree - #302	

TO THE INSTITUTION EXAMINED:

THIS COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION WAS PREPARED BY THE FEDERAL RESERVE BANK OF ATLANTA. THE FOLLOWING ACTIONS MUST BE TAKEN TO FULFILL THE CRA'S REQUIREMENTS.

- C AT A MINIMUM, PLACE THE EVALUATION IN YOUR CRA PUBLIC FILE LOCATED AT YOUR HEAD OFFICE (AND A DESIGNATED OFFICE IN EACH OF YOUR LOCAL COMMUNITIES) NO LATER THAN 30 BUSINESS DAYS AFTER RECEIVING THE EVALUATION.
- C PROVIDE A COPY OF THE EVALUATION TO THE PUBLIC UPON REQUEST (YOU ARE PERMITTED TO CHARGE A FEE NOT TO EXCEED THE COST OF REPRODUCTION AND MAILING IF APPLICABLE) NO LATER THAN 30 BUSINESS DAYS AFTER RECEIVING THIS LETTER.

FEDERAL RESERVE BANK OF ATLANTA

ASSISTANT VICE PRESIDENT

(Date)

CYNTHIA C. GOODWIN

(Title)

.....
COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

19

TO THE FEDERAL RESERVE BANK OF ATLANTA

A COPY OF THE COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION PREPARED AS OF THE CLOSE OF BUSINESS DECEMBER 9, 1996, BY AN EXAMINER FOR THE FEDERAL RESERVE BANK OF ATLANTA HAS BEEN RECEIVED AND WILL BE MADE AVAILABLE TO THE PUBLIC IN THE MANNER STATED IN THE LETTER WHICH ACCOMPANIED THE EVALUATION.

(Signature of Authorized Officer)

(Title)

SUNTRUST BANK, ATLANTA

(Name of Bank)

ATLANTA, GEORGIA

(Location)

FEDERAL RESERVE BANK OF ATLANTA

Cynthia C. Goodwin
ASSISTANT VICE PRESIDENT

Board of Directors
SunTrust Bank, Atlanta
25 Park Place
Atlanta, Georgia 30302

Dear Board Members:

Enclosed is the bank's Community Reinvestment Act Performance Evaluation prepared by Federal Reserve Examiner Joan Harroff using the guidelines established by the Federal Financial Institutions Examination Council. This evaluation was prepared in accordance with the Community Reinvestment Act (CRA), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and must be made available to the public. The following actions must be taken to fulfill the CRA's requirements.

- C At a minimum, place the evaluation in your CRA public file located at your head office (and a designated office in each of your local communities) no later than 30 business days after receiving this letter.
- C Provide a copy of the evaluation to the public upon request (you are permitted to charge a fee not to exceed the cost of reproduction and mailing if applicable) no later than 30 business days after receiving this letter.

Please acknowledge receipt of this evaluation by signing and returning the attached blue form. The format and content of the evaluation should not be altered or abridged in any manner. You may wish to comment on this information detailing actions the bank has taken since the examination to meet its obligations under the CRA. Any written comments concerning the evaluation placed in the public file should also be forwarded to this office. If you believe any of the information included in the public evaluation is proprietary, please contact this Reserve Bank so that the appropriate action can be taken.

Our Community Affairs staff is available to assist you in determining and responding to community credit needs. Please feel free to contact Mr. Courtney Dufries at (404) 589-7226. If you have any questions concerning this report or any other compliance matter, contact Ms. Gale Williams at (404) 589-7223.

Very truly yours,

Cynthia C. Goodwin

Enclosures

FEDERAL RESERVE BANK OF ATLANTA

Cynthia C. Goodwin
ASSISTANT VICE PRESIDENT

March 10, 1997

Ms. Patricia Hartje
Regional Compliance Manager
Office of the Comptroller of the Currency
Marquis One Tower, Suite 600
245 Peachtree Center Avenue, N.E.
Atlanta, Georgia 30303

Dear Ms. Hartje:

Enclosed for your information is a copy of the Community Reinvestment Act Performance Evaluation for SunTrust Bank, Atlanta, Atlanta, Georgia, as of December 9, 1996.

A copy of our letter of transmittal to the bank's board of directors is also enclosed.

Very truly yours,

Cynthia C. Goodwin

Enclosures

FEDERAL RESERVE BANK OF ATLANTA

Cynthia C. Goodwin
ASSISTANT VICE PRESIDENT

Mr. Joel Palmer
Assistant Director II
Regional Operations - Compliance
Office of Thrift Supervision
1475 Peachtree Street, N.E.
Atlanta, Georgia 30309

Dear Mr: Palmer:

Enclosed for your information is a copy of the Community Reinvestment Act Performance Evaluation for SunTrust Bank, Atlanta, Atlanta, Georgia, as of December 9, 1996.

A copy of our letter of transmittal to the bank's board of directors is also enclosed.

Very truly yours,

Cynthia C. Goodwin

Enclosures

FEDERAL RESERVE BANK OF ATLANTA

Cynthia C. Goodwin
ASSISTANT VICE PRESIDENT

Mr. Jimmy Loyless
Regional Director
Federal Deposit Insurance Corporation
One Atlantic Center, Suite 1600
1201 West Peachtree Street, N.E.
Atlanta, Georgia 30309-3449

Dear Mr. Loyless:

Enclosed for your information is a copy of the Community Reinvestment Act Performance Evaluation for SunTrust Bank, Atlanta, Atlanta, Georgia, as of December 9, 1996.

A copy of our letter of transmittal to the bank's board of directors is also enclosed.

Very truly yours,

Cynthia C. Goodwin

Enclosures