

PUBLIC DISCLOSURE

June 2, 2008

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Community Trust Bank, Inc.
RSSD # 509811

346 North Mayo Trail
Pikeville, Kentucky 41501

Federal Reserve Bank of Cleveland
P.O. Box 6387
Cleveland, Ohio 44101-1387

NOTE: This document is an evaluation of this 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. 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

I.	Institution Rating	
a.	Overall Rating	1
b.	Performance Test Ratings Table	1
c.	Summary of Major Factors Supporting Rating	1
II.	Institution	
a.	Description of Institution	3
b.	Scope of Examination	5
c.	Conclusions with Respect to Performance Tests	8
III.	Huntington-Ashland WV-KY-OH Multistate Metropolitan Area	
a.	Multistate Metropolitan Area Rating.....	14
b.	Scope of Examination.....	14
c.	Description of Institution’s Operations	15
d.	Conclusions with Respect to Performance Tests.....	19
IV.	Commonwealth of Kentucky	
	<i>Summary</i>	
a.	State Rating.....	25
b.	Scope of Examination.....	25
c.	Description of Institution’s Operations	26
d.	Conclusions with Respect to Performance Tests.....	30
	<i>Eastern Kentucky Nonmetropolitan Area (reviewed using full-scope review)</i>	
a.	Description of Institution’s Operations	36
b.	Conclusions with Respect to Performance Tests	41
	<i>Central Kentucky #1 Nonmetropolitan Area (reviewed using full-scope review)</i>	
a.	Description of Institution’s Operations	49
b.	Conclusions with Respect to Performance Tests	54
	<i>Lexington-Fayette, KY Metropolitan Statistical Area (reviewed using full-scope review)</i>	
a.	Description of Institution’s Operations	63
b.	Conclusions with Respect to Performance Tests	67
	<i>Central Kentucky #2 Nonmetropolitan Area (reviewed using limited-scope review)</i>	
a.	Description of Institution’s Operations.....	75
b.	Conclusions with Respect to Performance Tests	76

V. State of West Virginia

Summary

a. State Rating.....	78
b. Scope of Examination.....	78
c. Description of Institution’s Operations	79
d. Conclusions with Respect to Performance Tests.....	83

WV Nonmetropolitan Area (reviewed using full-scope review)

a. Description of Institution’s Operations	88
b. Conclusions with Respect to Performance Tests	92

Charleston, WV Metropolitan Statistical Area (reviewed using limited-scope review)

a. Description of Institution’s Operations	98
b. Conclusions with Respect to Performance Tests	99

VI. Appendix

a. Scope of Examination	101
b. Summary of State and Multistate Metropolitan Area Ratings.....	102
c. Glossary	103
d. Core Tables	107
e. Assessment Area Maps	117

INSTITUTION’S CRA RATING

INSTITUTION’S CRA RATING: “Satisfactory”

PERFORMANCE LEVELS	Community Trust Bank		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		X
Low Satisfactory			
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.

Major factors supporting the institution’s rating include:

- A good responsiveness to the credit needs of the assessment areas;
- A high percentage of loans are made in the assessment areas;
- A good geographic distribution of loans;
- A good distribution of loans among borrowers of different income levels and businesses of different revenue sizes;
- An adequate level of community development loans;
- An excellent level of qualified investments;
- Branches are accessible to geographies and individuals of different income levels;
- The record of opening and closing offices has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals;

- Services and business hours do not vary in a way that inconveniences its assessment areas, particularly low- and moderate-income geographies and low- and moderate-income individuals; and,
- A relatively high level of community development services.

Community Trust Bank, Inc. was previously rated “Satisfactory” at the May 1, 2006 CRA performance evaluation, with the following performance tests (lending, investment, and service tests) all receiving a “High Satisfactory.”

DESCRIPTION OF INSTITUTION

Community Trust Bank, Inc. (CTB) is a wholly-owned subsidiary of Community Trust Bancorp, Inc. (Bancorp). Both CTB and the Bancorp are headquartered in Pikeville, Kentucky. The Bancorp owns Community Trust & Investment Company headquartered in Lexington, Kentucky, which provides wealth management, trust, and investment services. As of March 31, 2008, the Bancorp reported total assets of \$2.88 billion and CTB reported total assets of \$2.87 billion. In addition, CTB owns a Bankers Service Corporation headquartered in Danville, Kentucky; a title company headquartered in Lexington, Kentucky; and an insurance subsidiary and community development corporation each headquartered in Pikeville, Kentucky.

CTB offers banking services through 76 branches located throughout their assessment area. The following table details the locations of the bank's branches and ATMs as of December 31, 2007:

State	Counties	Number of Branch Offices	Number of Full-Service ATMs	Number of Cash-Only ATMs
Kentucky	28	71	64	14
West Virginia	4	5	5	0
Totals	32	76	69	14

Since the previous performance evaluation, CTB opened a new branch in Pullman Square in Huntington, West Virginia in April 2008. This new branch opened after this examination's evaluation period; therefore, it will not be included as part of this review. No branches were closed or relocated in West Virginia. In Kentucky, the Berea and Winchester Wal-Mart branches were consolidated into existing branches in close proximity. In addition, two branches located in Frankfort and Nicholasville Road Wal-Mart branches were relocated to stand-alone branches.

CTB provides a full range of personal and business deposits and loan products, internet banking, and telephone banking services. As of March 31, 2008, CTB had deposits of \$2.3 billion and loans of \$2.2 billion. Loans represented 78% of the bank's assets and are comprised of commercial loans at 35%, residential real estate loans at 32%, consumer loans at 20%, and home equity loans at 4%. The following table details key financial data for CTB as of March 31, 2008 and the previous two years:

COMPOSITION OF LOAN PORTFOLIO						
Loan Type	3/31/2008		12/31/2007		12/31/2006	
	\$ (000s)	Percent	\$ (000s)	Percent	\$ (000s)	Percent
Construction and Development	212,511	9.5%	212,793	9.6%	184,490	8.6%
Secured by One- to Four- Family Dwellings	714,916	32.0%	716,888	32.5%	686,139	32.1%
Other Real Estate:						
Farmland	34,083	1.5%	34,335	1.6%	39,990	1.9%
Multifamily	33,294	1.5%	33,311	1.5%	26,390	1.2%
Nonfarm nonresidential	461,179	20.7%	458,039	20.7%	460,989	21.5%
Commercial and Industrial	320,543	14.4%	295,487	13.4%	294,245	13.8%
Loans to Individuals	433,203	19.4%	435,273	19.7%	422,291	19.7%
Agricultural Loans	21,715	1.0%	21,498	1.0%	24,904	1.2%
Total	\$2,231,444	100.00%	\$2,207,624	100.00%	\$2,139,438	100.00%

* This table does not include the entire loan portfolio. Specifically, it excludes loans to depository institutions, bankers acceptances, lease financing receivables, obligations of state and political subdivisions, and other loans that do not meet any other category. Contra assets are also not included in this table.

DESCRIPTION OF ASSESSMENT AREA

The 33 counties in which CTB operates were divided into seven assessment areas for this evaluation as follows:

- Huntington-Ashland, WV-KY-OH Multi-State MSA, comprised of the entirety of Boyd County and portions of Greenup County in Kentucky and portions of Wayne County in West Virginia (the remainder of Wayne County and the entirety of Cabell County in West Virginia will be incorporated into the bank's assessment area in order to include their newest branch office for the next evaluation)
- Eastern Kentucky Non-Metropolitan Area, comprised of the entireties of Floyd, Johnson, Knott, Letcher, Perry, and Pike Counties in Kentucky
- Central Kentucky Non-Metropolitan Area #1, comprised of the entireties of Adair, Bell, Boyle, Franklin, Green, Laurel, Madison, Marion, Mercer, Montgomery, Pulaski, Rockcastle, Russell, Taylor, and Whitley Counties in Kentucky, and Claiborne County in Tennessee (full scope)
- Lexington-Fayette, KY MSA, comprised of the entireties of Clark, Fayette, Scott, and Woodford Counties (full scope)
- Central Kentucky Non-Metropolitan Area #2, comprised of the entirety of Fleming County (limited scope)
- Non-Metropolitan West Virginia, comprised of the entirety of Mingo and Nicholas Counties in West Virginia (full scope)
- Charleston, WV MSA, comprised of the entirety of Lincoln County in West Virginia (limited scope)

The bank's assessment area complied with the requirements of the Community Reinvestment Act and does not arbitrarily exclude low- or moderate-income census tracts. The bank's asset size and financial condition indicate that it has the ability to effectively meet the credit needs of its assessment area. There are no legal or other impediments that would hamper the bank's ability to meet community credit needs.

SCOPE OF EXAMINATION

CTB's performance under the Community Reinvestment Act (CRA) was evaluated for the period of January 1, 2006 through December 31, 2007. The lending, investment, and service tests were applied in assessing the bank's performance under CRA, pursuant to the Interagency Procedures and Guidelines for Large Retail Institutions.

The loan products evaluated under the lending test include home-purchase, home-improvement loans, and refinancing of such loans, collectively referred to as Home Mortgage Disclosure Act (HMDA) loans; small business loans; and other loans that qualified as community development. The HMDA and small business loan data reviewed for purposes of this evaluation covered the period from January 1, 2006 through December 31, 2007.

Loans were evaluated to determine lending activity inside and outside the bank's assessment area. In addition, loans inside the assessment area were evaluated on the geographic and borrower income distribution for each assessment area. The bank's geographic distribution with respect to HMDA loans was assessed by comparing the percentage of loans made in each geography type (low-, moderate-, middle-, and upper-income) to the percentage of owner-occupied units in each geography type. Small business loans were compared to the percentage of businesses within each geographic income category, regardless of revenue size of the business.

The bank's borrower income distribution with respect to HMDA loans was assessed by comparing the percentage of loans made to borrowers in each income category (low-, moderate-, middle-, and upper-income) to the percentage of families in each income category. Poverty level is determined by both income and family size. Generally, the larger proportions of poverty level families are in the low-income category and, to a certain extent, the moderate-income category. Borrowers at poverty level often do not qualify for real-estate loans, so the percentage of families below poverty level was considered when evaluating lending performance to low- and moderate-income borrowers.

The borrower distribution with respect to small business loans was assessed by comparing the percentage of loans made to businesses in each revenue category (less than or equal to \$1 million or greater than \$1 million) to the percentage of total businesses in each revenue category.

The bank's lending performance was compared to the 2007 aggregate performance of all lenders required to report HMDA and CRA data within the respective assessment areas. Due to the timing of this report, 2007 HMDA data became available and was used in this analysis.

For the purpose of evaluating the geographic distribution of loans, census tracts were classified on the basis of 2000 U.S. Census data. The distribution of loans to borrowers of different income levels was based upon the annually adjusted median family income data, made available by the U.S. Department of Housing and Urban Development (HUD). The most recent year for which median family income data is available is 2007. All other demographic indices and statistics presented throughout this evaluation are based on 2000 U.S. Census data unless otherwise noted.

The bank’s assessment areas in Non-Metropolitan Eastern Kentucky and Non-Metropolitan Central Kentucky #1 are given the largest amount of weight in this evaluation because they are the largest assessment areas, contain the largest percentage of branches, and originated the largest amount of loans by volume. The bank’s main office is located in the Non-Metropolitan Eastern Kentucky assessment area and of the 76 offices located throughout the bank’s assessment area, 51 (67.1%) are located within these two assessment areas. The following table lists the bank’s assessment areas in order of weight ranking, with the top five receiving full scope reviews and the last two receiving limited scope reviews:

Assessment Area	Number of Offices	Percent of Offices	Deposit Share	Loan Share
Non-MSA Eastern KY	24	31.6%	42.3%	39.0%
Non-MSA Central KY #1	27	35.5%	28.6%	31.5%
Lexington-Fayette KY MSA	10	13.2%	8.5%	11.6%
Huntington-Ashland WV-KY-OH Multi-State MSA	7	9.2%	8.0%	5.6%
Non-MSA West Virginia	2	2.6%	5.9%	3.8%
Non-MSA Central KY #2	4	5.3%	4.5%	7.9%
Charleston WV MSA	2	2.6%	2.2%	0.6%
Totals	76	100%	100%	100%

HMDA lending represented 69.6% of lending and was weighted most heavily, followed by small business lending at 24.5%. Neither small farm nor small business loans secured by real estate was included in the analysis due to the small volume of lending that precluded a meaningful analysis of the data in a majority of the bank’s assessment areas. Also, other commercial and personal loan products offered by the bank not reported under HMDA or CRA were not considered in this evaluation.

Community development loans and investments funded by the bank between January 1, 2006 and December 31, 2007 were reviewed for the lending and investment tests. Community development services were evaluated under the service test.

A detailed description of each assessment area is presented in subsequent sections of this performance evaluation and assessment area maps may be found in Appendix E.

Five interviews with community representatives were conducted during the course of the evaluation. Details from these interviews are presented in subsequent sections of this performance evaluation.

Combined Demographics Report

Community Trust Bank

Analysis Year: 2006 & 2007

Assessment Group(s): Overall

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	12	4.0	6,078	1.8	1,987	32.7	78,321	22.9
Moderate-income	67	22.4	67,609	19.8	16,243	24.0	58,053	17.0
Middle-income	156	52.2	183,097	53.5	27,721	15.1	67,534	19.7
Upper-income	63	21.1	85,532	25.0	5,718	6.7	138,408	40.4
Unknown-income	1	0.3	0	0.0	0	0.0	0	0.0
Total Assessment Area	299	100.0	342,316	100.0	51,669	15.1	342,316	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	15,221	4,204	1.2	27.6	9,087	59.7	1,930	12.7
Moderate-income	107,771	65,721	19.0	61.0	30,992	28.8	11,058	10.3
Middle-income	293,332	188,109	54.5	64.1	75,107	25.6	30,116	10.3
Upper-income	128,519	87,296	25.3	67.9	32,385	25.2	8,838	6.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	544,843	345,330	100.0	63.4	147,571	27.1	51,942	9.5
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	1,971	4.5	1,680	4.3	244	6.8	47	3.4
Moderate-income	6,307	14.3	5,530	14.1	531	14.7	246	17.7
Middle-income	22,750	51.5	20,251	51.7	1,811	50.2	688	49.6
Upper-income	13,102	29.7	11,687	29.8	1,010	28.0	405	29.2
Unknown-income	41	0.1	27	0.1	13	0.4	1	0.1
Total Assessment Area	44,171	100.0	39,175	100.0	3,609	100.0	1,387	100.0
Percentage of Total Businesses:			88.7		8.2		3.1	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	19	0.9	19	0.9	0	0.0	0	0.0
Moderate-income	144	6.9	142	6.9	2	8.0	0	0.0
Middle-income	1,218	58.5	1,202	58.5	14	56.0	2	100.0
Upper-income	701	33.7	692	33.7	9	36.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	2,082	100.0	2,055	100.0	25	100.0	2	100.0
Percentage of Total Farms:			98.7		1.2		0.1	

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Lending Test

CTB's performance under the lending test is rated "High Satisfactory."

Lending Activity

The lending test evaluates an institution's lending activities based on the following characteristics:

- Geographic distribution of loans, particularly loans originated in low- and moderate-income geographies;
- Borrowers' profile, particularly distribution of loans to low- and moderate-income borrowers and small businesses;
- Overall responsiveness to credit needs of highly economically disadvantaged geographies, low-income persons, and very small businesses; and,
- Community development lending activities.

Bank lending levels reflect good responsiveness to assessment area credit needs. As of March 31, 2008, net loans represented 77.1% of total assets. The bank's national peer group average was 72.2%.¹ CTB's loan-to-deposit (LTD) ratio measured 96.0% as of March 31, 2008, compared to a peer group average of 94.5%. This loan-to-deposit ratio indicates that CTB reinvests a significant portion of the deposits it receives into loans in its assessment areas. The LTD ratio is more than reasonable for the Commonwealth of Kentucky (102.7%) and reasonable for the State of West Virginia (47.6%) given the bank's size, financial condition and assessment area credit needs.

Assessment Area Concentration

An analysis was performed to determine the volume of loans extended inside and outside of the bank's assessment areas. The analysis consisted of an evaluation of the bank's HMDA loans and small business loans. As the following table illustrates, a high percentage (85.4%) of the bank's loans were made within its assessment areas.

¹ CTB's peer group includes all insured commercial banks having assets between \$1 billion and \$3 billion.

Lending Inside and Outside the Assessment Area								
Loan Type	Inside the Assessment Area				Outside the Assessment Area			
	# of Loans	%	\$ (000s)	%	# of Loans	%	\$ (000s)	%
Home Purchase - Conventional	1663	85.9	162,878	82.5	274	14.1	34,449	17.5
Home Improvement	1227	92.2	18,274	92.8	104	7.8	1,421	7.2
Refinancing	1991	88.7	187,535	87.5	253	11.3	26,752	12.5
Total HMDA related	4881	88.6	368,687	85.5	631	11.4	62,622	14.5
Small Business	2014	85.1	179,765	80.3	352	14.9	44,040	19.7
Small Bus. - Secured by Real Estate	723	79.8	123,725	75.5	183	20.2	40,081	24.5
Total Small Bus. Related	2,737	83.6	303,490	78.3	535	16.4	84,121	21.7
Small Farm	419	66.3	14,209	61.8	213	33.7	8,779	38.2
Total Loans	8,037	85.4	686,386	81.5	1,379	14.6	155,522	18.5

The highest concentration of lending outside the bank's assessment areas is in small farm lending, with the majority of this lending occurring in the Counties surrounding the offices in Fleming County, Kentucky. This area has a large number of farms in comparison to the bank's assessment areas.

Commercial Loans

An analysis of the distribution of loans to businesses determined that lending to small businesses is consistent with the institution's asset size, lending capacity, and business objectives, and reflects good penetration among businesses of different sizes. For the purpose of this evaluation, a small business is defined as a commercial loan with an organization amount of \$1 million or less. Small business loans are further qualified to identify those loans to businesses with gross annual revenues of \$1 million or less.

Schedule RC-C Part II (Loans to Small Businesses and Small Farms) of the bank's Consolidated Reports of Income and Condition as of March 31, 2008, indicates that 100% of commercial loans were designated as small business loans, as detailed in the following chart:

Community Trust Bank Commercial Loan Portfolio		
	Amount Outstanding as of 03/31/2008 (\$000)	Percent
Loans with original amounts of \$100,000 or less	\$7,814	55%
Loans with original amounts of more than \$100,000 through \$250,000	\$4,398	31%
Loans with original amounts of more than \$250,000 through \$1,000,000	\$1,997	14%
TOTAL SMALL BUSINESS LOANS	\$14,209	100%
Loans with original amounts of greater than \$1,000,000	\$0	0%
Total Commercial Loans	\$14,209	100%

To enhance its efforts in addressing the credit needs of small businesses in its assessment area, CTB participates in several small business lending programs. Most notably, in the Lexington-Fayette, KY MSA, CTB, along with some of the area's other financial institutions, supports Commerce Lexington's Access Loan Program. The program's mission is to provide easier access to financing and helpful business advice that small business owners need in order to start or grow their business. The program is committed to enhancing economic growth and business opportunities for minorities, women, and small businesses. During the examination period, CTB originated five loans to three small businesses through this program, aggregating \$255,308.

Also in the Lexington-Fayette, KY MSA, CTB participates in University of Kentucky's Small Business Development Center, which is designed to offer help to start-up and existing small businesses by providing information and assistance through counseling and training. During the examination period, CTB originated eight loans to four small businesses through this program totaling \$295,500. Furthermore, all 13 loans were in amounts of \$100,000 or less.

Geographic and Borrower Distribution

The geographic distribution of loans reflects a good penetration throughout the bank's assessment areas, with excellent performance in the Nonmetropolitan Eastern Kentucky area. Lending was generally comparable to the aggregate of all lenders and to the demographic comparators. No conspicuous lending gaps were noted in any of the assessment areas; furthermore, 35% (55 out of 156 tracts) of CTB's middle-income geographies are considered to be distressed and/or underserved, and CTB made loans in 100 percent of these tracts.

Distressed areas are defined by the Community Development Financial Institutions Fund (CDFI), have an unemployment rate of at least one-and-one half times greater than the national average; a poverty rate of 20 percent or more; a population loss of 10 percent or more between decennial census years; and a net migration loss of 5 percent or more over the five-year period prior to the most recent census as described in forthcoming sections of this report.

In each of the bank's assessment areas, the distribution of borrowers reflects a good penetration among borrowers of different income levels and excellent penetration among businesses of different sizes in the Nonmetropolitan Central Kentucky #1, Lexington-Fayette, KY MSA, and Nonmetropolitan West Virginia assessment areas and a good penetration among borrowers and businesses in the remaining assessment areas.

CTB offers a first-time homebuyers program called the Homestead Loan Program. This program offers low-income individuals the opportunity to purchase a home with lower down payments and closing costs, higher debt ratios, higher loan-to-value ratios, and lower interest rates depending on income levels. During the examination period, the bank originated 19 Homestead loans aggregating \$914,165 under this program, with 57% in the Lexington-Fayette, KY MSA, 32% in the Nonmetropolitan Kentucky #1, and 11% in the Nonmetropolitan Eastern Kentucky assessment areas.

CTB participated in the Federal Home Loan Bank of Cincinnati's Affordable Housing Program to make funds available in the form of grants to assist homebuyers under the Welcome Home program. Welcome Home funds may be used to fund reasonable down payments and closing costs incurred in conjunction with the acquisition of owner-occupied housing to be used as primary residences by low- and moderate-income homebuyers. CTB made a total of five Welcome Home grants up to the maximum of \$5,000 each, for a total of \$25,000. CTB made three Welcome Home grants in the Nonmetropolitan Central Kentucky #1 assessment area and two in the Lexington-Fayette, KY MSA.

Also, while CTB does not offer financing under the FHA, VA, or Rural Housing Programs, in order to enable the bank's customers access to these products, CTB has established a relationship with another lender originating loans under these programs in order to refer customers interested in these programs.

Community Development Lending

CTB makes an adequate level of community development loans in its assessment area. Over the evaluation period, the bank originated seven community development loans aggregating \$3.1 million. Five of the loans provided funds to revitalize and stabilize distressed and/or underserved middle-income geographies. One of these loans was originated in the Nonmetropolitan West Virginia area and represented 25% of CTB's total community development dollars. The other 4 loans were originated in the Nonmetropolitan Eastern Kentucky area and represented 5% of CTB's total community development loan dollars. The remaining two community development loans provided affordable housing to low- and moderate-income individuals in the Nonmetropolitan Central Kentucky #1 area, representing 70% of CTB's total community development loan dollars. Therefore, 25% of CTB's community development lending supported initiatives in the State of West Virginia and 75% supported initiatives in the Commonwealth of Kentucky.

Investment Test

Performance under the investment test is rated "Outstanding."

The investment test evaluates a financial institution's level of qualified investments that serve low- or moderate-income geographies or individuals, together with the innovativeness and complexity of such investments. Qualified investments made prior to the previous evaluation, which are still outstanding, are considered under the test. For purposes of CRA, the term "qualified investment" has been defined to include a lawful investment; deposit; membership share; or grant, including a donation, or in-kind contribution of property, that has as its primary purpose community development.

CTB has an excellent level of qualified community development investments and grants, particularly those not provided by private investors, often in a leadership position in both the Nonmetropolitan Eastern Kentucky and Nonmetropolitan Central Kentucky #1 assessment areas. Bank investments, donations, and grants aggregated \$22.2 million for this evaluation period.

\$21.2 million (96% of total investments) was a result of CTB's ongoing investment in the CRA Fund Advisors, which invests in affordable housing securitizations (FNMA/GNMA loan pools) and is comprised of loans to low- and moderate-income borrowers. \$10.7 million (51% of fund) supported four Kentucky Housing Corporation statewide revenue bonds; these monies were allocated to each assessment area based on the percentage of deposits in that assessment area within the Commonwealth of Kentucky. Of the \$7.1 million (34% of fund), \$1.0 million supported affordable housing initiatives in West Virginia and \$6.1 million supported affordable housing initiatives in Kentucky. \$3.4 million (15% of fund) supported affordable housing projects outside the bank's CRA assessment area. These out-of-area monies benefited Henderson, Breathitt, Lee and Wolfe Counties in Kentucky and Mason County in West Virginia.

The remaining \$1.0 million (4% of total investments) is comprised of various grants and donations made to various organizations that support revitalization and stabilization of distressed middle-income geographies, provide services to low- and moderate-income individuals, promote economic development, or support affordable housing initiatives.

Therefore, 11% of qualified investments supported initiatives in West Virginia and 89% supported initiatives in the Commonwealth of Kentucky. Further, all investments were made during this current evaluation period.

Service Test

Performance under the service test is rated "High Satisfactory."

The service test evaluates the financial services provided by a financial institution using the following characteristics:

- The accessibility of delivery mechanisms with an assessment area, including the distribution of an institution's branch offices, and alternative delivery mechanisms;
- The impact of changes in branch locations upon low- and moderate-income geographies and/or low- and moderate-income persons in the assessment area;
- The reasonableness of business hours and services in meeting assessment area needs; and,
- The extent to which an institution provides community development services.

Specific details of service performance are discussed in the respective assessment area sections of this evaluation.

Retail Services

Branch delivery systems, as well as a variety of consumer and business banking products and alternative delivery systems such as ATMs, telephone and internet banking, are accessible to essentially all portions of the bank's assessment areas. The bank's record of opening and closing branches has not impacted the accessibility of its delivery systems in low- and moderate-income geographies or to low- or moderate-income individuals. Banking services do not vary in a way that inconveniences certain portions of the bank's assessment areas, particularly in low- and moderate-income geographies or low- or moderate-income individuals.

Community Development Services

The bank provides a relatively high level of community development services throughout its assessment areas. Specifically, CTB is a leader in providing community development services in the Nonmetropolitan Eastern and Central Kentucky #1 assessment areas. CTB provided a variety of financial and technical services to 64 separate community development organizations. CTB provides a relatively high level of community development services, including services to low- and moderate-income individuals, small businesses and small farms, economic development, and affordable housing in the Nonmetropolitan area of Kentucky, and an adequate level of services in the Huntington-Ashland Multi-State and Lexington-Fayette MSAs. CTB provides a low level of community development services in the State of West Virginia's assessment areas. Further, bank officers and employees serve in various capacities on boards and committees of numerous community development organizations.

COMPLIANCE WITH ANTIDISTRIMINATION LAWS

No violations of the substantive provisions of the antidiscrimination laws and regulations were noted. The bank continues the use of fair lending policies and procedures and has an effective fair lending training program to address fair lending issues. Internal reviews of bank policies and procedures are conducted routinely to ensure compliance.

MULTISTATE METROPOLITAN AREA

HUNTINGTON-ASHLAND, WV-KY-OH MULTISTATE MSA CRA RATING:
Satisfactory²

The lending test is rated: High Satisfactory

The investment test is rated: Low Satisfactory

The service test is rated: Low Satisfactory

Major factors supporting the institution's rating include:

- A good responsiveness to the credit needs of the assessment areas;
- A good geographic distribution of loans;
- A good distribution of loans among borrowers of different income levels and businesses of different revenue sizes;
- Made no community development loans;
- An adequate level of qualified investments;
- Branches are accessible to geographies and individuals of different income levels;
- The record of opening and closing offices has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals;
- Services and business hours do not vary in a way that inconveniences its assessment areas, particularly low- and moderate-income geographies and low- and moderate-income individuals; and,
- An adequate level of community development services.

SCOPE OF EXAMINATION

The scope of the examination for the Huntington-Ashland MSA is consistent with the scope of the examination for the institution.

² This rating reflects performance within the multistate metropolitan area. The statewide evaluations are adjusted and do not reflect performance in the parts of those states contained within the multistate metropolitan area.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE HUNTINGTON- ASHLAND, WV-KY-OH MULTISTATE MSA

The Huntington-Ashland WV-KY-OH Multi-State MSA is comprised of the entireties of Cabell and Wayne Counties in western West Virginia, Boyd and Greenup Counties in northeastern Kentucky, and Lawrence County in south central Ohio. However, CTB's assessment area only incorporates portions of Wayne County (5 out of 11 census tracts) in West Virginia, the entirety of Boyd County, and portions of Greenup County (4 out of 7 census tracts) in Kentucky. The assessment area is comprised of 21 census tracts, of which there are no low-income, five moderate-income, ten middle-income and six upper-income tracts.

This assessment area represented 7.9% of CTB's total deposits and 5.1% of its loans. According to the Federal Deposit Insurance Corporation's (FDIC) Summary of Deposits³ as of June 30, 2007, the bank operates 7 branches and 8 full-service ATMs with \$189 million in deposits, and ranks 2nd out of 16 institutions within this assessment area with 12.4% of total market deposits. However, there were 25 depository institutions operating in the entirety of the Huntington-Ashland MSA. These 25 institutions maintained 111 branches holding \$3.8 billion in deposits. CTB ranks ninth in the MSA, controlling 4.9% of the retail deposit market. Major banking competitors in the area include National City Bank, City NB of West Virginia, JPMorgan Chase Bank, and Huntington FSB.

To determine credit needs and opportunities in the Huntington-Ashland assessment area, an interview focusing on economic development was conducted with a local community organization. This information was also supplemented with demographic and economic data pertinent to the area. The most frequently mentioned credit needs centered on the need to create more jobs in the area that pay a livable wage. Workforce West Virginia recently released unemployment data for metropolitan areas and the Huntington-Ashland area had an unemployment rate of 5.2% in May 2008, up from 4.6% in May 2007. While the cost of living is lower in this area than the national average, the economy is struggling. According to this contact, there are opportunities for banks to participate in economic development by providing funding to loan pools that, in turn, finance new economic development projects, such as building biomedical facilities, job training, and expanding small businesses.

Population Characteristics

According to 2000 Census data, while the population of the MSA is 288,649, only about a third of the population (91,307) resides in this assessment area and 18.5% of the population lives in the moderate-income census tracts. 22.8% of the population is age 17 years and younger, 8.3% of the population is age 18 to 24 years, 54.0% of the population is age 25 to 64 years, and 14.9% of the population age 65 and over.

³ FDIC Summary of Deposits: www.fdic.gov (June 30, 2007 is the most recent date for which FDIC deposit data is available.)

Income Characteristics

For the purpose of evaluating the loan distribution to borrowers of different income levels, incomes were classified based upon annually adjusted median family income data made available by HUD. According to the 2000 Census, the median family income for the assessment area was \$39,093, which was above the median income level for the Huntington-Ashland MSA at \$37,119. However, in 2007, the median family income increased to \$47,000 for the Huntington-Ashland MSA, which was greater than West Virginia at \$45,300, and less than Kentucky at \$48,300.

From the income distribution perspective, 20.9% of the families in the assessment area are designated as low-income, 16.17% are moderate-income, 19.4% are middle-income, and 43.5% are upper-income. Families living below the poverty level represent 13.1% of total families in the assessment area. The level of families living below the poverty level is slightly higher in West Virginia and the MSA at 13.9% and 13.7%, respectively; and slightly lower in Kentucky at 12.7%.

Housing Characteristics

According to the 2000 Census, the assessment area contains 40,003 housing units, of which 69.69% are owner-occupied. In moderate-income tracts, 59.0% are owner-occupied; in middle-income tracts, 70.1% are owner-occupied; and in upper-income tracts, 75.9% are owner-occupied. The overall owner-occupancy rates in the MSA, West Virginia, and Kentucky are lower at 65.5%, 65.6%, and 64.3%, respectively.

The percentage of units housing 1-4 families was 78.9%, while 5.6% house five families or more. Rental units were 21.1%, mobile homes were 15.3%, and vacant units comprised 9.3% of the total housing units. The median age of the housing stock in the assessment area is 32 years, which is slightly lower than the MSA at 34 years and slightly higher than West Virginia and Kentucky at 31 years and 27 years, respectively.

As of the 2000 Census, the median housing value in the assessment area was \$63,791. The median housing value in upper-income census tracts (\$76,262) had a disparity with housing values in both moderate- (\$51,675) and middle-income census tracts (\$59,744). According to Sperling's Best Places,⁴ as of 2007, the median home cost in the Huntington, WV assessment area was \$91,000 and home appreciation fell by 6.74% in the last year.

4 www.bestplaces.net

Labor, Employment, and Economic Characteristics

The city of Huntington, West Virginia is primarily located in Cabell County and is the largest populated city in the MSA and the second largest city in West Virginia, behind Charleston. Ashland, Kentucky is located in Boyd County and is the second largest city in the MSA. Ashland is an important economic and medical center for northeastern Kentucky. In addition to coal mining, which is a major industry in the eastern region of Kentucky, other major employers in the Huntington-Ashland area include, but are not limited to, the following:

Ashland, Kentucky	Huntington, West Virginia
AK Steel (merger Armco and Kawasaki)	Marshall University
King's Daughter Medical Center	St. Mary's Hospital
Marathon Ashland Petroleum	Marathon Ashland Petroleum
Morehead State University	Cabell-Huntington Hospital
Ashland Community College	CSX Huntington
	Applied Card Systems
	Alcon Surgical
	U.S. Army Corp of Engineers
	Client Logic

Area unemployment rates remain higher in Kentucky than in either West Virginia or nationwide. Unemployment rates in West Virginia remain on par with nationwide unemployment rates. For comparison purposes, area unemployment rates are presented in the table below:

Unadjusted Unemployment	Annual 2007	Annual 2006
Boyd County (Ashland, KY)	5.2	5.6
Greenup County (KY)	5.5	5.9
Kentucky	5.5	5.8
Cabell County (Huntington, WV)	4.8	5.1
Wayne County (WV)	4.6	5.2
West Virginia	4.6	4.7
U.S. (nationwide)	4.6	4.6

Combined Demographics Report

Community Trust Bank

Analysis Year: 2006 & 2007

Assessment Area(s): Huntington-Ashland MSA 26580

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	5,605	21.0
Moderate-income	5	23.8	4,948	18.5	1,346	27.2	4,320	16.2
Middle-income	10	47.6	12,622	47.3	1,437	11.4	5,180	19.4
Upper-income	6	28.6	9,143	34.2	705	7.7	11,608	43.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	21	100.0	26,713	100.0	3,488	13.1	26,713	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	8,160	4,817	17.3	59.0	2,287	28.0	1,056	12.9
Middle-income	18,945	13,269	47.6	70.0	3,992	21.1	1,684	8.9
Upper-income	12,898	9,793	35.1	75.9	2,126	16.5	979	7.6
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	40,003	27,879	100.0	69.7	8,405	21.0	3,719	9.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	347	12.0	306	12.3	25	9.9	16	11.3
Middle-income	1,464	50.7	1,267	50.8	136	54.0	61	43.0
Upper-income	1,079	37.3	923	37.0	91	36.1	65	45.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	2,890	100.0	2,496	100.0	252	100.0	142	100.0
Percentage of Total Businesses:			86.4		8.7		4.9	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	5	13.9	5	13.9	0	0.0	0	0.0
Middle-income	13	36.1	13	36.1	0	0.0	0	0.0
Upper-income	18	50.0	18	50.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	36	100.0	36	100.0	0	0.0	0	0.0
Percentage of Total Farms:			100.0		0.0		0.0	

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE HUNTINGTON-ASHLAND, WV-KY-OH MULTISTATE MSA

Lending Test

The assessment area's lending test is considered "High Satisfactory."

Lending Activity

Lending levels reflect good responsiveness to assessment area credit needs. During the evaluation period, CTB originated \$18.4 million in HMDA loans and \$22.4 million in small business loans in this assessment area. This represented 5.1% of CTB's total lending activity. The percentage of loans is lower than both the percentage of bank branches (9.2%) and the percentage of deposits (8.0%) in this assessment area. Overall, CTB ranks tenth among 182 HMDA reporters. The bank ranks sixth among 33 small business reporters lending in the assessment area.

Geographic Distribution

An analysis of the geographic distribution of loans was conducted to determine the dispersion of loans among different census tracts within the Huntington-Ashland assessment area. The geographic distribution of loans reflects a good penetration throughout the assessment area, especially considering the level of households below the poverty and level of households receiving public assistance within this assessment area.

During this evaluation period, CTB made loans in 95% of the assessment area's 21 geographies. Therefore, CTB penetrated a high percentage of this assessment area, with no significant lending gaps. Further, CTB penetrated 80.0% of moderate-income tracts and 13.2% of loans made were originated in moderate-income tracts.

Home Mortgage Lending

The percentage of owner-occupied housing units contained within designated census tracts is used as a proxy to estimate demand for residential mortgage lending within such census tracts. In addition, 35.1% and 44.4% of households are below poverty and 40.6% and 37.1% of households are receiving public assistance in moderate- and middle-income tracts, respectively. A lower level of owner-occupied units, coupled with higher levels of poverty and public assistance, limits the bank's lending opportunities in those tracts.

Home Purchase Loans

CTB originated 7 home purchase loans (10.1%) in moderate-income tracts, which is significantly less than the percentage of owner-occupied units in these tracts at 17.3%, but greater than the aggregate of all lenders at 7.9%. Thus, the geographic distribution of home purchase loans to moderate-income tracts is good.

CTB made 42.0% of its home purchase loans in middle-income tracts and 47.6% of its home purchase loans in upper-income tracts, compared to the percentage of owner-occupied units in these tracts at 47.6% and 35.1%, respectively. The aggregate of all HMDA lenders made 48.3% and 43.8% of their loans in middle-and upper-income tracts.

Refinance Loans

CTB originated 10 refinance loans (8.8%) in moderate-income tracts, which is significantly less than the percentage of owner-occupied units in these tracts at 17.3% and less than the aggregate of all lenders at 9.1%. Thus, the geographic distribution of home purchase loans to moderate-income tracts is adequate.

CTB made 36.3% of its refinance loans in middle-income tracts and 54.9% of its refinance loans in upper-income tracts, compared to the percentage of owner-occupied units in these tracts at 47.6% and 35.1% respectively. The aggregate of all HMDA lenders made 48.2% and 42.7% of their loans in middle-and upper-income tracts.

Home Improvement Loans

CTB originated 16 home improvement loans (41.0%) in moderate-income tracts, which is significantly more than the percentage of owner-occupied units in these tracts at 17.3% and the aggregate of all lenders at 9.9%. Thus, the geographic distribution of home improvement loans to moderate-income tracts is excellent.

CTB made 33.3% of its home improvement loans in middle-income tracts and 25.6% of its home improvement loans in upper-income tracts, compared to the percentage of owner-occupied units in these tracts at 47.6% and 35.1%, respectively. The aggregate of all HMDA lenders made 45.6% and 44.5% of their loans in middle-and upper-income tracts.

Small Business Loans

The geographic distribution of small business loans was analyzed to determine the dispersion of these loans among different census tracts within the assessment area. Penetration throughout the assessment area was considered good.

During the evaluation period, CTB originated 188 loans in an aggregate amount of \$22.4 million, of which 21 loans (11.2%) were made in moderate-income tracts, which is slightly less than the 12.0% of businesses are located in these tracts. In addition, the aggregate of all CRA lenders originated 12.6% of their loans in moderate-income tracts. Therefore, the bank's lending to small businesses in moderate-income tracts is considered good.

The bank originated 52.7% and 36.2% of its small business loans in middle- and upper-income tracts, compared to the proxy at 50.7% and 37.3%, respectively. The aggregate of all CRA lenders originated 50.8% and 35.1% of its small business loans in middle- and upper-income geographies.

Distribution of Loans by Borrower Income Level and Revenue Size of the Business

Home mortgage lending and small business lending data were analyzed in conjunction with the review of the demographic and economic characteristics of the assessment area to determine the extent of lending to borrowers of different incomes and to businesses of different sizes. This analysis revealed that given the product lines offered, CTB has a good penetration among borrowers of different income levels and businesses of different sizes.

Lending to Borrowers of Different Income Levels

The percentage of families by income category in the assessment area is used as a proxy to estimate demand for home mortgage lending.

The bank's overall lending to low- and moderate-income borrowers is good considering that the credit needs of the low-income segment of the population are difficult to address through conventional loan products, presenting a significant obstacle to homeownership. In particular, 30.6% of the assessment area's renters expend more than 30% of gross income for housing, making it difficult for renters to save the customary down payment and closing costs necessary to purchase a home. In addition 13.1% of families residing in this assessment area live below the poverty level.

While CTB does not offer financing under the FHA, VA, or Rural Housing Programs, in order to enable the bank's customers access to these products, CTB has established a relationship with another lender that originates loans under these programs in order to refer customers interested in these programs.

Home Purchase Loans

CTB originated 4 home purchase loans (5.8%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 21.0% and slightly less than the aggregate of all lenders at 6.2%. Thus, the borrower distribution of home purchase loans to low-income borrowers is poor.

CTB originated 11 home purchase loans (15.9%) to moderate-income borrowers, which is slightly less than the percentage of families in these tracts at 16.2% and less than the aggregate of all lenders at 18.8%. Thus, the borrower distribution of home purchase loans to moderate-income borrowers is good.

CTB made 21.7% of its home purchase loans to middle-income borrowers and 50.7% of its home purchase loans to upper-income borrowers, compared to the percentage of families in these tracts at 19.4% and 43.5% respectively. The aggregate of all HMDA lenders made 23.7% and 43.3% of their loans to middle-and upper-income borrowers. The bank originated 5.8% of its loans to borrowers with unknown income.

Refinance Loans

CTB originated 8 refinance loans (7.1%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 21.0% and greater than the aggregate of all lenders at 5.5%. Thus, the borrower distribution of home purchase loans to low-income borrowers is adequate.

CTB originated 16 refinance loans (14.3%) to moderate-income borrowers, which is slightly less than the percentage of families in these tracts at 16.2% and equivalent to the aggregate of all lenders at 14.2%. Thus, the borrower distribution of home purchase loans to moderate-income borrowers is good.

CTB made 27.4% of its refinance loans to middle-income borrowers and 51.3% of its refinance loans to upper-income borrowers, compared to the percentage of families in these tracts at 19.4% and 43.5%, respectively. The aggregate of all HMDA lenders made 22.9% and 49.9% of their loans to middle-and upper-income borrowers.

Home Improvement Loans

CTB originated 5 home improvement loans (12.8%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 21.0% and greater than the aggregate of all lenders at 8.7%. Thus, the borrower distribution of home purchase loans to low-income borrowers is adequate.

CTB originated 8 home improvement loans (20.5%) to moderate-income borrowers, which is greater than the percentage of families in these tracts at 16.2% and the aggregate of all lenders at 17.2%. Thus, the borrower distribution of home purchase loans to moderate-income borrowers is excellent.

CTB made 35.9% of home improvement loans to middle-income borrowers and 28.2% of its home improvement loans to upper-income borrowers, compared to the percentage of families in these tracts at 19.4% and 43.5%, respectively. The aggregate of all HMDA lenders made 26.3% and 44.8% of their loans to middle-and upper-income borrowers. The bank originated 2.6% of its loans to borrowers with unknown income.

Small Business Loans

An analysis of small business lending was conducted to ascertain the extent of lending to businesses of different sizes, including small businesses. CTB's distribution of loans reflects a good penetration. Of the 188 small business loans, 138 (73.4%) were originated to businesses with less than \$1 million in revenue (small business), compared to the proxy at 86.4% and to the aggregate of all CRA lenders who made 35.2% of all businesses in this assessment area. Based on this analysis, the bank's lending to small businesses is considered good.

Further analysis shows that 68.1% of the bank's small business loans were extended in an amount of \$100,000 or less, compared to the aggregate of all CRA lenders who extended 97.1% of small business loans in an amount of \$100,000 or less. Since smaller size loans are generally commensurate with the borrowing needs of smaller businesses, CTB's lending activity demonstrates that the bank is meeting the credit needs of such businesses.

Community Development Lending

CTB made no community development loans in this assessment area during the evaluation period.

Investment Test

Performance under the investment test is rated "Low Satisfactory."

CTB has an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors. Bank investments total \$1.2 million for this evaluation period.

The bank had four Kentucky Housing Corporation statewide revenue bonds aggregating \$10.7 million. A portion of the balance was allocated to this assessment area based on the bank's percentage of deposits in the amount of \$856,040.

\$357,751 in investments was allocated to this assessment area as a result of CTB's ongoing investment in the CRA Fund Advisors, which invests in affordable housing securitizations (FNMA/GNMA loan pools) and is comprised of loans to low- and moderate-income borrowers.

CTB made 2 donations to two organizations totaling \$2,000 that supported services to low- and moderate-income individuals.

Of the bank's total community development investment dollars, 6% supported the Huntington-Ashland Multi-state MSA.

Responsiveness to Credit and Community Development Needs

CTB exhibits an adequate responsiveness to credit and community economic development needs through the use of investments.

Service Test

Performance under the service test is rated "Low Satisfactory."

Retail Services

The bank’s delivery systems are reasonably accessible to the bank’s geographies and individuals of different income levels in its assessment area. The bank operates seven branches and eight full-service ATMs in the Huntington-Ashland assessment area. When comparing the distribution of branches by census tract income level to the percentage of the population living within each census tract income level, the distribution is accessible in the moderate-income geographies and to individuals of different income levels. The following table shows the total distribution of CTB’s branches and full-service ATMs compared to families by tract income:

Geography*	Number of Branches	Percent	Number of ATMs	Percent	Percent Families by Tract Income
Moderate-income	1	14.29	1	12.50	18.5
Middle-income	2	28.57	3	37.50	47.3
Upper-income	4	57.14	4	50.00	34.2
Totals	7	100.00	8	100.00	100.00

* There are no low-income geographies in this assessment area

No branch offices were opened or closed in this assessment area; therefore, the bank’s record of opening and closing offices has not adversely affected the accessibility of its services, particularly to moderate-income geographies and low- and moderate-income individuals.

To supplement traditional banking services, CTB offers free 24-hour account access via internet banking at www.ctbi.com and telephone banking. Internet banking allows customers to transfer funds, pay bills, and view account statements and transactions. Telephone banking allows customers to initiate fund transfers and access account information, such as balances, recent transactions, and loan payoffs.

Community Development Services

CTB provides an adequate level of community development services.

The following are the services the bank provided during the evaluation period:

- *Neighbors Helping Neighbors* – Within the MSA, this organization empowers LMI individuals to take responsibility and access resources to resolve crisis situations (crisis management). A bank employee resides on the board.
- *River Cities Harvest* - This organization feeds the hungry (LMI population). A bank employee assists with fund raising.
- *Leadership Tri-State* – This organization helps to develop leadership and ideas to meet challenges facing the tri-state area and bring resources together to solve problems in the tri-state area. Two employees serve on the board.
- *Ashland Main Street and Ashland Alliance* – These organizations address economic development issues that face the city of Ashland. An executive vice president and regional president serve on the board for each organization.

COMMONWEALTH OF KENTUCKY

COMMONWEALTH OF KENTUCKY CRA RATING: Satisfactory⁵

The lending test is rated: High Satisfactory

The investment test is rated: Outstanding

The service test is rated: High Satisfactory

Major factors supporting the institution's rating include:

- A good responsiveness to the credit needs of the assessment areas;
- A good percentage of loans are made in the assessment areas;
- A good geographic distribution of loans;
- A good distribution of loans among borrowers of different income levels and businesses and farms of different revenue sizes;
- An adequate level of community development loans;
- An excellent level of qualified investments;
- Branches are accessible to geographies and individuals of different income levels;;
- The record of opening and closing offices has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals
- Services and business hours do not vary in a way that inconveniences its assessment areas, particularly low- and moderate-income geographies and low- and moderate-income individuals; and,
- The bank provides a relatively high level of community development services.

SCOPE OF EXAMINATION

The scope of the examination for the Commonwealth of Kentucky is consistent with the scope of examination for the institution. The full-scope evaluations of the Eastern and Central non-metropolitan areas and Lexington-Fayette MSA received greater weight than the limited scope assessment areas.

⁵ For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation is adjusted and does not reflect performance in the parts of those states contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE COMMONWEALTH OF KENTUCKY

The Commonwealth of Kentucky is comprised of 120 counties; however, CTB only operates in 26 Counties, excluding Boyd and Greenup, which were previously reviewed in the multistate metropolitan area. These 26 Counties are analyzed in four separate assessment areas (Eastern Kentucky Non-Metropolitan, Central Kentucky #1 and #2 Non-Metropolitan, and Lexington-Fayette KY MSA) as described in subsequent sections of this evaluation. The assessment area is comprised of 259 census tracts, of which 11 are low-income, 55 are moderate-income, 135 are middle-income, 57 are upper-income, and one is unknown-income.

This assessment area represented 83.9% of CTB's total deposits and 90.4% of its loans. According to the Federal Deposit Insurance Corporation's (FDIC) Summary of Deposits⁶ as of June 30, 2007, the bank operates 65 branches and 57 full-service ATMs with \$2.0 billion in deposits. There were 247 depository institutions operating in the Commonwealth of Kentucky. These 247 institutions maintained 1,814 branches holding \$63.2 billion in deposits. CTB ranks seventh in Kentucky, controlling 3.4% of the retail deposit market. Major banking competitors in the area include National City Bank, Fifth Third Bank, JPMorgan Chase Bank, Branch Banking & Trust Co., U.S. Bank N.A., and PNC Bank N.A.

Population Characteristics

According to 2000 Census data, the population of the Commonwealth of Kentucky is 4,041,769, of which 1,067,799, or 67%, of the population resides in this assessment area. 1.7% of the state's population resides in low-income tracts and 18.5% resides in moderate-income tracts. 23.3% of the population is age 17 years and younger, 11.2% of the population is age 18 to 24 years, 53.5% of the population is age 25 to 64 years, and 11.9% of the population is age 65 and over.

Income Characteristics

For the purpose of evaluating the loan distribution to borrowers of different income levels, incomes were classified based upon annually adjusted median family income data made available by HUD. According to the 2000 Census, the median family income for this assessment area is \$37,714, which is lower than for Kentucky at \$40,939. In 2007, the median family income increased to \$48,300 for Kentucky.

From the income distribution perspective, 22.6% of the families in the assessment area are designated as low-income, 16.9% are moderate-income, 19.8% are middle-income, and 40.7% are upper-income. Families living below the poverty level represent 14.1% of total families in this assessment area. The level of families living below the poverty level is slightly lower for Kentucky at 12.7%.

⁶ FDIC Summary of Deposits: www.fdic.gov (June 30, 2007 is the most recent date for which FDIC deposit data is available.)

Housing Characteristics

According to the 2000 Census, the assessment area contains 469,690 housing units, of which 62.4% are owner-occupied. In low-income tracts, 22.4% are owner-occupied; in moderate-income tracts, 59.9% are owner-occupied; in middle-income tracts, 63.2% are owner-occupied; and in upper-income tracts, 67.1% are owner-occupied. The overall owner-occupancy rate in Kentucky is slightly higher at 64.3%.

The percentage of units housing 1-4 families was 72.2%, while 10.9% house five families or more. Rental units were 28.3%, mobile homes were 16.8%, and vacant units comprised 9.3% of the total housing units. The median age of housing stock in the assessment area is 25 years, which is slightly less than the median age of housing stock in Kentucky at 27 years.

As of the 2000 Census, the median housing value in the assessment area was \$74,532. There was a disparity between the median housing value in upper-income census tracts at \$115,425 versus the median housing values in middle-income census tracts at \$68,899, the moderate-income tracts at \$48,340, and the low-income tracts at \$58,466. There was also a disparity in the median age of housing stock in low-income tracts at 43 years versus an average age of 25 years in the other income tracts. While property values have fallen considerably in many areas of the country, according to Office of Federal Housing Enterprise Oversight,⁷ the change in the house price indices by state ranks the Commonwealth of Kentucky in eleventh place, indicating that home prices increased by 3.05% in 2007. According to RealtyTrac,⁸ Kentucky's foreclosure rate in first quarter 2008 was one filing for every 1,194 households, ranking it 42nd in the nation for foreclosures. In addition, Kentucky experienced a 9.34% decrease in foreclosure filings from a year earlier.

Labor, Employment, and Economic Characteristics

The top five agricultural products in terms of revenue for Kentucky are horses, chickens, cattle, tobacco, and soybeans. Livestock and related products amount to approximately 66% of the Commonwealth's agricultural economy. Kentucky is the leading coal-producing state in the U.S. Coal is mined in 27 states and Kentucky ranks third in the amount of coal produced preceded only by Wyoming and West Virginia. Other mined products are natural gas, petroleum, and limestone. Manufacturing (Kentucky ranks fourth in the U.S. in the number of automobiles and trucks assembled) and service sector industries add to Kentucky's overall economy.⁹

In addition to agriculture, mining, and horse farming other major employers in Kentucky include, but are not limited to, the following: Fidelity Investments, COMAIR, St. Elizabeth Medical Center, University of Kentucky, Citigroup, Toyota Motor, Lexmark, Schwan's Global Supply Chain, and Johnson Controls.

7 www.ofheo.gov

8 www.realtytrac.com

9 www.kentucky.gov/facts

CTB’s assessment area in the Commonwealth of Kentucky includes 12 counties that are defined as either distressed and/or underserved areas. Definitions and further details regarding these areas are presented in subsequent sections of this performance evaluation.

Kentucky’s unemployment levels remain higher than nationwide levels, and unemployment rates continue to remain higher in rural areas of Kentucky versus urban areas. For comparison purposes, area unemployment rates are presented in the table below:

Unadjusted Unemployment	Annual 2007	Annual 2006
Non-MSA Central #1*	6.0	6.1
Non-MSA Central #2 (Fleming)	6.5	6.6
Non-MSA Eastern*	6.8	6.9
Lexington-Fayette MSA*	4.3	4.8
Kentucky	5.5	5.8
U.S. (nationwide)	4.6	4.6

* Mean Average

Combined Demographics Report

Community Trust Bank

Analysis Year: 2006 & 2007

Assessment Group(s): All KY

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	11	4.2	4,976	1.7	1,629	32.7	66,196	22.6	
Moderate-income	55	21.2	54,100	18.5	12,680	23.4	49,561	16.9	
Middle-income	135	52.1	157,487	53.8	24,048	15.3	57,891	19.8	
Upper-income	57	22.0	76,389	26.1	5,013	6.6	119,304	40.7	
Unknown-income	1	0.4	0	0.0	0	0.0	0	0.0	
Total Assessment Area	259	100.0	292,952	100.0	43,370	14.8	292,952	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied			Rental		Vacant		
		#	%	%	#	%	#	%	
Low-income	13,491	3,026	1.0	22.4	8,787	65.1	1,678	12.4	
Moderate-income	86,860	51,985	17.7	59.8	26,349	30.3	8,526	9.8	
Middle-income	253,718	160,415	54.8	63.2	67,604	26.6	25,699	10.1	
Upper-income	115,621	77,503	26.5	67.0	30,259	26.2	7,859	6.8	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
Total Assessment Area	469,690	292,929	100.0	62.4	132,999	28.3	43,762	9.3	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
				Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#	%
Low-income	1,919	4.8	1,633	4.6	243	7.6	43	3.6	
Moderate-income	5,443	13.8	4,775	13.6	460	14.3	208	17.6	
Middle-income	20,151	50.9	17,989	51.1	1,575	49.1	587	49.8	
Upper-income	12,023	30.4	10,764	30.6	919	28.6	340	28.8	
Unknown-income	41	0.1	27	0.1	13	0.4	1	0.1	
Total Assessment Area	39,577	100.0	35,188	100.0	3,210	100.0	1,179	100.0	
Percentage of Total Businesses:			88.9		8.1		3.0		
	Total Farms by Tract	Farms by Tract & Revenue Size							
				Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#	%
Low-income	12	0.6	12	0.6	0	0.0	0	0.0	
Moderate-income	116	5.9	115	5.9	1	4.2	0	0.0	
Middle-income	1,165	59.0	1,150	58.9	14	58.3	1	100.0	
Upper-income	683	34.6	674	34.5	9	37.5	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	1,976	100.0	1,951	100.0	24	100.0	1	100.0	
Percentage of Total Farms:			98.7		1.2		0.1		

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE COMMONWEALTH OF KENTUCKY

Lending Test

The assessment area's lending test is considered "High Satisfactory."

Lending Activity

CTB's lending levels reflect a good responsiveness to the assessment area's credit needs in the Commonwealth of Kentucky.

Geographic Distribution

An analysis of the geographic distribution of loans in the Commonwealth of Kentucky was conducted to determine the dispersion of loans among different geographies within the assessment areas. The analysis reflected a good penetration throughout the assessment areas in Kentucky, including low- and moderate-income geographies.

Home Mortgage Lending

During the evaluation period, CTB originated 4,438 home mortgage loans in an aggregate amount of \$338 million. The percentage of owner-occupied housing units contained within designated geographies is used as a proxy to estimate demand for residential mortgage lending within such geographies. A lower level of owner-occupied units limits the bank's lending opportunities in these geographies. A review of CTB's lending activity reflects good penetration throughout the Commonwealth of Kentucky. In Kentucky, 1.0% of all owner-occupied units are located in low-income geographies, 17.7% are located in moderate-income geographies, 54.8% are located in middle-income geographies, and 26.5% are located in upper-income geographies. By comparison, 0.2% of the bank's home mortgage loans were originated in low-income geographies, 24.9% were originated in moderate-income geographies, 59.2% were originated in middle-income geographies, and 15.6% in upper-income geographies.

Bank lending levels are considered good, given the demographics of the assessment areas in Kentucky. Despite a high affordability ratio, 32.8% of renters have rent costs greater than 30% of their income and 39.0% of middle-income geographies are classified as distressed and/or underserved. The bank has responded to this need through community development lending and specialized lending programs targeted to low- and moderate-income borrowers.

Geographic Distribution in Relation to Market Performance

CTB's home mortgage lending was compared to all lenders operating in Kentucky. According to 2007 aggregate HMDA data, a total of 37,661 home mortgage loans was originated by all lenders operating in Kentucky in an aggregate amount of \$4.7 billion. A closer analysis of this data shows that while 1% of all owner-occupied housing units are located in low-income geographies, just 1.9% of all home mortgage loans were made in low-income geographies, indicating there were limited lending opportunities for any bank operating in these geographies. CTB only originated 0.2% of their home mortgage loans in low-income geographies.

Moderate-income geographies account for 17.7% of all owner-occupied housing units and 11.7% of all home mortgage loans were made in moderate-income geographies. By comparison, 24.9% of CTB's home mortgage loans were originated in moderate-income geographies, indicating the bank performed significantly better than the market.

Middle-income geographies account for 54.8% of all owner-occupied housing units and 46.2% of all home mortgage loans were made in middle-income geographies. By comparison, 59.2% of CTB's home mortgage loans were originated in middle-income geographies, indicating the bank performed significantly better than the market.

Upper-income geographies account for 26.5% of all owner-occupied housing units and 39.9% of all home mortgage loans were made in upper-income geographies. By comparison, 15.6% of CTB's home mortgage loans were originated in upper-income geographies, indicating the bank performed adequately with the market.

Small Business Lending

A geographic distribution of small business loans was analyzed to determine the dispersion of these loans among different census tracts within the assessment area, including low-, moderate-, and distressed/underserved middle-income tracts. Penetration throughout Kentucky was considered good.

During the evaluation period, CTB originated 1,725 small business loans in an aggregate amount of \$149 million. A comparison of the number of small business loans originated in each type of census tract to the number of businesses located in each type of tract demonstrates the bank's commitment to making credit available to its entire community.

Business demographics revealed that there were a total of 39,577 businesses within Kentucky. CTB's extension of credit to these businesses shows that low-income census tracts received 0.9% of small business loans, while 4.8% of businesses are located in these tracts. Moderate-income census tracts received 19.4% of small business loans, while 13.8% of businesses are located in these tracts. Middle-income tracts received 54.0% of small business loans for their 50.9% share of businesses. Upper-income census tracts received 25.8% of small business loans for their 30.4% share of businesses.

CTB's small business lending was compared to the aggregate of all lenders operating in Kentucky. Aggregate data shows that 4.5% of all small business loans were made in low-income tracts, 11.6% of loans were made in moderate-income tracts, 44.4% of loans were made in middle-income tracts, and 36.5% in upper-income tracts. CTB performed worse than the aggregate in both the low- and upper-income tracts and better than the aggregate in both moderate- and middle-income tracts.

Distribution of Loans by Borrower Income Level and Revenue Size of the Business

Home mortgage and small business lending data were analyzed in conjunction with the review of the demographic and economic characteristics of the assessment area to determine the extent of lending to borrowers of different incomes to businesses of different sizes. This analysis revealed the bank's good penetration among both borrowers of different income levels and businesses of different sizes.

Home Mortgage Lending

The percentage of low- and moderate-income families in the assessment area is used as a proxy to estimate demand for home mortgage lending. Of the 292,952 families in Kentucky, 22.6% are designated as low-income, 16.9% are designated as moderate-income, 19.8% are considered middle-income, and 40.7% are considered upper-income. For the evaluation period, 8.3% of CTB's total home mortgages were to low-income borrowers, 16.8% were to moderate-income borrowers, 21.9% were to middle-income borrowers, and 50.0% were to upper-income borrowers.

This level of lending activity by the bank to borrowers of different income levels is considered good, while lending was excellent to moderate-, middle-, and upper-income borrowers and lending to low-income borrowers was significantly less than the percentage of low-income families in Kentucky.

Geographic Distribution in Relation to Market Performance

CTB's home mortgage lending was compared to the aggregate of all lenders operating in Kentucky. According to 2007 aggregate HMDA data, a total of 37,661 home mortgage loans were originated by all lenders operating in Kentucky. A closer analysis of 2007 aggregate HMDA data shows that while 22.6% of families in the assessment area are considered low-income, just 5.4% of the aggregate of all home mortgage loans were made to low-income borrowers. By comparison, 8.3% of CTB's loans were originated to low-income borrowers.

In addition, while 16.9% of families in the assessment area are considered moderate-income, 16.6% of the aggregate of all home mortgage loans were made to moderate-income borrowers. By comparison, 16.8% of CTB's loans were originated to moderate-income borrowers, indicating that overall CTB performed better than the market.

Small Business Lending

An analysis of small business lending data was conducted to ascertain the extent of lending to businesses of different sizes, especially small businesses. Of the 1,725 small business loans originated by the bank, 78.8% were extended in the amount of \$100,000 or less. The number of small business loans originated in amounts of \$100,000 or less is significant because smaller size loans are generally commensurate with the borrowing needs of smaller businesses and, as such, CTB's lending activity demonstrates that the bank is meeting the credit needs of smaller businesses.

CTB's small business lending is further quantified based upon the annual revenue of the business. Small business loans were analyzed to determine whether they were made to businesses with gross annual revenues of \$1 million or less. Of the 1,725 loans originated, 86.3% were originated to businesses with gross annual revenues of \$1 million or less. By comparison, the proxy of total businesses in Kentucky shows that 88.9% of all commercial loans made in the assessment area were made to businesses with gross annual revenues of \$1 million or less and the aggregate of all lenders in the market shows that only 38.1% of all commercial loans made in the assessment area were made to businesses with gross annual revenues of \$1 million or less. This level of lending activity to small businesses is considered good.

Community Development Lending

CTB made an adequate level in making community development loans in Kentucky. Over the evaluation period, the bank originated 7 community development loans aggregating \$3.1 million.

Six of the loans aggregating \$2.3 million supported community development initiatives in the Commonwealth of Kentucky. Four loans provided funds to revitalize and stabilize distressed and/or underserved middle-income geographies in the Nonmetropolitan Eastern Kentucky area and two loans provided funds for affordable housing to low- and moderate-income individuals in Nonmetropolitan Central Kentucky #1 area. These six loans represented 75% of CTB's total community development loan dollars.

Investment Test

Performance under the investment test is rated "Outstanding."

Qualified community development investments represent an excellent level of qualified community development investments and grants, particularly those not routinely provided by private investors, often in a leadership position.

CTB has an excellent level of qualified community development investments and grants, particularly those not provided by private investors, often in a leadership position in both the Nonmetropolitan Eastern Kentucky and Nonmetropolitan Central Kentucky #1 assessment areas. Bank investments, donations, and grants aggregated \$22.2 million for this evaluation period, of which \$19.7 million (89%) benefited the Commonwealth of Kentucky.

\$12.6 million (64% of total) of CTB's ongoing investment in the CRA Fund Advisors, which invests in affordable housing securitizations (FNMA/GNMA loan pools) and is comprised of loans to low- and moderate-income borrowers that directly benefited Kentucky. \$10.7 million (85% of fund) supported four Kentucky Housing Corporation statewide revenue bonds; these monies were allocated to each assessment area based on the percentage of deposits in that assessment area within the Commonwealth of Kentucky. Also, \$1.9 million (15% of fund) supported affordable housing initiatives outside the bank's CRA assessment area. These funds benefited Henderson, Breathitt, Lee and Wolfe Counties in Kentucky.

Of the remaining investment dollars, \$6.1 million (31% of total) supported affordable housing initiatives in Kentucky and the remaining \$1.0 million (5% of total) consisted of various grants and donations made to various organizations that support revitalization and stabilization of distressed middle-income geographies, provide services to low- and moderate-income individuals, promote economic development, or support affordable housing initiatives within CTB’s Kentucky assessment area.

Responsiveness to Credit and Community Development Needs

CTB exhibits excellent responsiveness to credit and community economic development needs through the use of investments.

Service Test

Performance under the service test is rated “High Satisfactory.”

Retail Services

The bank’s delivery systems are accessible to the geographies and individuals of different income levels within the assessment area. The bank operates 65 branches and 57 full-service and 14 cash-only ATMs in the assessment area in Kentucky. When comparing the distribution of branches by census tract income level to the percentage of the population living within each census tract income level, the distribution is accessible in the low- and moderate-income geographies and to individuals of different income levels. The following table shows the total distribution of CTB’s branches and full-service ATMs compared to families by tract income:

Geography	Number of Branches	Percent	Number of ATMs	Percent	Percent Families by Tract Income
Low-income	1	1.54%	1	1.75%	1.7%
Moderate-income	11	16.92%	10	17.54%	18.5%
Middle-income	34	52.31%	28	49.12%	53.8%
Upper-income	19	29.23%	18	31.58%	26.1%
Totals	65	100%	57	100%	100%

The bank’s record of opening and closing offices has not adversely affected the accessibility of its services, particularly to low- and moderate-income geographies and individuals.

To supplement traditional banking services, CTB offers free 24-hour account access via internet banking at www.ctbi.com and telephone banking. Internet banking allows customers to transfer funds, pay bills, and view account statements and transactions. Telephone banking allows customers to initiate fund transfers and access account information, such as balances, recent transactions, and loan payoffs.

Community Development Services

The following are services the bank provided that benefited the Commonwealth of Kentucky during the evaluation period:

- *TIF Commission - Tax Increment Financing Commission* – This organization helps to create incentives to develop blighted, underserved urban areas, and other economic development initiatives through tax incentives. The president and CEO serves on the board.
- *KCTCS Foundation – Kentucky Community Technical College* – This organization is the largest provider of post secondary education and workforce training in the Commonwealth of Kentucky. KCTCS supports 16 community and technical colleges located on 67 campuses across the state. The president and CEO serves on the board.
- *Commonwealth Seed Capital Corporation* – This organization invests in early stage, metropolitan-based businesses that specialize in biomedical and healthcare services, medical device development, and healthcare information technology throughout the Commonwealth of Kentucky. The president and CEO serves on the board.

NONMETROPOLITAN STATEWIDE AREAS
(full-scope review)

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN NONMETROPOLITAN
EASTERN KENTUCKY**

The Eastern Kentucky Nonmetropolitan Area is comprised of the entireties of Floyd, Johnson, Knott, Letcher, Perry and Pike Counties. The assessment area is comprised of 55 census tracts of which there are no low-income, 23 moderate-income, 30 middle-income, and two upper-income tracts.

This assessment area represented 42.3% of CTB's total deposits and 38.7% of its loans. According to the Federal Deposit Insurance Corporation's (FDIC) Summary of Deposits¹⁰ as of June 30, 2007, the bank operates 24 branches and 18 full-service ATMs with \$1.0 billion in deposits, and ranks first out of 16 institutions within this assessment area with 34.83% of total market deposits. These 16 institutions maintained 87 branches holding \$2.9 billion in deposits. Major banking competitors in the area include Citizens National Bank of Paintsville, Branch Banking & Trust Company, Peoples Bank & Trust Company of Hazard, and US Bank, N.A.

To determine credit needs and opportunities in the assessment area, an interview focusing on services to low- and moderate-income individuals was conducted with a local community action organization. This information was also supplemented with demographic and economic data pertinent to the area. The most frequently mentioned credit needs were to reduce the effects of poverty. The interviewee stated that about 17% of Kentuckians live in poverty; of those, 23% of all children in Kentucky live in poverty. In 2008, the federal minimum wage is lower than the poverty level guidelines, which means that although working full time many families/individuals may find themselves unable to pay for basic necessities for themselves and their children. There is also an increasing number of elderly who are likely to be poor, especially for those over the ages of 85. The contact stated that life on a fixed income can be one of difficult choices, deciding between medication, food, or heating. With that in mind, there is an unmet need in this area for donations, low-cost home improvement loans, and volunteers and workers to make needed and necessary repairs to homes of the elderly, who have neither the income or physical ability to do these type of repairs for themselves.

Population Characteristics

According to 2000 Census data, the population of this assessment area is 206,938 with Pike and Floyd Counties accommodating 54% of Nonmetropolitan Eastern Kentucky's total population. 23.9% of the population is age 17 years and younger, 9.3% of the population is age 18 to 24 years, 54.7% of the population is age 25 to 64 years, and 12.1% of the population age 65 and over.

10 FDIC Summary of Deposits: www.fdic.gov (June 30, 2007 is the most recent date for which FDIC deposit data is available.)

Income Characteristics

For the purpose of evaluating the loan distribution to borrowers of different income levels, incomes were classified based upon annually adjusted median family income data made available by HUD. According to the 2000 Census, the median family income for the assessment area is \$27,175. However, in 2007, the median family income increased to \$41,400 in Nonmetropolitan Eastern Kentucky, which is still significantly below the median family income for Kentucky at \$48,300.

From the income distribution perspective, 30.5% of the families in the assessment area are designated as low-income, 17.8% are moderate-income, 17.7% are middle-income, and 34.1% are upper-income. Families living below the poverty level represent 23.6% of total families in the assessment area, which is practically twice the number of families living below the poverty level in Kentucky at 12.7%.

Housing Characteristics

According to the 2000 Census, the assessment area contains 91,435 housing units, of which 69.91% are owner-occupied. In moderate-income tracts, 70.8% are owner-occupied; in middle-income tracts, 69.5% are owner-occupied; and in upper-income tracts, 68.3% are owner-occupied. The overall owner-occupancy rate in this assessment area is 69.9% which is higher than Kentucky at 64.3%.

The percentage of units housing 1-4 families was 63.1%, while 3.9% of the housing units were five families or more. Rental units were 19.6%, mobile homes were 32.9%, and vacant units comprised 10.5% of the total housing units. The median age of the housing stock in the assessment area is 25 years, which is slightly lower than Kentucky's at 27 years. Community contacts indicated that affordable housing is difficult to develop due to the additional costs of building on mountainous terrain (about 75% of the assessment area). As noted by the high percentage of mobile homes, many residents utilize mobile homes due to the lack of affordable housing in the area.

As of the 2000 Census, the median housing value in the assessment area was \$43,988. The median housing value in upper-income census tracts (\$74,235) had a disparity with housing values in both moderate- (\$36,666) and middle-income census tracts (\$47,631). According to Sperling's Best Places,¹¹ as of 2007, the median home cost in the following cities throughout this assessment area was: Pikeville - \$248,500; Whitesburg - \$82,600; Hazard - \$101,500; Hindman - \$108,000; Prestonburg - \$169,500; and Virgie - \$179,900. Home appreciation increased by 2.59% in the last year.

¹¹ www.bestplaces.net

Labor, Employment, and Economic Characteristics

Despite the large low-income population and high poverty rate, there are no low-income tracts in the assessment area; however, 100% of the middle-income geographies are distressed and underserved.

Underserved areas are defined by the United States Department of Agriculture Economic Research Service (ERS) as those areas where the population is so small and distant from a population center that the communities have difficulty financing essential community needs. In many cases, these tracts are removed from basic amenities like hospitals or clinics and require water and sewer, health-care facilities, and other infrastructure.

For CRA purposes, middle-income geographies in non-metropolitan areas may be considered distressed and/or underserved geographies for up to one year after the geographies are removed from the list. The following table lists counties that met these definitions during this evaluation period:

Counties	Distressed (Poverty)		Underserved	
	2006	2007	2006	2007
Non-MSA Eastern KY				
Floyd (6 tracts)	X	X	X	X
Johnson (6 tracts)	X	X	X	X
Knott (1 tract)	X	X	X	X
Letcher (3 tracts = poverty, unemployment, and population loss)	X	X	X	X
Perry (4 tracts = poverty and population loss)	X	X	X	X
Pike (10 tracts)	X	X	X	X

Employment in the area is primarily in the health care and social services, professional, retail, mining (coal and natural gas), and transportation sectors. Primary employers in the assessment area include: County Board of Education, Pikeville Medical Center, Highlands Hospital, CAM-KY, Wal-Mart Stores, Pikeville College, Kellogg, and Community Trust Bank, Inc..

Mining has had a predominate influence on the economy. Eastern Kentucky averaged just over 84% of Kentucky’s coal mining work force and accounted for about 78% of Kentucky’s total coal production in 2006. Direct mining employment has continued to increase over the past two years.

Area unemployment rates remain higher within the counties of Eastern Kentucky versus either the Commonwealth of Kentucky or nationwide. For comparison purposes, area unemployment rates are presented in the table below:

Unadjusted Unemployment	Annual 2007	Annual 2006
Floyd	6.6	6.6
Johnson	6.2	6.6
Knott	7.0	7.1
Letcher	7.6	7.7
Perry	7.1	7.0
Pike	6.0	6.1
Kentucky	5.5	5.8
U.S. (nationwide)	4.6	4.6

Combined Demographics Report

Community Trust Bank

Analysis Year: 2006 & 2007

Assessment Area(s): Non-MSA Eastern KY

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	18,517	30.5
Moderate-income	23	41.8	22,248	36.6	6,372	28.6	10,843	17.8
Middle-income	30	54.5	35,834	59.0	7,625	21.3	10,735	17.7
Upper-income	2	3.6	2,688	4.4	367	13.7	20,675	34.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	55	100.0	60,770	100.0	14,364	23.6	60,770	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	33,301	23,588	36.9	70.8	6,135	18.4	3,578	10.7
Middle-income	54,114	37,588	58.8	69.5	10,875	20.1	5,651	10.4
Upper-income	4,020	2,747	4.3	68.3	925	23.0	348	8.7
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	91,435	63,923	100.0	69.9	17,935	19.6	9,577	10.5
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1,760	27.4	1,539	27.2	121	24.5	100	36.0
Middle-income	4,097	63.8	3,609	63.9	328	66.4	160	57.6
Upper-income	566	8.8	503	8.9	45	9.1	18	6.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	6,423	100.0	5,651	100.0	494	100.0	278	100.0
Percentage of Total Businesses:			88.0		7.7		4.3	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	18	26.5	18	26.9	0	0.0	0	0.0
Middle-income	45	66.2	44	65.7	1	100.0	0	0.0
Upper-income	5	7.4	5	7.5	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	68	100.0	67	100.0	1	100.0	0	0.0
Percentage of Total Farms:			98.5		1.5		0.0	

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NONMETROPOLITAN EASTERN KENTUCKY

Lending Test

The assessment area's lending test is considered good.

Lending Activity

Lending levels reflect good responsiveness to assessment area credit needs. During the evaluation period, CTB originated \$133.9 million in HMDA loans and \$45.3 million in small business loans in this assessment area. This represented 38.7% of CTB's total lending activity. The percentage of loans is greater than the percentage of bank branches (31.6%) and slightly less than the percentage of deposits (42.3%) in this assessment area. Overall, CTB ranks first among 175 HMDA reporters. The bank ranks third among 33 small business reporters lending in the assessment area.

Geographic Distribution

The geographic distribution of loans reflects an excellent penetration throughout the assessment area, especially considering the level of households below the poverty level and level of households receiving public assistance within this assessment area.

During this evaluation period, CTB made loans in 100% of the assessment area's 55 geographies. Therefore, CTB fully penetrated this assessment area and there were no lending gaps. Further, 34.3% of loans made were originated in moderate-income tracts; however, when incorporating all of the loans originated in this assessment area's distressed middle-income tracts, 91.67% of originated loans were made in either moderate- or distressed middle-income tracts.

Home Mortgage Lending

The percentage of owner-occupied housing units contained within designated census tracts is used as a proxy to estimate demand for residential mortgage lending within such census tracts. In addition, 42.5% and 54.5% of households are below poverty and 42.3% and 55.2% of households are receiving public assistance in moderate- and middle-income tracts, respectively. A lower level of owner-occupied units, coupled with higher levels of poverty and public assistance, limits the bank's lending opportunities in those tracts.

Home Purchase Loans

CTB originated 215 home purchase loans (34.3%) in moderate-income tracts, which is less than the percentage of owner-occupied units in these tracts at 36.9%, but greater than the aggregate of all lenders at 25.5%. Thus, the geographic distribution of home purchase loans to moderate-income tracts is good.

CTB originated 355 home purchase loans (56.6%) in middle-income tracts, which is less than the percentage of owner-occupied units in these tracts at 58.8% and the aggregate of all lenders at 67.1%. Thus, the geographic distribution of home purchase loans to middle-income tracts is good.

CTB made 9.1% of its home purchase loans in upper-income tracts, compared to the percentage of owner-occupied units in these tracts at 4.3%. The aggregate of all HMDA lenders made 7.2% of their loans in upper-income tracts.

Refinance Loans

CTB originated 282 refinance loans (34.9%) in moderate-income tracts, which is less than the percentage of owner-occupied units in these tracts at 36.9%, but greater than the aggregate of all lenders at 28.9%. Thus, the geographic distribution of refinance loans to moderate-income tracts is good.

CTB originated 469 refinance loans (58.1%) in middle-income tracts, which is equivalent to the percentage of owner-occupied units in these tracts at 58.8% and less than the aggregate of all lenders at 63.9%. Thus, the geographic distribution of refinance loans to middle-income tracts is excellent.

CTB made 6.9% of its refinance loans in upper-income tracts, compared to the percentage of owner-occupied units in these tracts at 4.3%. The aggregate of all HMDA lenders made 7.1% of their loans in upper-income tracts.

Home Improvement Loans

CTB originated 276 home improvement loans (40.0%) in moderate-income tracts, which is greater than the percentage of owner-occupied units in these tracts at 36.9% and significantly greater than the aggregate of all lenders at 29.7%. Thus, the geographic distribution of home improvement loans to moderate-income tracts is excellent.

CTB originated 383 home improvement loans (55.5%) in middle-income tracts, which is less than the percentage of owner-occupied units in these tracts at 58.8% and the aggregate of all lenders at 66.7%. Thus, the geographic distribution of home improvement loans to middle-income tracts is good.

CTB made 4.5% of its home improvement loans in upper-income tracts, compared to the percentage of owner-occupied units in these tracts at 4.3%. The aggregate of all HMDA lenders made 3.6% of their loans in upper-income tracts.

Small Business Loans

The geographic distribution of small business loans was analyzed to determine the dispersion of these loans among different census tracts within the assessment area. Penetration throughout the assessment area was considered excellent.

During the evaluation period, CTB originated 723 loans in an aggregate amount of \$65.8 million of which 206 loans (28.5%) were made in moderate-income tracts, which is slightly greater than the 27.4% of businesses are located in these tracts. In addition, the aggregate of all CRA lenders originated 25.7% of their loans in moderate-income tracts. Therefore, the bank's lending to small businesses in moderate-income tracts is considered excellent.

CTB made 427 loans (59.1%) in middle-income tracts, which is less than the 63.8% of businesses located in these tracts. In addition, the aggregate of all CRA lenders originated 59.0% of their loans in middle-income tracts. Therefore, the bank's lending to small businesses in middle-income tracts is considered good.

The bank originated 12.4% of its small business loans in upper-income tracts, compared to the proxy at 8.8%. The aggregate of all CRA lenders originated 8.6% of its small business loans in upper-income geographies.

Distribution of Loans by Borrower Income Level and Revenue Size of the Business

Home mortgage lending and small business lending data were analyzed in conjunction with the review of the demographic and economic characteristics of the assessment area to determine the extent of lending to borrowers of different incomes and to businesses of different sizes. This analysis revealed that given the product lines offered, CTB has a good penetration among borrowers of different income levels and businesses of different sizes.

Lending to Borrowers of Different Income Levels

The percentage of low- and moderate-income families in the assessment area is used as a proxy to estimate demand for home mortgage lending.

The bank's overall lending to low- and moderate-income borrowers is good considering that the credit needs of the low-income segment of the population are difficult to address through conventional loan products, presenting a significant obstacle to homeownership. In particular, 34.7% of the assessment area's renters expend more than 30% of gross income for housing, making it difficult for renters to save the customary down payment and closing costs necessary to purchase a home. In addition, 23.6% of families residing in this assessment area live below the poverty level.

CTB's use of innovative and flexible loan products that address the specific credit needs of low- and moderate-income borrowers enhances its home mortgage lending profile. Most notably, the CTB made two Homestead loans under their first-time homebuyers program for low-income individuals totaling \$103,500.

Also, while CTB does not offer financing under the FHA, VA, or Rural Housing Programs, in order to enable the bank's customers access to these products, CTB has established a relationship with another lender that originates loans under these programs in order to refer customers interested in these programs.

Home Purchase Loans

CTB originated 43 home purchase loans (6.9%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 30.5% and greater than the aggregate of all lenders at 4.2%. Thus, the borrower distribution of home purchase loans to low-income borrowers is adequate.

CTB originated 85 home purchase loans (13.6%) to moderate-income borrowers, which is less than the percentage of families in these tracts at 17.8% and the aggregate of all lenders at 15.6%. Thus, the borrower distribution of home purchase loans to moderate-income borrowers is good.

CTB made 18.7% of its home purchase loans to middle-income borrowers and 57.4% of its home purchase loans to upper-income borrowers, compared to the percentage of families in these tracts at 17.7% and 34.0%, respectively. The aggregate of all HMDA lenders made 21.4% and 52.7% of their loans to middle- and upper-income borrowers, respectively. The bank originated 3.5% of its loans to borrowers with unknown income.

Refinance Loans

CTB originated 37 refinance loans (4.6%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 30.5% and equivalent to the aggregate of all lenders at 4.4%. Thus, the borrower distribution of home purchase loans to low-income borrowers is adequate.

CTB originated 95 refinance loans (11.8%) to moderate-income borrowers, which is less than the percentage of families in these tracts at 17.8% and the aggregate of all lenders at 14.2%. Thus, the borrower distribution of home purchase loans to moderate-income borrowers is adequate.

CTB made 24.0% of its refinance loans to middle-income borrowers and 59.0% of its refinance loans to upper-income borrowers, which is greater than the percentage of families in these tracts at 17.7% and 34.0%, respectively. The aggregate of all HMDA lenders made 21.8% and 54.6% of their loans to middle- and upper-income borrowers, respectively. The bank originated 0.6% of its loans to borrowers with unknown income.

Home Improvement Loans

CTB originated 71 home improvement loans (10.3%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 30.5% and equivalent the aggregate of all lenders at 10.5%. Thus, the borrower distribution of home purchase loans to low-income borrowers is adequate.

CTB originated 153 home improvement loans (22.2%) to moderate-income borrowers, which is greater than the percentage of families in these tracts at 17.8% and the aggregate of all lenders at 17.0%. Thus, the borrower distribution of home improvement loans to moderate-income borrowers is excellent.

CTB made 24.3% of its home improvement loans to middle-income borrowers and 41.7% of its home improvement loans to upper-income borrowers, compared to the percentage of families in these tracts at 17.7% and 34.0%, respectively. The aggregate of all HMDA lenders made 18.1% and 52.5% of their loans to middle-and upper-income borrowers, respectively. The bank originated 1.4% of its loans to borrowers with unknown income.

Small Business Loans

An analysis of small business lending was conducted to ascertain the extent of lending to businesses of different sizes, including small businesses. CTB's distribution of loans reflects an excellent penetration. Of the 723 small business loans, 587 (81.2%) were originated to businesses with less than \$1 million in revenue (small business), compared to the proxy at 88.0% and the aggregate of all CRA lenders who made 38.1% of all businesses in this assessment area. Based on this analysis, the bank's lending to small businesses is considered good.

A further analysis shows that 78% of the bank's small business loans were extended in an amount of \$100,000 or less, compared to the aggregate of all CRA lenders who extended 97.3% of small business loans in an amount of \$100,000 or less. Since smaller size loans are generally commensurate with the borrowing needs of smaller businesses, CTB's lending activity demonstrates that the bank is meeting the credit needs of such businesses.

Community Development Lending

During the evaluation period, CTB made a low level of community development loans in this assessment area. CTB originated four loans totaling \$151,578. Each of the loans contributed to the revitalization and/or stabilization of communities in distressed/underserved geographies that have difficulty financing essential community needs. Three of the loans were to purchase fire trucks and one loan was to repair water and sewer infrastructure.

Of the bank's total community development lending dollars, 5% supported the Nonmetropolitan Eastern Kentucky assessment area.

Investment Test

Performance under the investment test is excellent.

The investment test evaluates a financial institution's level of qualified investments that serve low- or moderate-income geographies or individuals, together with the innovativeness and complexity of such investments. Qualified investments made prior to the previous evaluation, which are still outstanding, are considered under the test. For purposes of CRA, the term qualified investment has been defined to include a lawful investment; deposit; membership share; or grant, including a donation, or in-kind contribution of property, that has as its primary purpose community development.

CTB has an excellent level of qualified community development investments and grants, particularly those not routinely provided by private investors. Bank investments total \$6.0 million for this evaluation period.

The bank had four Kentucky Housing Corporation statewide revenue bonds aggregating \$10.7 million. A portion of the balance was allocated to this assessment area based on the bank's percentage of deposits in the amount of \$5.0 million.

CTB made six grants to four community development organizations totaling \$528,244 that support affordable housing initiatives through FHLB of Cincinnati's American Dream Homeownership Challenge for 18 homes in four counties in this assessment area.

The bank made 34 donations to 16 community development organizations totaling \$459,319 that contribute to the revitalization and/or stabilization of distressed/underserved middle-income geographies, supporting services to LMI individuals and families, and economic development, and affordable housing initiatives, in that order.

No dollars were allocated to this assessment area as a result of CTB's ongoing investment in the CRA Fund Advisors, which invests in affordable housing securitizations (FNMA/GNMA loan pools) comprised of loans to low- and moderate-income borrowers.

Of the bank's total community development investment dollars, 27% supported the Nonmetropolitan Eastern Kentucky assessment area.

CTB exhibits excellent responsiveness to credit and community economic development needs through the use of investments.

Service Test

Performance under the service test is good.

Retail Services

The bank’s delivery systems are accessible to the geographies and individuals of different income levels in its assessment area. The bank operates 24 branches and 18 full-service ATMs in the Nonmetropolitan Eastern Kentucky assessment area. When comparing the distribution of branches by census tract income level to the percentage of the population living within each census tract income level, the distribution is accessible in the moderate- and middle-income geographies and to individuals of different income levels. Also, 79% of CTB’s branches and 72% of their ATMs serve either moderate- or distressed and underserved middle-income tracts, and 96% of the families reside in these geographies. The following table shows the total distribution of CTB’s branches and full-service ATMs compared to families by tract income:

Geography*	Number of Branches	Percent	Number of ATMs	Percent	Percent Families by Tract Income
Moderate-income	7	29.17	5	27.78	36.6
Middle-income	12	50.00	8	44.44	59.0
Upper-income	5	20.83	5	27.78	4.4
Totals	24	100.00	18	100.00	100.00

* There are no low-income geographies in this assessment area and all middle-income geographies are distressed.

No branches or full-service ATMs were opened or closed in this assessment area since the previous examination. The bank’s record of opening and closing offices has not adversely affected the accessibility of its services, particularly to moderate-income geographies and low- and moderate-income individuals.

To supplement traditional banking services, CTB offers free 24-hour account access via internet banking at www.ctbi.com and telephone banking. Internet banking allows customers to transfer funds, pay bills, and view account statements and transactions. Telephone banking allows customers to initiate fund transfers and access account information, such as balances, recent transactions, and loan payoffs.

Community Development Services

CTB exhibits good responsiveness to credit and community economic development needs through the use of services.

The following are the community development services the bank provided during the evaluation period:

- *Reality Store and other educational courses* – Three Reality Store classes emulating real world financial situations were offered in high schools located in middle-income distressed geographies or targeted at educating LMI borrowers. Three employees taught these classes in Perry County.

- *County Chambers of Commerce, Industrial, and Extension programs* – These organizations promote economic development opportunities within their communities. CTB had six employees, including two market presidents that preside on five different chambers in three different counties throughout this assessment area (Letcher, Perry, and Pike).
- *Pikeville Rotary Club* – This organization uses its expertise to attract new businesses and retain current businesses within the Pike County area. Three employees serve on the board.
- *Annual Women’s Symposium* – This organization helps to promote entrepreneurial opportunities for women-owned small businesses. One employee provided technical assistance for the symposium.
- *Women’s Shelter* – This organization provides housing and services for low- and moderate-income women and their children in Pike County. One employee serves on the board.
- *Housing Foundation of Kentucky* – This organization supports affordable rental housing initiatives for low- and moderate-income individuals and families. One employee serves on the board.
- *Sandy Valley Habitat for Humanity and Habitat for Humanity of Kentucky* – This organization promotes affordable housing initiatives. Six employees serve on the board, of which one employee currently serves as board president and three of the employees also provided technical expertise to coordinate the Women’s Build project.
- *Pine Mountain Community Development Corporation* – This organization assists in obtaining access to capital and business development opportunities within Letcher County. A market president presides on the board.
- *Kentucky River Council* – This organization facilitates student success for low- and moderate-income children from early childhood through postsecondary education in a collaborative eight-county partnership. One employee resides on the board.
- *HOMES, Inc. - Helping Our Mentally Ill Experience Success* – This organization provides a variety of services for the mentally ill. A market president and another employee serve on the board.
- *REACH (Resources, Education, and Assistance for Community Housing)* – This non-profit organization is committed to making housing more affordable for low- and moderate-income individuals and families in order to become first-time homebuyers. One employee serves on the board.
- *McDonald ARH Advisory Board (Appalachian Regional Healthcare)* – This organization promotes strategies to provide healthcare-related services to low- and moderate-income individuals and families in the area. A market president presides on the board.

NONMETROPOLITAN STATEWIDE AREAS
(full-scope review)

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN NONMETROPOLITAN
CENTRAL KENTUCKY #1**

The Central Kentucky #1 Nonmetropolitan Area is comprised of the entireties of Adair, Bell, Boyle, Franklin, Green, Laurel, Madison, Marion, Mercer, Montgomery, Pulaski, Rockcastle, Russell, Taylor, and Whitley Counties in Kentucky and eight census tracts in Claiborne County, Tennessee. These eight adjacent tracts are being included into this assessment area because of the bank's lending activity in these tracts. A separate state rating is not warranted because the bank has no branch offices located in the State of Tennessee. The assessment area is comprised of 119 census tracts, of which there are two low-income, 17 moderate-income, 68 middle-income, and 32 upper-income tracts.

This assessment area represented 28.6% of CTB's total deposits and 32.0% of its loans. According to the Federal Deposit Insurance Corporation's (FDIC) Summary of Deposits¹² as of June 30, 2007, the bank operates 26 branches and 24 full-service ATMs with \$679 million in deposits, and ranks first out of 56 institutions within this assessment area with 9.7% of total market deposits. These 56 institutions maintained 232 branches holding \$7.0 billion in deposits. Major banking competitors in the area include Farmers Bank & Capital Trust, Cumberland Valley National Bank & Trust, Peoples Bank & Trust Company of Madison County, Farmers National Bank of Danville, and National City Bank.

To determine credit needs and opportunities in the assessment area, two interviews focusing on economic development and affordable housing were conducted with a local community organization. This information was also supplemented with demographic and economic data pertinent to the area. In regards to affordable housing, the interviewee stated that low income tax credit projects are a valuable tool for developers and counties to provide affordable housing for low-income borrowers, but with the current economic conditions, the availability of these tax credits is declining and that current affordable housing projects may not be completed and new projects may not begin. In regards to economic development, the interviewee stated that this area has lost a lot of jobs in both the textile industry and the decline in tobacco allotments issued to farmers. The area has replaced some employment with industrial parkways. Start-up monies for new small businesses and small loans for ongoing operating costs are always needed in the area.

Population Characteristics

According to 2000 Census data, the population of the this assessment area is 497,144, with Madison, Pulaski, Laurel, and Franklin Counties accommodating 46% of Nonmetropolitan Central Kentucky #1's total population. 23.7% of the population is age 17 years and younger, 10.6% of the population is age 18 to 24 years, 52.6% of the population is age 25 to 64 years, and 13.1% of the population age 65 and over.

¹² FDIC Summary of Deposits: www.fdic.gov (June 30, 2007 is the most recent date for which FDIC deposit data is available.)

Income Characteristics

For the purpose of evaluating the loan distribution to borrowers of different income levels, incomes were classified based upon annually adjusted median family income data made available by HUD. According to the 2000 Census, the median family income for the assessment area is \$34,721. However, in 2007, the median family income increased to \$41,400 in Nonmetropolitan Central Kentucky #1, which is still significantly below the median family income for Kentucky at \$48,300 and Tennessee at \$49,300.

From the income distribution perspective, 20.9% of the families in the assessment area are designated as low-income, 16.4% are moderate-income, 19.6% are middle-income, and 43.23% are upper-income. Families living below the poverty level represent 15.4% of total families in the assessment area, which is above the percentage of families living below the poverty level in Kentucky at 12.7%.

Housing Characteristics

According to the 2000 Census, the assessment area contains 219,868 housing units, of which 64.2% are owner-occupied. In low-income tracts, 42.3% are owner-occupied; in moderate-income tracts, 64.3% are owner-occupied; in middle-income tracts, 64.4% are owner-occupied; and in upper-income tracts, 63.9% are owner-occupied. The overall owner-occupancy rate in this assessment area is 64.2%, which is equivalent to Kentucky's at 64.3%.

The percentage of units housing 1-4 families was 73.8%, while 6.9% of housing units are five families or more. Rental units were 25.2%, mobile homes were 19.2%, and vacant units comprised 10.7% of the total housing units. The median age of the housing stock in the assessment area is 25 years, which is slightly lower than Kentucky's at 27 years.

As of the 2000 Census, the median housing value in the assessment area was \$68,600. The median housing value in upper-income census tracts (\$90,336) had a significant disparity with housing in both low- (\$21,518) and moderate-income census tracts (\$39,999) and, to a lesser degree, with middle-income census tracts (\$62,893). According to Sperling's Best Places,¹³ as of 2007, the median home cost in the following cities throughout this assessment area was: Columbia - \$115,000; Greensburg - \$122,700; Campbellsville - \$155,600, where home appreciation increased by 2.59% in the last year; London - \$159,000; Somerset - \$163,800; and Danville - \$159,900, where home appreciation increased by 2.32%, 4.57%, and 10.28%, respectively in the last year. In the city of Williamsburg, the median home cost was \$123,000 and home appreciation decreased by 5.31% in the last year.

13 www.bestplaces.net

Labor, Employment, and Economic Characteristics

Despite the large low-income population and high poverty rate, there are only two low-income tracts in the assessment area; however, 33% of the middle-income geographies are distressed and/or underserved.

Underserved areas are defined by the United States Department of Agriculture Economic Research Service (ERS) as those areas where the population is so small and distant from a population center that the communities have difficulty financing essential community needs. In many cases, these tracts are removed from basic amenities like hospitals or clinics and require water and sewer, health-care facilities, and other infrastructure. Distressed areas include poverty rates, unemployment, and population loss and its impact on these areas.

For CRA purposes, middle-income geographies in non-metropolitan areas may be considered distressed and/or underserved geographies for up to one year after the geographies are removed from the list. The following table lists counties that met these definitions during this evaluation period:

Counties	Distressed (Poverty)		Underserved	
	2006	2007	2006	2007
Non-MSA Central KY #1				
Adair (5 tracts)	X	X		
Bell (1 tract = poverty and unemployment)	X	X		
Green (4 tracts)			X	X
Rockcastle (4 tracts)	X			
Russell (4 tracts)	X		X	X
Whitley (4 tracts)	X	X		

Employment in the area is primarily in the retail, construction, agriculture, health care, social services, professional, and manufacturing sectors. Major employers include: Amazon.com, Cox International, Campbellsville School District, Campbellsville University, Campbellsville Apparel, Ingersoll-Rand Company, Taylor County Hospital, Taylor County School District, and Wal-Mart Stores.

Area unemployment rates remain higher within the Counties of Central Kentucky versus either the Commonwealth of Kentucky, the State of Tennessee, or nationwide. Bell County continues to significantly exceed the state and national rates. For comparison purposes, area unemployment rates are presented in the table below:

Unadjusted Unemployment	Annual 2007	Annual 2006
Adair	5.9	5.8
Bell	8.2	7.9
Boyle	6.1	6.9
Franklin	4.5	4.8
Green	6.2	5.7
Laurel	5.4	5.9
Madison	4.8	4.9
Marion	5.2	5.3
Mercer	5.2	5.9
Montgomery	5.9	6.1
Pulaski	6.0	6.6
Rockcastle	6.5	7.0
Russell	6.2	6.7
Taylor	5.5	4.8
Whitley	6.4	6.3
Claiborne, TN	5.5	5.2
Kentucky	5.5	5.8
Tennessee	4.7	5.3
U.S. (nationwide)	4.6	4.6

Combined Demographics Report

Community Trust Bank

Analysis Year: 2006 & 2007

Assessment Area(s): Non-MSA Central KY1

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	2	1.7	460	0.3	157	34.1	29,068	20.9
Moderate-income	17	14.3	14,793	10.6	4,024	27.2	22,778	16.4
Middle-income	68	57.1	81,814	58.7	13,638	16.7	27,228	19.5
Upper-income	32	26.9	42,224	30.3	3,571	8.5	60,217	43.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	119	100.0	139,291	100.0	21,390	15.4	139,291	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	818	346	0.2	42.3	347	42.4	125	15.3
Moderate-income	22,813	14,667	10.4	64.3	5,683	24.9	2,463	10.8
Middle-income	130,282	83,852	59.5	64.4	30,615	23.5	15,815	12.1
Upper-income	65,955	42,178	29.9	63.9	18,709	28.4	5,068	7.7
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	219,868	141,043	100.0	64.1	55,354	25.2	23,471	10.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	55	0.3	52	0.3	2	0.2	1	0.2
Moderate-income	1,152	6.5	1,028	6.4	79	6.2	45	8.2
Middle-income	10,358	58.2	9,292	58.2	780	61.6	286	52.1
Upper-income	6,227	35.0	5,604	35.1	406	32.0	217	39.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	17,792	100.0	15,976	100.0	1,267	100.0	549	100.0
Percentage of Total Businesses:			89.8		7.1		3.1	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	64	5.5	63	5.5	1	12.5	0	0.0
Middle-income	782	67.7	776	67.7	5	62.5	1	100.0
Upper-income	309	26.8	307	26.8	2	25.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,155	100.0	1,146	100.0	8	100.0	1	100.0
Percentage of Total Farms:			99.2		0.7		0.1	

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NONMETROPOLITAN CENTRAL KENTUCKY #1

Lending Test

The assessment area's lending test is considered good.

Lending Activity

Lending levels reflect good responsiveness to assessment area credit needs. During the evaluation period, CTB originated \$133.6 million in HMDA loans and \$37.4 million in small business loans in this assessment area. This represented 32.1% of CTB's total lending activity. The percentage of loans is less than the percentage of bank branches (35.6%) and greater than the percentage of deposits (28.6%) in this assessment area. Overall, CTB ranks second among 402 HMDA reporters. The bank ranks ninth among 61 small business reporters lending in the assessment area.

Geographic Distribution

An analysis of the geographic distribution of loans was conducted to determine the dispersion of loans among different census tracts within the assessment area. The geographic distribution of loans reflects a good penetration throughout the assessment area, especially considering the level of households below the poverty and level of households receiving public assistance within this assessment area.

During this evaluation period, CTB made loans in 109 (92%) of the assessment area's 119 geographies; there were no significant lending gaps. Further, 12.6% of the loans made were originated in low- and moderate-income tracts; however, when incorporating all of the loans originated in this assessment area's distressed middle-income tracts, 37.0% of originated loans were made in either low-, moderate-, or distressed middle-income tracts.

Home Mortgage Lending

The percentage of owner-occupied housing units contained within designated census tracts is used as a proxy to estimate demand for residential mortgage lending within such census tracts. In addition, 0.66%, 16.5%, and 63.3% of households are below poverty and 0.76%, 18.9%, and 61.7% of households are receiving public assistance in low-, moderate- and middle-income tracts, respectively. A lower level of owner-occupied units, coupled with higher levels of poverty and public assistance, limits the bank's lending opportunities in those tracts.

Home Purchase Loans

While CTB originated no home purchase loans in low-income tracts, the percentage of owner-occupied units in these tracts at 0.2% and the aggregate of all lenders at 0.1% are very low. Thus, the geographic distribution of home purchase loans to low-income tracts is adequate.

CTB originated 43 home purchase loans (6.9%) in moderate-income tracts, which is less than the percentage of owner-occupied units in these tracts at 10.4%, but greater than the aggregate of all lenders at 5.4%. Thus, the geographic distribution of home purchase loans to moderate-income tracts is adequate.

CTB originated 433 home purchase loans (69.2%) in middle-income tracts, which is greater than the percentage of owner-occupied units in these tracts at 59.4% and the aggregate of all lenders at 53.9%. Thus, the geographic distribution of home purchase loans to middle-income tracts is excellent.

CTB made 24.0% of its home purchase loans in upper-income tracts, compared to the percentage of owner-occupied units in these tracts at 29.9%. The aggregate of all HMDA lenders made 40.2% of their loans in upper-income tracts.

Refinance Loans

CTB originated one (0.1%) refinance loan in low-income tracts, which is equivalent to the percentage of owner-occupied units in these tracts at 0.2% and the aggregate of all lenders at 0.1%. Thus, the geographic distribution of refinance loans to low-income tracts is adequate.

CTB originated 76 refinance loans (11.0%) in moderate-income tracts, which is greater than the percentage of owner-occupied units in these tracts at 10.4% and significantly greater than the aggregate of all lenders at 5.9%. Thus, the geographic distribution of refinance loans to moderate-income tracts is excellent.

CTB originated 475 refinance loans (68.6%) in middle-income tracts, which is equivalent to the percentage of owner-occupied units in these tracts at 59.4% and greater than the aggregate of all lenders at 55.5%. Thus, the geographic distribution of refinance loans to middle-income tracts is excellent.

CTB made 20.2% of its refinance loans in upper-income tracts, compared to the percentage of owner-occupied units in these tracts at 29.9%. The aggregate of all HMDA lenders made 38.1% of their loans in upper-income tracts.

Home Improvement Loans

CTB originated one (0.3%) home improvement loan in low-income tracts, which is slightly greater than to the percentage of owner-occupied units in these tracts at 0.2% and the aggregate of all lenders at 0.2%. Thus, the geographic distribution of home improvement loans to low-income tracts is good.

CTB originated 110 home improvement loans (32.2%) in moderate-income tracts, which is significantly greater than the percentage of owner-occupied units in these tracts at 10.4% and the aggregate of all lenders at 7.8%. Thus, the geographic distribution of home improvement loans to moderate-income tracts is excellent.

CTB originated 198 home improvement loans (57.9%) in middle-income tracts, which is less than the percentage of owner-occupied units in these tracts at 59.4%, but greater than the aggregate of all lenders at 55.1%. Thus, the geographic distribution of home improvement loans to middle-income tracts is good.

CTB made 9.6% of its home improvement loans in upper-income tracts, compared to the percentage of owner-occupied units in these tracts at 29.9%. The aggregate of all HMDA lenders made 35.5% of their loans in upper-income tracts.

Small Business Loans

The geographic distribution of small business loans was analyzed to determine the dispersion of these loans among different census tracts within the assessment area. Penetration throughout the assessment area was considered good.

During the evaluation period, CTB originated 562 loans in an aggregate amount of \$47.4 million, of which one loan (0.2%) was made in a low-income tract, which is equivalent to the 0.3% of businesses located in these tracts. In addition, the aggregate of all CRA lenders originated 0.2% of their loans in low-income tracts. Therefore, the bank's lending to small businesses in low-income tracts is considered adequate.

CBT made 67 loans (11.9%) in moderate-income tracts, which is significantly greater than the 6.5% of businesses are located in these tracts. In addition, the aggregate of all CRA lenders originated 5.1% of their loans in moderate-income tracts. Therefore, the bank's lending to small businesses in moderate-income tracts is considered excellent.

CTB made 294 loans (52.3%) in middle-income tracts, which is less than the 58.2% of businesses are located in these tracts. In addition, the aggregate of all CRA lenders originated 52.9% of their loans in middle-income tracts. Therefore, the bank's lending to small businesses in middle-income tracts is considered good.

The bank originated 35.6% of its small business loans in upper-income tracts, compared to the proxy at 35.0%. The aggregate of all CRA lenders originated 38.2% of its small business loans in upper-income geographies.

Distribution of Loans by Borrower Income Level and Revenue Size of the Business

Home mortgage lending and small business lending data were analyzed in conjunction with the review of the demographic and economic characteristics of the assessment area to determine the extent of lending to borrowers of different incomes and to businesses of different sizes. This analysis revealed that given the product lines offered, CTB has a good penetration among borrowers of different income levels and an excellent penetration among businesses of different sizes.

Lending to Borrowers of Different Income Levels

The percentage of families by income category in the assessment area is used as a proxy to estimate demand for home mortgage lending.

The bank's overall lending to low- and moderate-income borrowers is good considering that the credit needs of the low-income segment of the population are difficult to address through conventional loan products, presenting a significant obstacle to homeownership. In particular, 31.0% of the assessment area's renters expend more than 30% of gross income for housing, making it difficult for renters to save the customary down payment and closing costs necessary to purchase a home. In addition, 15.4% of families residing in this assessment area live below the poverty level.

CTB's use of innovative and flexible loan products that address the specific credit needs of low- and moderate-income borrowers enhances its home mortgage lending profile. Most notably, CTB made nine Homestead loans under their first-time homebuyers program for low-income individuals totaling \$288,113 and three grants totaling \$15,000 to assist homebuyers under the Federal Home Loan Bank of Cincinnati's Welcome Home affordable housing program.

Also, while CTB does not offer financing under the FHA, VA, or Rural Housing Programs, in order to enable the bank's customers access to these products, CTB has established a relationship with another lender that originates loans under these programs in order to refer customers interested in these programs.

Home Purchase Loans

CTB originated 38 home purchase loans (6.1%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 20.9% and greater than the aggregate of all lenders at 3.9%. Thus, the borrower distribution of home purchase loans to low-income borrowers is poor.

CTB originated 84 home purchase loans (13.4%) to moderate-income borrowers, which is less than the percentage of families in these tracts at 16.4% and the aggregate of all lenders at 14.5%. Thus, the borrower distribution of home purchase loans to moderate-income borrowers is good.

CTB made 22.5% of its home purchase loans to middle-income borrowers and 52.9% of its home purchase loans to upper-income borrowers, compared to the percentage of families in these tracts at 19.5% and 43.2%, respectively. The aggregate of all HMDA lenders made 20.0% and 52.1% of their loans to middle- and upper-income borrowers, respectively. The bank originated 5.1% of its loans to borrowers with unknown income.

Refinance Loans

CTB originated 37 refinance loans (5.3%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 20.9% and greater than the aggregate of all lenders at 4.8%. Thus, the borrower distribution of home purchase loans to low-income borrowers is poor.

CTB originated 122 refinance loans (17.6%) to moderate-income borrowers, which is greater than the percentage of families in these tracts at 16.4% and the aggregate of all lenders at 14.1%. Thus, the borrower distribution of home purchase loans to moderate-income borrowers is excellent.

CTB made 21.5% of its refinance loans to middle-income borrowers and 54.5% of its refinance loans to upper-income borrowers, compared to the percentage of families in these tracts at 19.5% and 43.2%, respectively. The aggregate of all HMDA lenders made 19.9% and 52.8% of their loans to middle-and upper-income borrowers, respectively. The bank originated 1.0% of its loans to borrowers with unknown income.

Home Improvement Loans

CTB originated 64 home improvement loans (18.7%) to low-income borrowers, which is less than the percentage of families in these tracts at 20.9% and significantly greater than the aggregate of all lenders at 8.3%. Thus, the borrower distribution of home purchase loans to low-income borrowers is good.

CTB originated 76 home improvement loans (22.2%) to moderate-income borrowers, which is significantly greater than the percentage of families in these tracts at 16.4% and the aggregate of all lenders at 16.2%. Thus, the borrower distribution of home improvement loans to moderate-income borrowers is excellent.

CTB made 19.6% of its home improvement loans to middle-income borrowers and 38.6% of its home improvement loans to upper-income borrowers, compared to the percentage of families in these tracts at 19.5% and 43.2%, respectively. The aggregate of all HMDA lenders made 19.5% and 52.5% of their loans to middle-and upper-income borrowers, respectively. The bank originated 0.9% of its loans to borrowers with unknown income.

Small Business Loans

An analysis of small business lending was conducted to ascertain the extent of lending to businesses of different sizes, including small businesses. CTB's distribution of loans reflects a good penetration. Of the 562 small business loans, 504 (89.7%) were originated to businesses with less than \$1 million in revenue (small business), compared to the proxy at 89.8% and the aggregate of all CRA lenders who made 40.2% of all businesses in this assessment area. Based on this analysis, the bank's lending to small businesses is considered excellent.

Further analysis shows that 80.8% of the bank's small business loans were extended in an amount of \$100,000 or less, compared to the aggregate of all CRA lenders who extended 96.9% of small business loans in an amount of \$100,000 or less. Since smaller size loans are generally commensurate with the borrowing needs of smaller businesses, CTB's lending activity demonstrates that the bank is meeting the credit needs of such businesses.

Community Development Lending

During the evaluation period, CTB made a relatively high level of community development loans in this assessment area. CTB made 2 loans aggregating \$2.1 million. One loan was an \$8 million construction loan for a nursing home in which CTB participated out among three other banks. CTB received 25% CRA credit totaling \$912,500 for their portion of the loan based on the percent of beds to be occupied by Medicaid patients in that facility. The second loan was to purchase a nursing home, and CTB received 83% CRA credit totaling \$1,218,824 based on the percent of beds to be occupied by Medicaid patients in that facility.

Of the bank's total community development dollars, 70% supported the Nonmetropolitan Central Kentucky #1 assessment area.

Investment Test

Performance under the investment test is excellent.

The investment test evaluates a financial institution's level of qualified investments that serve low- or moderate-income geographies or individuals, together with the innovativeness and complexity of such investments. Qualified investments made prior to the previous evaluation that are still outstanding are considered under the test. For purposes of CRA, the term "qualified investment" has been defined to include a lawful investment; deposit; membership share; or grant, including a donation, or in-kind contribution of property, that has as its primary purpose community development.

CTB has an excellent level of qualified community development investments and grants, particularly those not routinely provided by private investors. Bank investments total \$5.3 million for this evaluation period.

The bank had four Kentucky Housing Corporation statewide revenue bonds aggregating \$10.7 million. A portion of the balance was allocated to this assessment area based on the bank's percentage of deposits in the amount of \$3.3 million.

\$1.9 million was allocated to this assessment area as a result of CTB's ongoing investment in the CRA Fund Advisors which invests in affordable housing securitizations (FNMA/GNMA loan pools) comprised of loans to low- and moderate-income borrowers.

CTB made four grants to two community development organizations totaling \$64,728 that support affordable housing initiatives either through FHLB of Cincinnati's Welcome Home program (three grants) or FHLB's American Dream Homeownership Challenge which helped to finance two homes in two counties in this assessment area.

The bank made 13 donations to seven community development organizations totaling \$19,700 that contribute to revitalizing or stabilizing distressed/underserved middle-income geographies, support services to LMI individuals and families, and economic development initiatives.

Of the bank's total community development investment dollars, 24% supported the Nonmetropolitan Central Kentucky #1 assessment area.

Responsiveness to Credit and Community Development Needs

CTB exhibits excellent responsiveness to credit and community economic development needs through the use of investments.

Service Test

Performance under the service test is good.

Retail Services

The bank's delivery systems are accessible to essentially all portions of the bank's assessment area. The bank operates 27 branches and 26 full-service ATMs in the Nonmetropolitan Central Kentucky #1 assessment area. When comparing the distribution of branches by census tract income level to the percentage of the population living within each census tract income level, the distribution is accessible in the low- and moderate-income geographies and to borrowers of different income levels. While there are no branches or full-service ATMs located in either of CTB's 2 low-income tracts, it should be noted that 45% of CTB's branches and 50% of their ATMs serve either moderate- or distressed and/or underserved middle-income tracts, and 70% of the families reside in these geographies. The following table shows the total distribution of CTB's branches and full-service ATMs compared to families by tract income:

Geography*	Number of Branches	Percent	Number of ATMs	Percent	Percent Families by Tract Income
Low-income	0	0.00	0	0.00	0.3
Moderate-income	2	7.41	3	11.54	10.6
Middle-income	16	59.26	15	57.69	58.7
Upper-income	9	33.33	8	30.77	30.4
Totals	27	100.00	26	100.00	100.00

* 33% of Middle-income tracts are distressed.

No branches or full-service ATMs were opened or closed in this assessment area since the previous examination. The bank's record of opening and closing offices has not adversely affected the accessibility of its services, particularly to moderate-income geographies and low- and moderate-income individuals.

To supplement traditional banking services, CTB offers free 24-hour account access via internet banking at www.ctbi.com and telephone banking. Internet banking allows customers to transfer funds, pay bills, and view account statements and transactions. Telephone banking allows customers to initiate fund transfers and access account information such as balances, recent transactions, and loan payoffs.

Community Development Services

The following are the community development services the bank provided during the evaluation period:

- *Reality Store and other educational courses* – Six Reality Store classes emulating real world financial situations, a Get Smart About Credit class, a leadership and banking class, and two classes for realtors and clients providing first-time homebuyer assistance targeted at LMI borrowers. These classes were offered in high schools located in middle-income distressed geographies or targeted at educating LMI borrowers. Ten employees taught these classes in seven different counties throughout this assessment area (Adair, Bell, Green, Madison, Rockcastle, Russell, and Taylor).
- *County Chambers of Commerce, Industrial, and Extension programs* – These organizations promote economic development opportunities within their communities. CTB had ten employees, including two market presidents that preside on twelve different chambers in seven different counties throughout this assessment area (Bell, Boyle, Green, Laurel, Madison, Mercer, and Rockcastle).
- *Bell/Whitley Community Action Agency* – This organization supports a variety of services targeted at low- and moderate-income individuals. An employee is a member of the board.
- *Montgomery County Agriculture and Advisory Board* – This organization helps to obtain capital and create business development opportunities for farmers in their communities. A market president presides on the board.
- *Downtown Revitalization* - These organizations expertise is to attract new businesses and retain current businesses in distressed downtown areas. CTB had three employees presiding on two different boards in three counties throughout this assessment area (Bell/Whitley and Mercer).
- *Community Ventures Corporation* - This organization helps low- and moderate-income individuals buy homes, finance businesses, and learn how to manage money. These initiatives are supported through education and financing. One employee provided technical assistance for an affordable housing fair that benefited Adair/Russell Counties.

- *Professional League of Women* – These organizations help to promote entrepreneurial opportunities for women-owned small businesses. Two employees serve on two different boards in three counties throughout this assessment area (Bell/Whitley, and Madison).
- *Green County Leadership Organization* – This organization supports leadership initiatives in order to develop future leaders to meet prospective business challenges. An employee serves on the board.
- *Habitat for Humanity* – This organization promotes affordable housing initiatives. A market president serves on the board.
- *Pine Mountain Community Development Corporation* – This organization assists in obtaining access to capital and business development opportunities within Adair and Russell Counties. One employee presides on the board.

METROPOLITAN AREAS *(full-scope review)*

DESCRIPTION OF INSTITUTION'S OPERATIONS IN LEXINGTON-FAYETTE, KY METROPOLITAN AREA

The Lexington-Fayette, KY Metropolitan Area (MSA) is comprised of the entireties of Bourbon, Clark, Fayette, Jessamine, Scott and Woodford Counties; however, the bank's assessment area only consists of the entireties of Clark, Fayette, Scott, and Woodford. The assessment area is comprised of 81 census tracts, of which there are nine low-income, 15 moderate-income, 34 middle-income, 22 upper-income, and one unknown-income tracts. This assessment area represented 8.5% of CTB's total deposits and 11.6% of its loans.

According to the Federal Deposit Insurance Corporation's (FDIC) Summary of Deposits¹⁴ as of June 30, 2007, the bank operates 10 branches and 10 full-service ATMs with \$201 million in deposits, and ranks ninth out of 32 institutions within this assessment area with 2.87% of total market deposits. These 32 institutions maintained 163 branches holding \$7.0 billion in deposits. Major banking competitors in the area include Central Bank & Trust Company, JPMorgan Chase Bank, Fifth Third Bank, National City Bank, Branch Banking & Trust Company, Traditional Bank, Inc., and Whitaker Bank.

To determine credit needs and opportunities in the assessment area, an interview focusing on economic development was conducted with a local community organization. This information was also supplemented with demographic and economic data pertinent to the area. The most frequently mentioned credit need was the need for easier access to financing and business advice for minority-owned, women-owned, and other small businesses. The interviewee mentioned that CTB funded the most loans through Commerce Lexington.

Population Characteristics

According to 2000 Census data, the population of this assessment area is 349,925 versus the MSA's total population of 408,326. 22.4% of the population is age 17 years and younger, 13.3% of the population is age 18 to 24 years, 54.2% of the population is age 25 to 64 years, and 10.2% of the population age 65 and over.

Income Characteristics

For the purpose of evaluating the loan distribution to borrowers of different income levels, incomes were classified based upon annually adjusted median family income data made available by HUD. According to the 2000 Census, the median family income for the assessment area is \$52,800. However, in 2007, the median family income increased to \$63,500 in the Lexington-Fayette MSA, which is still significantly above the median family income for Kentucky at \$48,300.

¹⁴ FDIC Summary of Deposits: www.fdic.gov (June 30, 2007 is the most recent date for which FDIC deposit data is available.)

From the income distribution perspective, 19.9% of the families in the assessment area are designated as low-income, 17.1% are moderate-income, 21.5% are middle-income, and 41.4% are upper-income. Families living below the poverty level represent 7.9% of total families in the assessment area which is less than the percentage of families living below the poverty level in Kentucky at 12.7%.

Housing Characteristics

According to the 2000 Census, the assessment area contains 152,267 housing units, of which 54.9% are owner-occupied. In low-income tracts, 21.2% are owner-occupied; in moderate-income tracts, 44.7% are owner-occupied; in middle-income tracts, 55.3% are owner-occupied; and in upper-income tracts, 71.4% are owner-occupied. The overall owner-occupancy rate in this assessment area is 54.9%, which is below Kentucky's at 64.3%.

The percentage of units housing 1-4 families was 75.4%, while 21.3% of the housing units were five families or more. Rental units were 38.5%, mobile homes were 3.2%, and vacant units comprised 6.5% of the total housing units. The median age of the housing stock in the assessment area is 26 years, which is slightly lower than Kentucky's at 27 years. Multi-family dwellings are more prevalent in this assessment area due to the large university and young professional population.

As of the 2000 Census, the median housing value in the assessment area was \$108,061. The median housing value in upper-income census tracts (\$158,888) had a disparity with housing values in the low- (\$61,617), moderate- (\$72,426), and middle-income census tracts (\$96,802). According to Sperling's Best Places,¹⁵ as of 2007, the median home cost was \$196,700 in the MSA, and home appreciation increased by 3.29% in the last year.

Labor, Employment, and Economic Characteristics

Employment in the area is primarily in the health care and social services, professional, and construction sectors. Primary employers include: Ashland, Inc., Amazon.com, General Electric, Johnson Controls, Lexmark International, Saint Joseph Health System, Smuckers, Toyota Motor Manufacturing, Trane, United Parcel Post, and the University of Kentucky.

Area unemployment rates within the Counties of the Lexington-Fayette MSA are generally lower than both the Commonwealth of Kentucky or nationwide. For comparison purposes, area unemployment rates are presented in the table below:

¹⁵ www.bestplaces.net

Unadjusted Unemployment	Annual 2007	Annual 2006
Clark	4.9	5.6
Fayette	4.0	4.4
Scott	4.4	4.8
Woodford	3.9	4.3
Kentucky	5.5	5.8
U.S. (nationwide)	4.6	4.6

Combined Demographics Report

Community Trust Bank

Analysis Year: 2006 & 2007

Assessment Area(s): Lexington-Fayette MSA 30460

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	9	11.1	4,516	5.1	1,472	32.6	17,768	20.0
Moderate-income	15	18.5	17,059	19.2	2,284	13.4	15,223	17.1
Middle-income	34	42.0	36,792	41.4	2,301	6.3	19,144	21.5
Upper-income	22	27.2	30,561	34.4	972	3.2	36,793	41.4
Unknown-income	1	1.2	0	0.0	0	0.0	0	0.0
Total Assessment Area	81	100.0	88,928	100.0	7,029	7.9	88,928	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	12,673	2,680	3.2	21.1	8,440	66.6	1,553	12.3
Moderate-income	30,746	13,730	16.4	44.7	14,531	47.3	2,485	8.1
Middle-income	64,603	35,744	42.7	55.3	25,268	39.1	3,591	5.6
Upper-income	44,245	31,580	37.7	71.4	10,333	23.4	2,332	5.3
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	152,267	83,734	100.0	55.0	58,572	38.5	9,961	6.5
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	1,864	12.5	1,581	12.0	241	17.1	42	12.5
Moderate-income	2,531	16.9	2,208	16.7	260	18.4	63	18.8
Middle-income	5,460	36.5	4,877	36.9	451	32.0	132	39.3
Upper-income	5,057	33.8	4,514	34.2	445	31.6	98	29.2
Unknown-income	41	0.3	27	0.2	13	0.9	1	0.3
Total Assessment Area	14,953	100.0	13,207	100.0	1,410	100.0	336	100.0
Percentage of Total Businesses:			88.3		9.4		2.2	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	12	1.9	12	1.9	0	0.0	0	0.0
Moderate-income	34	5.4	34	5.5	0	0.0	0	0.0
Middle-income	255	40.4	247	40.1	8	53.3	0	0.0
Upper-income	330	52.3	323	52.4	7	46.7	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	631	100.0	616	100.0	15	100.0	0	0.0
Percentage of Total Farms:			97.6		2.4		0.0	

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LEXINGTON- FAYETTE, KY METROPOLITAN AREA

Lending Test

The assessment area's lending test is considered good.

Lending Activity

Lending levels reflect good responsiveness to assessment area credit needs. During the evaluation period, CTB originated \$59.9 million in HMDA loans and \$29.7 million in small business loans in this assessment area. This represented 11.6% of CTB's total lending activity. The percentage of loans is less than the percentage of bank branches (13.2%) and greater than the percentage of deposits (8.5%) in this assessment area. Overall, CTB ranks 20th among 376 HMDA reporters. The bank ranks 14th among 67 small business reporters lending in the assessment area.

Geographic Distribution

An analysis of the geographic distribution of loans was conducted to determine the dispersion of loans among different census tracts within the assessment area. The geographic distribution of loans reflects a good penetration throughout the assessment area, especially considering the level of households below the poverty and level of households receiving public assistance within this assessment area.

During this evaluation period, CTB made loans in 64 (79%) of the assessment area's 81 geographies. CBT made loans in 45% low-income, 73% moderate-income, 82% middle-income, and 96% upper-income tracts. The most significant gap occurred in low-income tracts because five out of nine (56%) tracts did not have lending activity and four out of 15 (27%) of the moderate-income tracts did not have lending activity. Therefore, there were some lending gaps within this assessment area. Further, only 20.0% of the loans made were originated in low- and moderate-income tracts.

Home Mortgage Lending

The percentage of owner-occupied housing units contained within designated census tracts is used as a proxy to estimate demand for residential mortgage lending within such census tracts. In addition, 22.7% and 29.3% of households are below poverty and 21.4% and 38.8% of households are receiving public assistance in low- and moderate-income tracts, respectively. A lower level of owner-occupied units coupled with higher levels of poverty and public assistance limits the bank's lending opportunities in those tracts.

Home Purchase Loans

CTB originated five home purchase loans (2.2%) in low-income tracts, which is less than the percentage of owner-occupied units in these tracts at 3.2% and the aggregate of all lenders at 3.6%. Thus, the geographic distribution of home purchase loans to low-income tracts is adequate.

CTB originated 55 home purchase loans (24.6%) in moderate-income tracts, which is significantly greater than the percentage of owner-occupied units in these tracts at 16.4% and the aggregate of all lenders at 16.7%. Thus, the geographic distribution of home purchase loans to moderate-income tracts is excellent.

CTB made 32.6% and 40.6% of its home purchase loans in middle- and upper-income tracts respectively, compared to the percentage of owner-occupied units in these tracts at 42.7% in middle-income and 37.7% in upper-income tracts. The aggregate of all HMDA lenders made 26.4% and 55.1% of their loans in middle- and upper-income tracts in that order.

Refinance Loans

CTB originated two refinance loans (1.0%) in low-income tracts, which is less than the percentage of owner-occupied units in these tracts at 3.2% and the aggregate of all lenders at 3.4%. Thus, the geographic distribution of refinance loans to low-income tracts is poor.

CTB originated 38 refinance loans (19.0%) in moderate-income tracts, which is significantly greater than the percentage of owner-occupied units in these tracts at 16.4% and the aggregate of all lenders at 14.8%. Thus, the geographic distribution of refinance loans to moderate-income tracts is excellent.

CTB made 36.5% and 43.5% of its refinance loans in middle- and upper-income tracts respectively, compared to the percentage of owner-occupied units in these tracts at 42.7% in middle-income and 37.7% in upper-income tracts. The aggregate of all HMDA lenders made 37.2% and 44.6% of their loans in middle- and upper-income tracts, in that order.

Home Improvement Loans

CTB originated no home improvement loans in low-income tracts, which is less than the percentage of owner-occupied units in these tracts at 3.2% and the aggregate of all lenders at 3.3%. Thus, the geographic distribution of home improvement loans to low-income tracts is poor.

CTB originated 11 home purchase loans (19.6%) in moderate-income tracts, which is significantly greater than the percentage of owner-occupied units in these tracts at 16.4% and the aggregate of all lenders at 17.8%. Thus, the geographic distribution of home improvement loans to moderate-income tracts is excellent.

CTB made 48.2% and 32.1% of its home improvement loans in middle- and upper-income tracts respectively, compared to the percentage of owner-occupied units in these tracts at 42.7% in middle-income and 37.7% in upper-income tracts. The aggregate of all HMDA lenders made 40.7% and 38.2% of their loans in middle- and upper-income tracts, in that order.

Small Business Loans

The geographic distribution of small business loans was analyzed to determine the dispersion of these loans among different census tracts within the assessment area. Penetration throughout the assessment area was considered good.

During the evaluation period, CTB originated 303 loans in an aggregate amount of \$29.7 million, of which 14 loans (4.6%) were made in low-income tracts, which is significantly less than the 12.5% of businesses located in these tracts. In addition, the aggregate of all CRA lenders originated 9.3% of their loans in low-income tracts. Therefore, the bank's lending to small businesses in low-income tracts is considered poor.

CTB made 61 loans (20.1%) in moderate-income tracts, which is significantly greater than the 16.9% of businesses are located in these tracts. In addition, the aggregate of all CRA lenders originated 13.7% of their loans in moderate-income tracts. Therefore, the bank's lending to small businesses in moderate-income tracts is considered excellent.

The bank originated 38.3% and 37.0% of its small business loans in middle- and upper-income tracts, respectively, compared to the proxy at 36.5% in middle- and 33.8% in upper-income tracts. The aggregate of all CRA lenders originated 33.3% and 44.0% of its small business loans in middle- and upper-income geographies in that order.

Distribution of Loans by Borrower Income Level and Revenue Size of the Business

Home mortgage lending and small business lending data were analyzed in conjunction with the review of the demographic and economic characteristics of the assessment area to determine the extent of lending to borrowers of different incomes and to businesses of different sizes. This analysis revealed that given the product lines offered, CTB has a good penetration among borrowers of different income levels and an excellent penetration among businesses of different sizes.

Lending to Borrowers of Different Income Levels

The percentage of families by income category in the assessment area is used as a proxy to estimate demand for home mortgage lending.

The bank's overall lending to low- and moderate-income borrowers is good, considering that the credit needs of the low-income segment of the population are difficult to address through conventional loan products, presenting a significant obstacle to homeownership. In particular, 35.7% of the assessment area's renters expend more than 30% of gross income for housing, making it difficult for renters to save the customary down payment and closing costs necessary to purchase a home.

In addition, 7.9% of families residing in this assessment area live below the poverty level.

CTB's use of innovative and flexible loan products that address the specific credit needs of low- and moderate-income borrowers enhances its home mortgage lending profile. Most notably, CTB made eight Homestead loans under their first-time homebuyers program for low-income individuals totaling \$522,522 and two grants totaling \$10,000 to assist homebuyers under the Federal Home Loan Bank of Cincinnati's Welcome Home affordable housing program.

Also, while CTB does not offer financing under the FHA, VA, or Rural Housing Programs, in order to enable the bank's customers access to these products, CTB has established a relationship with another lender that originates loans under these programs in order to refer customers interested in these programs.

Home Purchase Loans

CTB originated 19 home purchase loans (8.5%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 20.0% and greater than the aggregate of all lenders at 5.2%. Thus, the borrower distribution of home purchase loans to low-income borrowers is poor.

CTB originated 39 home purchase loans (17.4%) to moderate-income borrowers, which is equivalent to the percentage of families in these tracts at 17.1% and slightly less than the aggregate of all lenders at 18.9%. Thus, the borrower distribution of home purchase loans to moderate-income borrowers is excellent.

CTB made 17.4% of its home purchase loans to middle-income borrowers and 42.9% of its home purchase loans to upper-income borrowers, compared to the percentage of families in these tracts at 21.5% and 41.4% respectively. The aggregate of all HMDA lenders made 23.6% and 39.9% of their loans to middle- and upper-income borrowers, respectively. The bank originated 13.8% of its loans to borrowers with unknown income.

Refinance Loans

CTB originated 23 refinance loans (11.5%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 20.0% and greater than the aggregate of all lenders at 6.7%. Thus, the borrower distribution of refinance loans to low-income borrowers is adequate.

CTB originated 46 refinance loans (23.0%) to moderate-income borrowers, which is greater than the percentage of families in these tracts at 17.1% and the aggregate of all lenders at 18.4%. Thus, the borrower distribution of refinance loans to moderate-income borrowers is excellent.

CTB made 24.0% of its refinance loans to middle-income borrowers and 33.5% of its refinance loans to upper-income borrowers, compared to the percentage of families in these tracts at 21.5% and 41.4%, respectively. The aggregate of all HMDA lenders made 22.5% and 41.1% of their loans to middle-and upper-income borrowers, respectively. The bank originated 8.0% of its loans to borrowers with unknown income.

Home Improvement Loans

CTB originated 13 home improvement loans (23.2%) to low-income borrowers, which is less than the percentage of families in these tracts at 20.0% and significantly greater than the aggregate of all lenders at 9.2%. Thus, the borrower distribution of home improvement loans to low-income borrowers is excellent.

CTB originated 13 home improvement loans (23.2%) to moderate-income borrowers, which is significantly greater than the percentage of families in these tracts at 17.1% and the aggregate of all lenders at 17.6%. Thus, the borrower distribution of home improvement loans to moderate-income borrowers is excellent.

CTB made 25.0% of its home improvement loans to middle-income borrowers and 26.8% of its home improvement loans to upper-income borrowers, compared to the percentage of families in these tracts at 21.5% and 41.4%, respectively. The aggregate of all HMDA lenders made 24.1% and 45.1% of their loans to middle-and upper-income borrowers, respectively. The bank originated 1.8% of its loans to borrowers with unknown income.

Small Business Loans

An analysis of small business lending was conducted to ascertain the extent of lending to businesses of different sizes, including small businesses. CTB's distribution of loans reflects an excellent penetration. Of the 303 small business loans 271 (89.4%) were originated to businesses with less than \$1 million in revenue (small business), compared to the proxy at 88.3% and the aggregate of all CRA lenders who made 36.1% of all businesses in this assessment area. Based on this analysis, the bank's lending to small businesses is considered excellent.

Further analysis shows that 73.9% of the bank's small business loans were extended in an amount of \$100,000 or less, compared to the aggregate of all CRA lenders who extended 94.0% of small business loans in an amount of \$100,000 or less. Since smaller size loans are generally commensurate with the borrowing needs of smaller businesses, CTB's lending activity demonstrates that the bank is meeting the credit needs of such businesses.

To enhance its efforts in addressing the credit needs of small businesses in this assessment area, CTB participates in several small business lending programs. For example, CTB participates in Commerce Lexington's Access Loan Program, which is designed to help financial institutions lend to minorities, women, and small businesses that do not meet the bank's conventional underwriting criteria. During the examination period, CTB originated five loans to three small businesses through this program, aggregating \$255,308.

The bank also participates in University of Kentucky's Small Business Development Center, which is designed to offer help to start-up and existing small businesses by providing information and assistance through counseling and training. During the examination period, CTB originated eight loans to four small businesses through this program, totaling \$295,500. Furthermore, all 13 loans were in amounts of \$100,000 or less.

Community Development Lending

CTB made no community development loans in this assessment area.

Investment Test

Performance under the investment test is considered excellent.

The investment test evaluates a financial institution's level of qualified investments that serve low- or moderate-income geographies or individuals, together with the innovativeness and complexity of such investments. Qualified investments made prior to the previous evaluation, which are still outstanding, are considered under the test. For purposes of CRA, the term qualified investment has been defined to include a lawful investment; deposit; membership share; or grant, including a donation, or in-kind contribution of property, that has as its primary purpose community development.

CTB has an excellent level of qualified community development investments and grants, particularly those not routinely provided by private investors. Bank investments total \$4.7 million for this evaluation period.

The bank had four Kentucky Housing Corporation statewide revenue bonds aggregating \$10.7 million. A portion of the balance was allocated to this assessment area based on the bank's percentage of deposits in the amount of \$963,045.

\$3.6 million was allocated to this assessment area as a result of CTB's ongoing investment in the CRA Fund Advisors, which invests in affordable housing securitizations (FNMA/GNMA loan pools) comprised of loans to low- and moderate-income borrowers.

CTB made four grants to three community development organizations totaling \$159,728 that support affordable housing initiatives either through FHLB of Cincinnati's Welcome Home program (two grants) or FHLB's American Dream Homeownership Challenge, which helped to finance six homes in two counties in this assessment area.

The bank made six donations to four community development organizations totaling \$7,100 that contribute to economic development and affordable housing initiatives.

Of the bank's total community development investment dollars, 21% supported the Lexington-Fayette, KY MSA.

Responsiveness to Credit and Community Development Needs

CTB exhibits excellent responsiveness to credit and community economic development needs through the use of investments.

Service Test

Performance under the service test is good.

Retail Services

The bank’s delivery systems are accessible to the geographies and individuals of different income levels in its assessment area. The bank operates ten branches and ten full-service ATMs in the Lexington-Fayette MSA. When comparing the distribution of branches by census tract income level to the percentage of the population living within each census tract income level, the distribution is accessible in the low- and moderate-income geographies and to borrowers of different income levels. The following table shows the total distribution of CTB’s branches and full-service ATMs compared to families by tract income:

Geography	Number of Branches	Percent	Number of ATMs	Percent	Percent Families by Tract Income
Low-income	1	10.00	1	10.00	5.1
Moderate-income	2	20.00	2	20.00	19.2
Middle-income	3	30.00	3	30.00	41.3
Upper-income	4	40.00	4	40.00	34.4
Totals	10	100.00	10	100.00	100.00

The Winchester Wal-Mart consolidated into CTB’s Winchester Plaza branch in Clark County. Also, the Frankfort Wal-Mart office relocated to a new facility located at 1205 South Highway 127 in Frankfort, Kentucky and the Nicholasville Road Wal-Mart office relocated to a new facility located at 4051 Nicholasville Road, Suite 130 in Lexington, Kentucky. The bank’s record of opening and closing offices has not adversely affected the accessibility of its services, particularly to moderate-income geographies and low- and moderate-income individuals.

To supplement traditional banking services, CTB offers free 24-hour account access via internet banking at www.ctbi.com and telephone banking. Internet banking allows customers to transfer funds, pay bills, and view account statements and transactions. Telephone banking allows customers to initiate fund transfers and access account information such as balances, recent transactions, and loan payoffs.

Community Development Services

The following are the community development services provided at an adequate level during the evaluation period:

- *Commerce Lexington* – This organization seeks to provide small business owners with the information they need to make their business a success in the Bluegrass business community. Services provided include, but are not limited to the following: taking advantage of marketing opportunities in various publications, providing educational and professional development training and opportunities, and creating networking opportunities. Two employees serve on the board.
- *Lexington Chamber of Commerce* – This organization promotes economic development opportunities in the area. An employee serves on the board.
- *Urban League of Lexington* – This organization assists African Americans and disadvantaged citizens to enter the social and economic mainstream. An executive VP and regional president serve on the board.
- *REACH (Resources, Education, and Assistance for Community Housing)* – This organization is a nonprofit committed to making housing more affordable for low- and moderate-income individuals and families to assist them to become first-time homebuyers. Two employees and an executive VP and regional president serve on the board.
- *Winchester Industrial Development Authority* – This organization promotes economic development opportunities in the area. An employee serves on the board.
- *Professional Women’s Forum* – This organization promotes professional development opportunities for female business owners. An employee serves on the board.
- *Urban League Youth Professionals* – This organization helps to create entrepreneur opportunities for young professionals in the community. An employee serves on the board.
- *Habitat for Humanity* – This organization promotes affordable housing in the greater Lexington area. A bank employee presides on the board.

NONMETROPOLITAN STATEWIDE AREA
(limited-scope review)

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN NONMETROPOLITAN
CENTRAL KENTUCKY #2**

The bank's assessment area in the Nonmetropolitan Central Kentucky #2 area is comprised of the entirety of Fleming County. The assessment area is comprised of 4 census tracts, of which there are no low-income, no moderate-income, three middle-income, and one upper-income tracts.

This assessment area represented 4.6% of CTB's total deposits and 8.1% of its loans. According to the Federal Deposit Insurance Corporation's (FDIC) Summary of Deposits¹⁶ as of June 30, 2007, the bank operates three branches and two full-service ATMs with \$108 million in deposits, and ranks second out of three institutions within this assessment area with 39.3% of total market deposits. These three institutions maintained nine branches holding \$275 million in deposits. Major banking competitors in the area are Peoples Bank of Kentucky and US Bank.

CTB operates four branches and three full-service ATMs in the Nonmetropolitan Central Kentucky #2 area. When comparing the distribution of branches by census tract income level to the percentage of the population living within each census tract income level, the distribution is consistent in the middle- and upper-income geographies. The following table shows the total distribution of CTB's branches and full-service ATMs compared to families by tract income:

Geography	Number of Branches	Percent	Number of ATMs	Percent	Percent Families by Tract Income
Middle-income	3	75.00	2	66.67	76.9
Upper-income	1	25.00	1	33.33	23.1
Totals	4	100.00	3	100.00	100.00

No branch offices were opened or closed during this evaluation period; therefore, the bank's record of opening and closing offices has not adversely affected the accessibility of its services, particularly to low- and moderate-income individuals.

¹⁶ FDIC Summary of Deposits: www.fdic.gov (June 30, 2007 is the most recent date for which FDIC deposit data is available.)

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN
NONMETROPOLITAN CENTRAL KENTUCKY #2**

CTB made no community development loans in this assessment area. CTB's community development investments totaled \$596,725 in this assessment area.

The bank had four Kentucky Housing Corporation statewide revenue bonds aggregating \$10.7 million. A portion of the balance was allocated to this assessment area based on the bank's percentage of deposits in the amount of \$535,025.

\$61,700 was allocated to this assessment area as a result of CTB's ongoing investment in the CRA Fund Advisors, which invests in affordable housing securitizations (FNMA/GNMA loan pools) comprised of loans to low- and moderate-income borrowers.

There were no other grants or donations made in this assessment area. Of the bank's total community development investment dollars, 3% supported the Nonmetropolitan Central Kentucky #2 area.

The bank's performance as it relates to community services in this assessment area is consistent with what CTB provides to other assessment areas.

Facts and data reviewed, including performance and demographic information, can be found in the core tables accompanying this report.

Assessment Area	Lending Test	Investment Test	Service Test
Nonmetropolitan KY #2	Consistent	Below	Consistent

Combined Demographics Report

Community Trust Bank

Analysis Year: 2006 & 2007

Assessment Area(s): Non-MSA Central KY2

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	843	21.3
Moderate-income	0	0.0	0	0.0	0	0.0	717	18.1
Middle-income	3	75.0	3,047	76.9	484	15.9	784	19.8
Upper-income	1	25.0	916	23.1	103	11.2	1,619	40.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	4	100.0	3,963	100.0	587	14.8	3,963	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0
Middle-income	4,719	3,231	76.4	68.5	846	17.9	642	13.6
Upper-income	1,401	998	23.6	71.2	292	20.8	111	7.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	6,120	4,229	100.0	69.1	1,138	18.6	753	12.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	236	57.7	211	59.6	16	41.0	9	56.3
Upper-income	173	42.3	143	40.4	23	59.0	7	43.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	409	100.0	354	100.0	39	100.0	16	100.0
Percentage of Total Businesses:			86.6		9.5		3.9	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	83	68.0	83	68.0	0	0.0	0	0.0
Upper-income	39	32.0	39	32.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	122	100.0	122	100.0	0	0.0	0	0.0
Percentage of Total Farms:			100.0		0.0		0.0	

STATE OF WEST VIRGINIA

STATE OF WEST VIRGINIA CRA RATING: Satisfactory¹⁷

The lending test is rated: High Satisfactory

The investment test is rated: Low Satisfactory

The service test is rated: Low Satisfactory

Major factors supporting the institution's rating include:

- A good responsiveness to the credit needs of the assessment areas;
- A good percentage of loans are made in the assessment areas;
- A good geographic distribution of loans;
- A good distribution of loans among borrowers of different income levels and businesses and farms of different revenue sizes;
- An adequate level of community development loans;
- An adequate level of qualified investments;
- Branches are reasonably accessible to geographies and individuals of different income levels;
- The bank has not opened or closed any branches within the State of West Virginia since the previous evaluation and this record has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals; and,
- Services and business hours do not vary in a way that inconveniences its assessment areas, particularly low- and moderate-income geographies and low- and moderate-income individuals.

SCOPE OF EXAMINATION

The scope of the examination for the State of West Virginia is consistent with the scope of examination for the institution. The full-scope evaluation of the non-metropolitan assessment area received greater weight than the limited scope of the Charleston MSA assessment area.

¹⁷ For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation is adjusted and does not reflect performance in the parts of those states contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE STATE OF WEST VIRGINIA

The State of West Virginia is comprised of 55 counties; however, CTB only operates in three counties, excluding Wayne, which was previously reviewed in the multistate metropolitan area. These three counties are analyzed in two separate assessment areas (Charleston WV MSA and West Virginia Non-Metropolitan) as described in subsequent sections of this evaluation. The assessment area is comprised of nineteen census tracts, of which there is one low-income, seven moderate-income, eleven middle-income, and no upper-income tracts.

This assessment area represented 8.1% of CTB's total deposits and 4.5% of its loans. According to the Federal Deposit Insurance Corporation's (FDIC) Summary of Deposits¹⁸ as of June 30, 2007, the bank operates four branches and four full-service ATMs with \$192 million in deposits. There were 90 depository institutions operating in West Virginia. These 90 institutions maintained 653 branches holding \$25.9 billion in deposits. CTB ranks 20th in West Virginia, controlling 0.84% of the retail deposit market.

Major banking competitors in the area include Branch Banking & Trust, United Bank, Wesbanco Bank, City NB of West Virginia, JPMorgan Chase Bank N.A., Huntington National Bank, First Community Bank N.A., Centra Bank, Summit Community Bank, and Putnam County Bank.

Population Characteristics

According to 2000 Census data, the population of West Virginia is 1,808,344, of which 76,923 or 4.3% of the population resides in this assessment area. 4.9% of the assessment area's population resides in low-income tracts and 37.8% resides in moderate-income tracts. 23.7% of the population is age 17 years and younger, 8.9 of the population is age 18 to 24 years, 53.9% of the population is age 25 to 64 years, and 13.5% of the population age 65 and over.

Income Characteristics

For the purpose of evaluating the loan distribution to borrowers of different income levels, incomes were classified based upon annually adjusted median family income data made available by HUD. According to the 2000 Census, the median family income for this assessment area is \$29,368, which is slightly lower than for West Virginia at \$36,484. In 2007, the median family income increased to \$45,300 for West Virginia.

From the income distribution perspective, 28.8% of the families in the assessment area are designated as low-income, 18.42% are moderate-income, 19.7% are middle-income, and 33.1% are upper-income. Families living below the poverty level represent 21.2% of total families in this assessment area. The level of families living below the poverty level is much lower for West Virginia at 13.9%.

¹⁸ FDIC Summary of Deposits: www.fdic.gov (June 30, 2007 is the most recent date for which FDIC deposit data is available.)

Housing Characteristics

According to the 2000 Census, the assessment area contains 35,150 housing units, of which 69.8% are owner-occupied. In low-income tracts, 68.1% are owner-occupied; in moderate-income tracts, 69.9% are owner-occupied; and in middle-income tracts, 69.8% are owner-occupied. The overall owner-occupancy rate in West Virginia is 69.8%.

The percentage of units housing 1-4 families was 64.8%, while 3.9% of the housing units were five families or more. Rental units were 17.5%, mobile homes were 31.1%, and vacant units comprised 12.7% of the total housing units. The median age of housing stock in the assessment area is 25 years, which is slightly less than the median age of housing stock in West Virginia at 31 years.

As of the 2000 Census, the median housing value in the assessment area was \$52,224. There was a slight disparity between the median housing value in middle-income census tracts at \$55,226 versus the moderate-income tracts at \$49,476 and the low-income tracts at \$36,316. There was no disparity in the median age of housing stock in low-income tracts at 24 years versus an average age of 25 years in the other income tracts.

While property values have fallen considerably in many areas of the country, according to Office of Federal Housing Enterprise Oversight,¹⁹ the change in the house price indexes by state ranks the West Virginia in seventh place, indicating that home prices increased by 3.44% in 2007. According to RealtyTrac,²⁰ West Virginia's foreclosure rate in first quarter 2008 was one filing for every 6,138 households, ranking it 48th in the nation for foreclosures. However, West Virginia experienced a 37.5% increase in foreclosure filings from a year earlier.

Labor, Employment, and Economic Characteristics

The economy of West Virginia is fragile. According to U.S. Census Bureau data, West Virginia is the third-lowest in per capita income, ahead of only Arkansas and Mississippi.. West Virginia ranks last in median household income. West Virginia's GDP was \$55.6 billion in 2006, which makes the growth rate for the state the second lowest in the nation, behind only Michigan.

According to Entrepreneurship Development Collaborative, businesses with fewer than five employees are responsible for 17% of overall employment in West Virginia. In rural parts of the state, nearly one in five jobs is attributable to these micro-enterprises and 86% of businesses in West Virginia employ fewer than 20 people. Between 2002 and 2003, these small businesses added 5,600 new jobs, while larger businesses lost a total 6,100 jobs, resulting in a net loss of jobs in West Virginia for businesses of all sizes. Without the addition of jobs by smaller ventures, West Virginia would have experienced ten times as many job losses, demonstrating the importance of small business employment to West Virginians.

¹⁹ www.ofheo.gov

²⁰ www.realtytrac.com

Employment in the tri-county area is primarily in the chemical, automotive, healthcare, telecommunications, and professional services sectors. One the major resources in West Virginia's economy is coal. According to the Energy Information Administration, West Virginia is the second-highest coal producer in the nation, second only to Wyoming. Nearly all of the electricity generated in West Virginia is from coal-fired power plants. West Virginia produces a surplus of electricity and leads the nation in interstate electricity exports. Farming is not a major industry in West Virginia, because of the mountainous terrain over much of the state.

Major employers in West Virginia include, but are not limited to, the following: Toyota Manufacturing, USPS Bar Coding Facility, NGK Spark Plug Mfg, Telespectrum Worldwide, Wal-Mart, AEP Customer Call Center, and EDS.

According to the U.S. Census Bureau, a greater number of West Virginians are more likely to commute 50 miles each way to work than workers from other states. Due to the absence of employment opportunities in rural areas, workers commute from surrounding rural counties to Charleston, WV. Charleston's labor draw area consists of nine counties and approximates a 30- to 55-mile radius, with an average commuting time to Charleston of one hour or less.

CTB's assessment area in West Virginia includes one county that is defined as either a distressed and/or underserved area. Definitions and further details regarding these areas are presented in subsequent sections of this performance evaluation.

West Virginia's unemployment levels remain higher than nationwide levels in rural areas, and unemployment rates remain lower than nationwide in urban areas of West Virginia. For comparison purposes, area unemployment rates are presented in the table below:

Unadjusted Unemployment	Annual 2007	Annual 2006
Non-MSA WV		
Mingo County	5.7%	5.2%
Nicholas County	4.9%	5.1%
Charleston, WV MSA	4.1	4.3
Lincoln County	5.4	5.8
West Virginia	4.6	4.7
U.S. (nationwide)	4.6	4.6

Combined Demographics Report

Community Trust Bank

Analysis Year: 2006 & 2007

Assessment Group(s): All WV

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	5.3	1,102	4.9	358	32.5	6,520	28.8
Moderate-income	7	36.8	8,561	37.8	2,217	25.9	4,172	18.4
Middle-income	11	57.9	12,988	57.3	2,236	17.2	4,463	19.7
Upper-income	0	0.0	0	0.0	0	0.0	7,496	33.1
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	19	100.0	22,651	100.0	4,811	21.2	22,651	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	1,730	1,178	4.8	68.1	300	17.3	252	14.6
Moderate-income	12,751	8,919	36.4	69.9	2,356	18.5	1,476	11.6
Middle-income	20,669	14,425	58.8	69.8	3,511	17.0	2,733	13.2
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	35,150	24,522	100.0	69.8	6,167	17.5	4,461	12.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	52	3.1	47	3.2	1	0.7	4	6.1
Moderate-income	517	30.3	449	30.1	46	31.3	22	33.3
Middle-income	1,135	66.6	995	66.7	100	68.0	40	60.6
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,704	100.0	1,491	100.0	147	100.0	66	100.0
Percentage of Total Businesses:			87.5		8.6		3.9	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	7	10.0	7	10.3	0	0.0	0	0.0
Moderate-income	23	32.9	22	32.4	1	100.0	0	0.0
Middle-income	40	57.1	39	57.4	0	0.0	1	100.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	70	100.0	68	100.0	1	100.0	1	100.0
Percentage of Total Farms:			97.1		1.4		1.4	

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF WEST VIRGINIA

Lending Test

The assessment area's lending test is considered "High Satisfactory."

Lending Activity

CTB's lending levels reflect a good responsiveness to the assessment area's credit needs in West Virginia.

Geographic Distribution

An analysis of the geographic distribution of loans in West Virginia was conducted to determine the dispersion of loans among different geographies within the assessment areas. The analysis reflected a good penetration throughout the assessment areas in West Virginia, including low- and moderate-income geographies.

Home Mortgage Lending

During the evaluation period, CTB originated 222 home mortgage loans in an aggregate amount of \$12.8 million. The percentage of owner-occupied housing units contained within designated geographies is used as a proxy to estimate demand for residential mortgage lending within such geographies. A lower level of owner-occupied units limits the bank's lending opportunities in these geographies. A review of CTB's lending activity reflects a good penetration throughout West Virginia. In West Virginia, 4.8% of all owner-occupied units are located in low-income geographies and 36.4% are located in moderate-income geographies and 58.8% are located in middle-income geographies. There are no upper-income geographies in West Virginia. By comparison, 2.3% of the bank's home mortgage loans were originated in low-income geographies, 26.6% were originated in moderate-income geographies, and 71.2% were originated in middle-income geographies.

Bank lending levels are considered good, given the demographics of the assessment areas in West Virginia. CTB only has one low-income tract in West Virginia and despite a high affordability ratio, 30.58% of renters have rent costs greater than 30% of their income and 27% of middle-income geographies are classified as distressed and/or underserved. The bank has responded to this need through community development lending.

Geographic Distribution in Relation to Market Performance

CTB's home mortgage lending was compared to the aggregate of all lenders operating in West Virginia. According to 2007 aggregate HMDA data, a total of 1,350 home mortgage loans were originated by the aggregate of all lenders operating in West Virginia, amounting to \$95.8 million. A closer analysis of this data shows that while 4.8% of all owner-occupied housing units are located in low-income geographies, just 2.4% of the aggregate of all home mortgage loans were made in low-income geographies, indicating there were limited lending opportunities for any bank operating in these geographies. CTB originated 2.3% of their home mortgage loans in low-income geographies, indicating the bank performed similarly to the market.

Moderate-income geographies account for 36.4% of all owner-occupied housing units and 24.7% of the aggregate of all home mortgage loans were made in moderate-income geographies. By comparison, 26.6% of CTB's home mortgage loans were originated in moderate-income geographies, indicating the bank performed slightly better than the market.

Middle-income geographies account for 58.8% of all owner-occupied housing units and 72.6% of the aggregate of all home mortgage loans were made in middle-income geographies. By comparison, 71.2% of CTB's home mortgage loans were originated in middle-income geographies, indicating the bank performed similarly to the market.

Small Business Lending

A geographic distribution of small business loans was analyzed to determine the dispersion of these loans among different census tracts within the assessment area, including low- and moderate-, and distressed/underserved middle-income tracts. Penetration throughout West Virginia was considered adequate.

During the evaluation period, CTB originated 91 small business loans in an aggregate amount of \$5.7 million. A comparison of the number of small business loans originated in each type of census tract to the number of businesses located in each type of tract demonstrates the bank's commitment to making credit available to its entire community.

Business demographics revealed that there were a total of 1,704 businesses within West Virginia. CTB's extension of credit to these businesses shows that no small business loans were made in low-income census tracts, while 3.1% of businesses are located in these tracts. Moderate-income census tracts received 13.9% of small business loans, while 30.3% of businesses are located in these tracts. Middle-income tracts received 86.1% of small business loans for their 66.6% share of businesses.

CTB's small business lending was compared to the aggregate of all lenders operating in West Virginia. Aggregate data shows that 1.4% of all small business loans were made in low-income tracts, 20.5% of loans were made in moderate-income tracts, and 67.0% of loans were made in middle-income tracts. CTB performed worse than the aggregate in low- and moderate-income tracts and better than the aggregate in middle-income tracts.

Distribution of Loans by Borrower Income Level and Revenue Size of the Business

Home mortgage and small business lending data were analyzed in conjunction with the review of the demographic and economic characteristics of the assessment area to determine the extent of lending to borrowers of different incomes to businesses of different sizes. This analysis revealed the bank has an adequate penetration among both borrowers of different income levels and businesses of different sizes.

Home Mortgage Lending

The percentage of families by income category in the assessment area is used as a proxy to estimate demand for home mortgage lending. Of the 22,651 families in West Virginia, 28.8% are designated as low-income, 18.4% are designated as moderate-income, 19.7% are considered middle-income, and 33.1% are considered upper-income. For the evaluation period, 6.3% of CTB's total home mortgages were to low-income borrowers, 17.6% were to moderate-income borrowers, 23.9% were to middle-income borrowers, and 52.3% were to upper-income borrowers.

This level of lending activity by the bank to borrowers of different income levels is considered adequate. Lending was considered poor to low-income families, good to moderate-income borrowers, and excellent to middle-and upper-income borrowers in West Virginia.

Geographic Distribution in Relation to Market Performance

CTB's home mortgage lending was compared to the aggregate of all lenders operating in West Virginia. According to 2007 aggregate HMDA data, a total of 1,350 home mortgage loans were originated by all lenders operating in West Virginia. A closer analysis of 2007 aggregate HMDA data shows that while 28.8% of families in the assessment area are considered low-income, just 8.4% of the aggregate of all home mortgage loans were made to low-income borrowers. By comparison, 6.3% of CTB's loans were originated to low-income borrowers, indicating that CTB performed below the market.

In addition, while 18.4% of families are considered moderate-income, just 16.7% of the aggregate of all home mortgage loans were made to moderate-income borrowers. By comparison, 17.6% of CTB's loans were originated to moderate-income borrowers, indicating that CTB performed better than the market.

Small Business Lending

An analysis of small business lending data was conducted to ascertain the extent of lending to businesses of different sizes, especially small businesses. Of the 101 small business loans originated by the bank, 78.2% were extended in the amount of \$100,000 or less. The number of small business loans originated in amounts of \$100,000 or less is significant because smaller size loans are generally commensurate with the borrowing needs of smaller businesses and, as such, CTB's lending activity demonstrates that the bank is meeting the credit needs of smaller businesses.

CTB's small business lending is further quantified based upon the annual revenue of the business. Small business loans were analyzed to determine whether they were made to businesses with gross annual revenues of \$1 million or less. Of the 101 loans originated, 90.1% were originated to businesses with gross annual revenues of \$1 million or less. By comparison, the proxy of total businesses in West Virginia shows that 87.5% of all commercial loans made in the assessment area were made to businesses with gross annual revenues of \$1 million or less. The aggregate of all lenders in the market shows that only 38.5% of all commercial loans made in the assessment area were made to businesses with gross annual revenues of \$1 million or less. This level of lending activity to small businesses is considered excellent.

Community Development Lending

CTB made an adequate level of community development loans in West Virginia. Over the evaluation period, the bank originated seven community development loans aggregating \$3.1 million. One loan was originated in the Nonmetropolitan West Virginia area and supported a project to revitalize and stabilize distressed middle-income geographies. This loan represented 25% of CTB's total community development loan dollars.

Investment Test

Performance under the investment test is rated "Low Satisfactory."

The investment test evaluates a financial institution's level of qualified investments that serve low- or moderate-income geographies or individuals, together with the innovativeness and complexity of such investments. Qualified investments made prior to the previous evaluation that are still outstanding are considered under the test. For purposes of CRA, the term "qualified investment" has been defined to include: a lawful investment; deposit; membership share; or grant, including a donation, or in-kind contribution of property, that has as its primary purpose community development.

Volume of Investment and Grant Activity

CTB has an adequate level of qualified community development investments and grants, particularly those not provided by private investors in West Virginia. Bank investments, donations, and grants aggregated \$22.2 million for this evaluation period of which \$2.5 million (11%) benefited West Virginia.

\$2.5 million of CTB's ongoing investment in the CRA Fund Advisors, which invests in affordable housing securitizations (FNMA/GNMA loan pools) and is comprised of loans to low- and moderate-income borrowers, directly benefited West Virginia. \$1 million of the fund supported affordable housing initiatives in the Charleston, WV MSA and \$1.5 million supported affordable housing initiatives outside the bank's CRA assessment area. These funds benefited Mason County, West Virginia.

There was also one donation for \$1,250 made to an organization to promote economic development initiatives within the Charleston, WV MSA.

Responsiveness to Credit and Community Development Needs

CTB exhibits adequate responsiveness to credit and community economic development needs through the use of investments in the State of West Virginia.

Service Test

Performance under the service test is rated “Low Satisfactory.”

Retail Services

The bank’s delivery systems are accessible to essential all portions of the bank’s assessment area. The bank operates 4 branches and 4 full-service ATMs in the assessment area in West Virginia. When comparing the distribution of branches by census tract income level to the percentage of the population living within each census tract income level, the distribution is accessible in the low- and moderate-income geographies and to borrowers of different income levels. The following table shows the total distribution of CTB’s branches and full-service ATMs compared to families by tract income:

Geography	Number of Branches	Percent	Number of ATMs	Percent	Percent Families by Tract Income
Low-income	0	0.00	0	0.00	4.9
Moderate-income	1	25.00	1	25.00	37.8
Middle-income	3	75.00	3	75.00	57.3
Totals	4	100.00	4	100.00	100.00

The bank’s record of opening and closing offices has not adversely affected the accessibility of its services, particularly to low- and moderate-income geographies and individuals.

To supplement traditional banking services, CTB offers free 24-hour account access via internet banking at www.ctbi.com and telephone banking. Internet banking allows customers to transfer funds, pay bills, and view account statements and transactions. Telephone banking allows customers to initiate fund transfers and access account information such as balances, recent transactions, and loan payoffs.

Community Development Services

CTB provides few, if any, community development services. Please refer to the specific assessment area discussions for further detail of the bank’s community development services.

NONMETROPOLITAN AREAS (full-scope review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NONMETROPOLITAN WEST VIRGINIA

The Nonmetropolitan West Virginia area is comprised of the entireties of Mingo and Nicholas Counties. The assessment area is comprised of 14 census tracts, of which there are no low-income, four moderate-income, ten middle-income, and no upper-income tracts.

This assessment area represented 5.9% of CTB's total deposits and 3.9% of its loans. According to the Federal Deposit Insurance Corporation's (FDIC) Summary of Deposits²¹ as of June 30, 2007, the bank operates two branches and two full-service ATMs with \$141 million in deposits, and ranks second out of seven institutions within this assessment area with 18.2% of total market deposits. These seven institutions maintained 23 branches holding \$774 million in deposits. Major banking competitors in the area include Branch Banking & Trust Company, Bank of Mingo, First Community Bank, and First National Bank of Williamson.

Population Characteristics

According to 2000 Census data, the population of this assessment area is 54,815. 23.8% of the population is age 17 years and younger, 8.7% of the population is age 18 to 24 years, 53.9% of the population is age 25 to 64 years, and 13.7% of the population is age 65 and over.

Income Characteristics

For the purpose of evaluating the loan distribution to borrowers of different income levels, incomes were classified based upon annually adjusted median family income data made available by HUD. According to the 2000 Census, the median family income for the assessment area is \$29,854. However, in 2007, the median family income increased to \$41,100 in the Nonmetropolitan West Virginia area, which is still significantly above the median family income for West Virginia at \$45,300.

From the income distribution perspective, 25.8% of the families in the assessment area are designated as low-income, 17.7% are moderate-income, 19.9% are middle-income, and 36.6% are upper-income. Families living below the poverty level represent 20.6% of total families in the assessment area, which is less than the percentage of families living below the poverty level in West Virginia at 13.9%.

²¹ FDIC Summary of Deposits: www.fdic.gov (June 30, 2007 is the most recent date for which FDIC deposit data is available.)

Housing Characteristics

According to the 2000 Census, the assessment area contains 25,304 housing units, of which 69.9% are owner-occupied. In moderate-income tracts, 71.6% are owner-occupied and in middle-income tracts, 69.1% are owner-occupied. The overall owner-occupancy rate in this assessment area is 69.9%, which is below West Virginia’s at 65.6%.

The percentage of units housing 1-4 families was 64.8%, while 4.7% of the housing units were five families or more. Rental units were 17.2%, mobile homes were 30.3%, and vacant units comprised 12.9% of the total housing units. The median age of the housing stock in the assessment area is 25 years which is slightly lower than West Virginia’s at 31 years.

As of the 2000 Census, the median housing value in the assessment area was \$51,702. The median housing value in middle-income census tracts (\$54,036) did not have much of a disparity with moderate-income census tracts (\$45,807). According to Sperling’s Best Places,²² as of 2007, the median home cost in the following cities throughout this assessment area was Williamson - \$141,800 and Summersville - \$164,300. Home appreciation increased by 0.87% in the last year.

Labor, Employment, and Economic Characteristics

Underserved areas are defined by the United States Department of Agriculture Economic Research Service (ERS) as those areas where the population is so small and distant from a population center that the communities have difficulty financing essential community needs. In many cases, these tracts are removed from basic amenities like hospitals or clinics and require water and sewer, health-care facilities, and other infrastructure.

For CRA purposes, middle-income geographies in non-metropolitan areas may be considered distressed and/or underserved geographies for up to one year after the geographies are removed from the list. The following table lists counties that met these definitions during this evaluation period:

Counties*	Distressed (Poverty)		Underserved	
	2006	2007	2006	2007
Non-MSA West Virginia				
Mingo (3 tracts = poverty and population loss)	X	X		

* 30% of Nonmetropolitan West Virginia’s 10 middle-income tracts are distressed.

All 3 distressed tracts are located in Mingo County and the remaining seven middle-income tracts are located in Nicholas County.

22 www.bestplaces.net

Employment in Mingo and Nicholas Counties is primarily comprised of retail, manufacturing, and professional services. Coal mining is still an important part of Mingo County’s economy. However, Mingo County is making efforts to diversify its economic outlook. Its industrial park is the home for Mohawk, Inc., Coal Mac, Inc., and Weatherford Fracturing Technologies. In Nicholas County, mining, lumber, and potato farming are still important parts of the county’s economy.

West Virginia’s unemployment levels remain higher than nationwide levels in rural areas and unemployment rates remain lower than nationwide in urban areas of West Virginia. For comparison purposes, area unemployment rates are presented in the table below:

Unadjusted Unemployment	Annual 2007	Annual 2006
Non-MSA WV		
Mingo County	5.7%	5.2%
Nicholas County	4.9%	5.1%
West Virginia	4.6	4.7
U.S. (nationwide)	4.6	4.6

Combined Demographics Report

Community Trust Bank

Analysis Year: 2006 & 2007

Assessment Area(s): Non-MSA WV

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	4,148	25.8
Moderate-income	4	28.6	4,936	30.7	1,398	28.3	2,842	17.7
Middle-income	10	71.4	11,130	69.3	1,913	17.2	3,199	19.9
Upper-income	0	0.0	0	0.0	0	0.0	5,877	36.6
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	14	100.0	16,066	100.0	3,311	20.6	16,066	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	7,390	5,294	29.9	71.6	1,252	16.9	844	11.4
Middle-income	17,914	12,384	70.1	69.1	3,095	17.3	2,435	13.6
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	25,304	17,678	100.0	69.9	4,347	17.2	3,279	13.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	276	20.7	231	20.0	30	23.8	15	27.8
Middle-income	1,059	79.3	924	80.0	96	76.2	39	72.2
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,335	100.0	1,155	100.0	126	100.0	54	100.0
Percentage of Total Businesses:			86.5		9.4		4.0	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	9	23.7	8	22.2	1	100.0	0	0.0
Middle-income	29	76.3	28	77.8	0	0.0	1	100.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	38	100.0	36	100.0	1	100.0	1	100.0
Percentage of Total Farms:			94.7		2.6		2.6	

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NONMETROPOLITAN WEST VIRGINIA

Lending Test

The assessment area's lending test is considered good.

Lending Activity

Lending levels reflect good responsiveness to assessment area credit needs. During the evaluation period, CTB originated \$11.4 million in HMDA loans and \$7.1 million in small business loans in this assessment area. This represented 3.9% of CTB's total lending activity. The percentage of loans is greater than the percentage of bank branches (2.6%) and less than the percentage of deposits (5.9%) in this assessment area. Overall, CTB ranks third among 92 HMDA reporters. The bank ranks eighth among 28 small business reporters lending in the assessment area.

Geographic Distribution

An analysis of the geographic distribution of loans was conducted to determine the dispersion of loans among different census tracts within the assessment area. The geographic distribution of loans reflects a good penetration throughout the assessment area, especially considering the level of households below the poverty and level of households receiving public assistance within this assessment area.

During this evaluation period, CTB made loans in 12 (86.0%) of the assessment area's 14 geographies. There were no significant lending gaps within this assessment area. Further, 19.4% of the loans made were originated in low- and moderate-income tracts; however, when incorporating all of the loans originated in this assessment area's three distressed middle-income tracts, 62.3% of originated loans were made in either low-, moderate-, or distressed middle-income tracts.

Home Mortgage Lending

The percentage of owner-occupied housing units contained within designated census tracts is used as a proxy to estimate demand for residential mortgage lending within such census tracts. In addition, 37.5% and 62.5% of households are below poverty and 40.1% and 60.0% of households are receiving public assistance in moderate- and middle-income tracts, respectively. A lower level of owner-occupied units, coupled with higher levels of poverty and public assistance, limits the bank's lending opportunities in those tracts.

Home Purchase Loans

CTB originated twelve home purchase loans (23.1%) in moderate-income tracts, which is less than the percentage of owner-occupied units in these tracts at 29.9% and substantially greater than the aggregate of all lenders at 12.0%. Thus, the geographic distribution of home purchase loans to moderate-income tracts is good.

CTB originated 40 home purchase loans (76.9%) in middle-income tracts, which is significantly greater than the percentage of owner-occupied units in these tracts at 70.1% and significantly less than the aggregate of all lenders at 87.5%. Thus, the geographic distribution of home purchase loans to middle-income tracts is excellent.

Refinance Loans

CTB originated 25 refinance loans (26.9%) in moderate-income tracts, which is less than the percentage of owner-occupied units in these tracts at 29.9% and substantially greater than the aggregate of all lenders at 14.5%. Thus, the geographic distribution of refinance loans to moderate-income tracts is good.

CTB originated 68 refinance loans (73.1%) in middle-income tracts, which is greater than the percentage of owner-occupied units in these tracts at 70.1% and significantly less than the aggregate of all lenders at 85.5%. Thus, the geographic distribution of refinance loans to middle-income tracts is excellent.

Home Improvement Loans

CTB originated 12 home improvement loans (25.0%) in moderate-income tracts, which is less than the percentage of owner-occupied units in these tracts at 29.9% and substantially greater than the aggregate of all lenders at 13.0%. Thus, the geographic distribution of home improvement loans to moderate-income tracts is good.

CTB originated 36 home improvement loans (75.0%) in middle-income tracts, which is significantly greater than the percentage of owner-occupied units in these tracts at 70.1% and significantly less than the aggregate of all lenders at 86.5%. Thus, the geographic distribution of home improvement loans to middle-income tracts is excellent.

Small Business Loans

The geographic distribution of small business loans was analyzed to determine the dispersion of these loans among different census tracts within the assessment area. Penetration throughout the assessment area was considered adequate.

During the evaluation period, CTB originated 84 loans in an aggregate amount of \$7.1 million, of which 6 loans (7.1%) were made in moderate-income tracts, which is significantly less than the 20.8% of businesses located in these tracts. In addition, the aggregate of all CRA lenders originated 14.7% of their loans in moderate-income tracts. Therefore, the bank's lending to small businesses in moderate-income tracts is considered poor.

CBT made 78 loans (92.9%) in middle-income tracts, which is significantly greater than the 79.3% of businesses are located in these tracts. In addition, the aggregate of all CRA lenders originated 74.7% of their loans in middle-income tracts. Therefore, the bank's lending to small businesses in middle-income tracts is considered excellent.

Distribution of Loans by Borrower Income Level and Revenue Size of the Business

Home mortgage lending and small business lending data were analyzed in conjunction with the review of the demographic and economic characteristics of the assessment area to determine the extent of lending to borrowers of different incomes and to businesses of different revenue sizes. This analysis revealed that given the product lines offered, CTB has a good penetration among borrowers of different income levels and excellent penetration among businesses of different sizes.

Lending to Borrowers of Different Income Levels

The percentage of families by income category in the assessment area is used as a proxy to estimate demand for home mortgage lending.

The bank's overall lending to low- and moderate-income borrowers is good considering that the credit needs of the low-income segment of the population are difficult to address through conventional loan products, presenting a significant obstacle to homeownership. In particular, 31.4% of the assessment area's renters expend more than 30% of gross income for housing, making it difficult for renters to save the customary down payment and closing costs necessary to purchase a home. In addition 20.6% of families residing in this assessment area live below the poverty level.

Home Purchase Loans

CTB originated three home purchase loans (5.8%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 25.8% and equivalent to the aggregate of all lenders at 5.3%. Thus, the borrower distribution of home purchase loans to low-income borrowers is poor.

CTB originated eight home purchase loans (15.4%) to moderate-income borrowers, which is slightly less than the percentage of families in these tracts at 17.7% and greater than the aggregate of all lenders at 12.0%. Thus, the borrower distribution of home purchase loans to moderate-income borrowers is good.

CTB made 21.2% of its home purchase loans to middle-income borrowers and 57.7% of its home purchase loans to upper-income borrowers, compared to the percentage of families in these tracts at 19.9% and 36.6%, respectively. The aggregate of all HMDA lenders made 22.6% and 55.7% of their loans to middle-and upper-income borrowers.

Refinance Loans

CTB originated two refinance loans (2.2%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 25.8% and less than the aggregate of all lenders at 6.3%. Thus, the borrower distribution of refinance loans to low-income borrowers is poor.

CTB originated ten refinance loans (10.8%) to moderate-income borrowers, which is less than the percentage of families in these tracts at 17.7% and the aggregate of all lenders at 13.0%. Thus, the borrower distribution of refinance loans to moderate-income borrowers is adequate.

CTB made 26.9% of its refinance loans to middle-income borrowers and 60.2% of its refinance loans to upper-income borrowers, compared to the percentage of families in these tracts at 19.9% and 36.6%, respectively. The aggregate of all HMDA lenders made 18.8% and 56.3% of their loans to middle-and upper-income borrowers.

Home Improvement Loans

CTB originated five home improvement loans (10.4%) to low-income borrowers, which is significantly less than the percentage of families in these tracts at 25.8% and greater than the aggregate of all lenders at 7.6%. Thus, the borrower distribution of home improvement loans to low-income borrowers is poor.

CTB originated nine home improvement loans (18.8%) to moderate-income borrowers, which is greater than the percentage of families in these tracts at 17.7% and equivalent to the aggregate of all lenders at 18.4%. Thus, the borrower distribution of home improvement loans to moderate-income borrowers is excellent.

CTB made 20.8% of its home improvement loans to middle-income borrowers and 50.0% of its home improvement loans to upper-income borrowers, compared to the percentage of families in these tracts at 19.9% and 36.6%, respectively. The aggregate of all HMDA lenders made 21.6% and 51.4% of their loans to middle-and upper-income borrowers.

Small Business Loans

An analysis of small business lending was conducted to ascertain the extent of lending to businesses of different sizes, including small businesses. CTB's distribution of loans reflects an excellent penetration. Of the 84 small business loans, 77 (91.7%) were originated to businesses with less than \$1 million in revenue (small business), compared to the proxy at 86.5% and the aggregate of all CRA lenders who made 37.4% of all businesses in this assessment area. Based on this analysis, the bank's lending to small businesses is considered excellent.

A further analysis shows that 77.4% of the bank's small business loans were extended in an amount of \$100,000 or less, compared to the aggregate of all CRA lenders who extended 94.2% of small business loans in an amount of \$100,000 or less. Since smaller size loans are generally commensurate with the borrowing needs of smaller businesses, CTB's lending activity demonstrates that the bank is meeting the credit needs of such businesses.

Community Development Lending

During the evaluation period, CTB made an adequate level of community development loans. CTB originated one loan totaling \$750,000. The loan was a \$3 million construction loan for a city building that contributed to the revitalization and stabilization of a distressed middle-income tract in Mingo County. CTB participated out among three other banks. CTB received CRA credit for their portion of the loan.

Of the bank’s total community development dollars, 25% supported the Nonmetropolitan West Virginia assessment area.

Investment Test

Performance under the investment test is considered poor.

CTB made no qualified community development investments, grants, or donations in this assessment area.

The bank exhibits a poor responsiveness to credit and community economic development needs through the use of investments.

Service Test

Performance under the service test is adequate.

Retail Services

The bank’s delivery systems are accessible to essential all portions of the bank’s assessment area. The bank operates two branches and two full-service ATMs in the Nonmetropolitan West Virginia area. When comparing the distribution of branches by census tract income level to the percentage of the population living within each census tract income level, the distribution is reasonably accessible in the moderate- and distressed middle-income geographies. The branch located in Mingo County is located in a distressed middle-income tract. The other branch is located in Nicholas County, which is comprised of seven middle-income geographies. The following table shows the total distribution of CTB’s branches and full-service ATMs compared to families by tract income:

Geography*	Number of Branches	Percent	Number of ATMs	Percent	Percent Families by Tract Income
Moderate-income	0	0.00	0	0.00	30.7
Middle-income	2	100.00	2	100.00	69.3
Totals	2	100.00	2	100.00	100.00

* There are no low- or upper-income tracts and 30% middle-income tracts are distressed.

No branch offices were opened or closed since the previous examination and has not adversely affected the accessibility of its services, particularly to moderate-income geographies and low- and moderate-income individuals.

To supplement traditional banking services, CTB offers free 24-hour account access via internet banking at www.ctbi.com and telephone banking. Internet banking allows customers to transfer funds, pay bills, and view account statements and transactions. Telephone banking allows customers to initiate fund transfers and access account information such as balances, recent transactions, and loan payoffs.

Community Development Services

The following are the community development services the bank provided during the evaluation period at a low level:

- *Tug Valley Chamber of Commerce* – This organization promotes economic development in the Tug Valley region which is comprised of Mingo and Logan Counties in WV and Pike and Floyd Counties in KY. A bank employee is a member of the board.
- *Tug Valley Mine Institute* – This organization helps to promote the coal industry, development, commerce in the area and to improve the relationship between business and industry with the residents of the area. A bank employee is a member of the board.
- *Mingo County Economic Development Group* – This organization promotes economic development in Mingo County. A bank employee is a member of the board.

METROPOLITAN STATEWIDE AREA
(limited-scope review)

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN CHARLESTON, WV
METROPOLITAN AREA**

The bank’s assessment area in the Charleston, WV MSA area is comprised of the entirety of Lincoln County. The assessment area is comprised of five census tracts, of which there is one low-income, three moderate-income, and one middle-income tracts.

This assessment area represented 2.2% of CTB’s total deposits and 0.61% of its loans. According to the Federal Deposit Insurance Corporation’s (FDIC) Summary of Deposits²³ as of June 30, 2007, the bank operates two branches and two full-service ATMs with \$51.7 million in deposits, and ranks first out of five institutions within this assessment area with 39.6% of total market deposits. These five institutions maintained seven branches holding \$131 million in deposits. Major banking competitors in the area are City NB of West Virginia, Logan Bank & Trust Company, Boone County Bank, and Guaranty Bank & Trust Company.

CTB operates two branches and two full-service ATMs in the Charleston, WV MSA. When comparing the distribution of branches by census tract income level to the percentage of the population living within each census tract income level, the distribution is reasonably accessible in the low- and moderate-income geographies. The following table shows the total distribution of CTB’s branches and full-service ATMs compared to families by tract income:

Geography	Number of Branches	Percent	Number of ATMs	Percent	Percent Families by Tract Income
Low-income	0	0.00	0	0.00	16.7
Moderate-income	1	50.00	1	50.00	55.0
Middle-income	1	50.00	1	50.00	28.3
Totals	2	100.00	2	100.00	100.00

No branch offices were opened or closed during this evaluation period and has not adversely affected the accessibility of its services, particularly to low- and moderate-income individuals.

²³ FDIC Summary of Deposits: www.fdic.gov (June 30, 2007 is the most recent date for which FDIC deposit data is available.)

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CHARLESTON,
WV MSA**

CTB made no community development loans in this assessment area. CTB's community development investments totaled \$1.0 million in this assessment area.

\$1.0 million was allocated to this assessment area as a result of CTB's ongoing investment in the CRA Fund Advisors that invests in affordable housing securitizations (FNMA/GNMA loan pools) comprised of loans to low- and moderate-income borrowers.

The bank made one donation to a community development organization totaling \$1,250 that contributes to economic development initiatives. Of the bank's total community development investment dollars, 4% supported the Charleston, WV MSA.

The bank's performance as it relates to community services in this assessment area is consistent what CTB provides to other assessment areas in West Virginia.

Facts and data reviewed, including performance and demographic information, can be found in the core tables accompanying this report.

Assessment Area	Lending Test	Investment Test	Service Test
Nonmetropolitan KY	Above	Consistent	Consistent

Combined Demographics Report

Community Trust Bank

Analysis Year: 2006 & 2007

Assessment Area(s): Charleston MSA 16620

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	20.0	1,102	16.7	358	32.5	2,372	36.0
Moderate-income	3	60.0	3,625	55.0	819	22.6	1,330	20.2
Middle-income	1	20.0	1,858	28.2	323	17.4	1,264	19.2
Upper-income	0	0.0	0	0.0	0	0.0	1,619	24.6
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	5	100.0	6,585	100.0	1,500	22.8	6,585	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	1,730	1,178	17.2	68.1	300	17.3	252	14.6
Moderate-income	5,361	3,625	53.0	67.6	1,104	20.6	632	11.8
Middle-income	2,755	2,041	29.8	74.1	416	15.1	298	10.8
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	9,846	6,844	100.0	69.5	1,820	18.5	1,182	12.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	52	14.1	47	14.0	1	4.8	4	33.3
Moderate-income	241	65.3	218	64.9	16	76.2	7	58.3
Middle-income	76	20.6	71	21.1	4	19.0	1	8.3
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	369	100.0	336	100.0	21	100.0	12	100.0
Percentage of Total Businesses:			91.1		5.7		3.3	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	7	21.9	7	21.9	0	0.0	0	0.0
Moderate-income	14	43.8	14	43.8	0	0.0	0	0.0
Middle-income	11	34.4	11	34.4	0	0.0	0	0.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	32	100.0	32	100.0	0	0.0	0	0.0
Percentage of Total Farms:			100.0		0.0		0.0	

APPENDIX A

SCOPE OF EXAMINATION TABLE

TIME PERIOD REVIEWED:		January 1, 2006 through December 31, 2007	
FINANCIAL INSTITUTION: Community Trust Bank Pikeville, Kentucky		PRODUCTS REVIEWED: Loans reported under HMDA and CRA	
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED²⁴	OTHER INFORMATION
Huntington-Ashland Multi-State MSA	Full Scope	Huntington Pullman Square Office at 952 Third Avenue in Huntington, WV 25701	None
KENTUCKY: Eastern Kentucky Nonmetropolitan Area Central Kentucky #1 Nonmetropolitan Area Lexington-Fayette, KY MSA Central Kentucky #2 Nonmetropolitan Area	Full Scope Full Scope Full Scope Limited Scope	Winchester Main Street Office at 120 S. Main Street in Winchester, KY 40391 (Lex-Fay MSA)	None
WEST VIRGINIA: Nonmetropolitan West Virginia Area Charleston, WV MSA	Full Scope Limited Scope		None

²⁴ There is a statutory requirement that the written evaluation of a multistate institution's performance must list the individual branches examined in each state.

APPENDIX B

SUMMARY OF STATE AND MULTISTATE METROPOLITAN AREA RATINGS

State or Multistate Metropolitan Area Name	Lending Test Rating	Investment Test Rating	Service Test Rating	Overall State Rating
Huntington-Ashland Multi-State	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Commonwealth of Kentucky	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
State of West Virginia	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory

APPENDIX C

GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: All Agencies have adopted the following language. Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on:
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

Consumer loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full-scope review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

Middle-income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

APPENDIX D
CORE TABLES

Bank and Peer Comparison - HMDA, Small Business & Small Farm
Assessment Area/Group: Overall

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank (2006 & 2007)		Peer (2007)			Bank (2006 & 2007)		Peer (2007)		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
	Home Purchase									
Low	5	0.3%	0.4%	2.0%	2.1%	115	6.9%	3.3%	4.8%	2.8%
Moderate	333	20.0%	16.0%	10.9%	8.5%	241	14.5%	9.9%	17.2%	12.7%
Middle	984	59.2%	53.8%	44.8%	39.1%	336	20.2%	16.0%	22.4%	19.5%
Upper	341	20.5%	29.9%	42.1%	50.1%	879	52.9%	63.8%	45.0%	54.1%
Unknown	0	0.0%	0.0%	0.2%	0.1%	92	5.5%	7.0%	10.6%	11.0%
Total	1,663	100.0%	100.0%	100.0%	100.0%	1,663	100.0%	100.0%	100.0%	100.0%
	Refinance									
Low	6	0.3%	0.2%	1.5%	1.7%	114	5.7%	3.2%	5.7%	2.9%
Moderate	434	21.8%	17.5%	12.3%	9.3%	306	15.4%	9.8%	16.0%	10.4%
Middle	1,189	59.7%	59.3%	48.9%	41.7%	468	23.5%	19.5%	21.4%	17.5%
Upper	362	18.2%	22.9%	37.1%	47.1%	1,075	54.0%	65.7%	47.8%	56.6%
Unknown	0	0.0%	0.0%	0.2%	0.2%	28	1.4%	1.8%	9.1%	12.6%
Total	1,991	100.0%	100.0%	100.0%	100.0%	1,991	100.0%	100.0%	100.0%	100.0%
	Home Improvement									
Low	3	0.2%	0.3%	1.3%	2.2%	169	13.8%	6.2%	9.1%	4.2%
Moderate	431	35.1%	26.6%	15.4%	11.1%	273	22.2%	14.3%	16.9%	11.7%
Middle	697	56.8%	57.8%	52.2%	46.2%	283	23.1%	18.8%	21.8%	20.0%
Upper	96	7.8%	15.3%	30.6%	40.0%	487	39.7%	57.1%	48.8%	58.8%
Unknown	0	0.0%	0.0%	0.5%	0.4%	15	1.2%	3.7%	3.4%	5.3%
Total	1,227	100.0%	100.0%	100.0%	100.0%	1,227	100.0%	100.0%	100.0%	100.0%
	HMDA Totals									
Low	14	0.3%	0.3%	1.8%	2.2%	398	8.2%	3.4%	5.6%	2.8%
Moderate	1,198	24.5%	17.3%	11.9%	9.1%	820	16.8%	10.1%	16.6%	11.3%
Middle	2,870	58.8%	56.8%	47.2%	40.2%	1,087	22.3%	17.9%	21.8%	18.1%
Upper	799	16.4%	25.6%	38.9%	48.4%	2,441	50.0%	64.4%	46.4%	53.9%
Unknown	0	0.0%	0.0%	0.2%	0.1%	135	2.8%	4.2%	9.6%	13.9%
Total	4,881	100.0%	100.0%	100.0%	100.0%	4,881	100.0%	100.0%	100.0%	100.0%
	SMALL BUSINESS					SMALL FARM				
	By Tract Income									
Low	15	0.7%	1.4%	4.1%	6.4%	0	0.0%	0.0%	1.2%	3.6%
Moderate	369	18.3%	19.5%	12.2%	12.1%	14	3.3%	8.1%	3.5%	3.6%
Middle	1,117	55.5%	54.0%	46.0%	41.7%	283	67.5%	59.0%	54.8%	52.1%
Upper	513	25.5%	25.2%	34.6%	38.5%	122	29.1%	32.9%	39.3%	40.5%
Unknown	0	0.0%	0.0%	0.0%	0.1%	0	0.0%	0.0%	0.0%	0.0%
Total	2,014	100.0%	100.0%	100.0%	100.0%	419	100.0%	100.0%	100.0%	100.0%
	By Revenue									
\$1 Million or Less	1,718	85.3%	73.7%	39.2%	52.1%	412	98.3%	95.8%	86.5%	71.2%
	By Loan Size									
\$100,000 or less	1,567	77.8%	28.4%	95.1%	37.6%	384	91.6%	55.0%	84.8%	30.4%
\$100,001-\$250,000	282	14.0%	25.7%	2.5%	16.3%	29	6.9%	31.0%	9.8%	30.6%
\$250,001-\$1 Million-\$500k (Farm)	165	8.2%	45.9%	2.4%	46.0%	6	1.4%	14.1%	5.5%	38.9%
Total	2,014	100.0%	100.0%	100.0%	100.0%	419	100.0%	100.0%	100.0%	100.0%

Bank and Peer Comparison - HMDA, Small Business & Small Farm

Assessment Area/Group: Huntington-Ashland MSA 26580

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank (2006 & 2007)		Peer (2007)			Bank (2006 & 2007)		Peer (2007)		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
	Home Purchase									
Low	0	0.0%	0.0%	0.0%	0.0%	4	5.8%	2.9%	6.2%	3.1%
Moderate	7	10.1%	7.7%	7.9%	5.9%	11	15.9%	13.2%	18.8%	12.9%
Middle	29	42.0%	41.9%	48.3%	46.0%	15	21.7%	20.5%	23.7%	20.0%
Upper	33	47.8%	50.4%	43.8%	48.0%	35	50.7%	59.3%	43.3%	55.2%
Unknown	0	0.0%	0.0%	0.0%	0.0%	4	5.8%	4.1%	8.0%	8.8%
Total	69	100.0%	100.0%	100.0%	100.0%	69	100.0%	100.0%	100.0%	100.0%
	Refinance									
Low	0	0.0%	0.0%	0.0%	0.0%	8	7.1%	3.5%	5.5%	3.1%
Moderate	10	8.8%	6.7%	9.1%	7.5%	16	14.2%	9.1%	14.2%	9.7%
Middle	41	36.3%	33.0%	48.2%	43.9%	31	27.4%	19.9%	22.9%	19.8%
Upper	62	54.9%	60.3%	42.7%	48.7%	58	51.3%	67.5%	49.9%	59.8%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	7.5%	7.5%
Total	113	100.0%	100.0%	100.0%	100.0%	113	100.0%	100.0%	100.0%	100.0%
	Home Improvement									
Low	0	0.0%	0.0%	0.0%	0.0%	5	12.8%	2.8%	8.7%	3.8%
Moderate	16	41.0%	15.6%	9.9%	7.6%	8	20.5%	3.1%	17.2%	13.8%
Middle	13	33.3%	64.2%	45.6%	45.7%	14	35.9%	24.7%	26.2%	23.5%
Upper	10	25.6%	20.2%	44.5%	46.8%	11	28.2%	37.2%	44.8%	55.6%
Unknown	0	0.0%	0.0%	0.0%	0.0%	1	2.6%	32.3%	3.2%	3.4%
Total	39	100.0%	100.0%	100.0%	100.0%	39	100.0%	100.0%	100.0%	100.0%
	HMDA Totals									
Low	0	0.0%	0.0%	0.0%	0.0%	17	7.7%	3.3%	6.1%	3.2%
Moderate	33	14.9%	7.3%	8.7%	7.3%	35	15.8%	10.1%	16.5%	11.4%
Middle	83	37.6%	37.0%	47.9%	44.8%	60	27.1%	20.2%	23.6%	19.9%
Upper	105	47.5%	55.7%	43.4%	48.0%	104	47.1%	63.8%	46.3%	56.9%
Unknown	0	0.0%	0.0%	0.0%	0.0%	5	2.3%	2.5%	7.4%	8.6%
Total	221	100.0%	100.0%	100.0%	100.0%	221	100.0%	100.0%	100.0%	100.0%
	SMALL BUSINESS					SMALL FARM				
	By Tract Income									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	21	11.2%	15.4%	12.6%	15.3%	0	0.0%	0.0%	0.0%	0.0%
Middle	99	52.7%	48.1%	50.8%	45.5%	0	0.0%	0.0%	57.1%	50.0%
Upper	68	36.2%	36.5%	35.1%	38.7%	0	0.0%	0.0%	42.9%	50.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	188	100.0%	100.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%
	By Revenue									
\$1 Million or Less	138	73.4%	63.7%	35.2%	47.2%	0	0.0%	0.0%	100.0%	100.0%
	By Loan Size									
\$100,000 or less	128	68.1%	22.9%	97.1%	52.6%	0	0.0%	0.0%	100.0%	100.0%
\$100,001-\$250,000	39	20.7%	30.3%	1.7%	15.1%	0	0.0%	0.0%	0.0%	0.0%
\$250,001-\$1 Million-\$500k (Farm)	21	11.2%	46.8%	1.2%	32.3%	0	0.0%	0.0%	0.0%	0.0%
Total	188	100.0%	100.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%

Bank and Peer Comparison - HMDA, Small Business & Small Farm

Assessment Area/Group: All KY

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank (2006 & 2007)		Peer (2007)			Bank (2006 & 2007)		Peer (2007)		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	5	0.3%	0.4%	2.1%	2.2%	106	6.9%	3.3%	4.6%	2.8%
Moderate	313	20.4%	16.2%	10.8%	8.5%	219	14.2%	9.6%	17.1%	12.7%
Middle	911	59.3%	53.6%	43.8%	38.0%	310	20.2%	15.9%	22.2%	19.4%
Upper	308	20.0%	29.9%	43.2%	51.1%	814	53.0%	64.0%	45.1%	53.9%
Unknown	0	0.0%	0.0%	0.2%	0.1%	88	5.7%	7.3%	10.9%	11.2%
Total	1,537	100.0%	100.0%	100.0%	100.0%	1,537	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	3	0.2%	0.1%	1.6%	1.7%	104	5.9%	3.2%	5.7%	2.9%
Moderate	396	22.3%	17.9%	12.1%	9.1%	278	15.7%	10.0%	16.1%	10.4%
Middle	1,076	60.6%	60.7%	48.1%	40.8%	407	22.9%	19.1%	21.3%	17.3%
Upper	300	16.9%	21.4%	38.0%	48.1%	958	54.0%	65.6%	47.6%	56.3%
Unknown	0	0.0%	0.0%	0.2%	0.2%	28	1.6%	2.0%	9.4%	13.0%
Total	1,775	100.0%	100.0%	100.0%	100.0%	1,775	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	1	0.1%	0.0%	1.4%	2.4%	157	13.9%	6.3%	8.9%	4.2%
Moderate	397	35.3%	27.2%	15.2%	11.0%	249	22.1%	14.6%	16.7%	11.4%
Middle	642	57.0%	57.2%	51.3%	44.7%	257	22.8%	18.7%	21.2%	19.4%
Upper	86	7.6%	15.6%	31.5%	41.4%	449	39.9%	57.8%	49.7%	59.3%
Unknown	0	0.0%	0.0%	0.6%	0.5%	14	1.2%	2.6%	3.4%	5.7%
Total	1,126	100.0%	100.0%	100.0%	100.0%	1,126	100.0%	100.0%	100.0%	100.0%
HMDA Totals										
Low	9	0.2%	0.2%	1.9%	2.3%	367	8.3%	3.4%	5.4%	2.8%
Moderate	1,106	24.9%	17.6%	11.7%	9.0%	746	16.8%	10.0%	16.6%	11.3%
Middle	2,629	59.2%	57.3%	46.2%	39.1%	974	21.9%	17.6%	21.7%	17.9%
Upper	694	15.6%	25.0%	39.9%	49.4%	2,221	50.0%	64.5%	46.4%	53.6%
Unknown	0	0.0%	0.0%	0.2%	0.2%	130	2.9%	4.5%	10.0%	14.4%
Total	4,438	100.0%	100.0%	100.0%	100.0%	4,438	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
Low	15	0.9%	1.6%	4.5%	7.7%	0	0.0%	0.0%	1.5%	4.1%
Moderate	334	19.4%	19.8%	11.6%	10.5%	14	3.3%	8.1%	3.6%	3.1%
Middle	931	54.0%	53.8%	44.4%	38.9%	283	67.5%	59.0%	49.7%	49.3%
Upper	445	25.8%	24.8%	36.5%	41.5%	122	29.1%	32.9%	44.1%	43.4%
Unknown	0	0.0%	0.0%	0.0%	0.1%	0	0.0%	0.0%	0.0%	0.0%
Total	1,725	100.0%	100.0%	100.0%	100.0%	419	100.0%	100.0%	100.0%	100.0%
By Revenue										
\$1 Million or Less	1,489	86.3%	75.4%	38.1%	50.4%	412	98.3%	95.8%	84.0%	67.9%
By Loan Size										
\$100,000 or less	1,360	78.8%	29.1%	95.5%	38.1%	384	91.6%	55.0%	83.7%	28.6%
\$100,001-\$250,000	228	13.2%	24.9%	2.2%	15.8%	29	6.9%	31.0%	10.0%	29.7%
\$250,001-\$1 Million-\$500k (Farm)	137	7.9%	46.0%	2.2%	46.1%	6	1.4%	14.1%	6.3%	41.8%
Total	1,725	100.0%	100.0%	100.0%	100.0%	419	100.0%	100.0%	100.0%	100.0%

Bank and Peer Comparison - HMDA, Small Business & Small Farm

Assessment Area/Group: Non-MSA Eastern KY

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank (2006 & 2007)		Peer (2007)			Bank (2006 & 2007)		Peer (2007)		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	0.0%	0.0%	43	6.9%	2.8%	4.2%	2.0%
Moderate	215	34.3%	29.1%	25.5%	20.8%	85	13.6%	9.0%	15.6%	9.1%
Middle	355	56.6%	56.1%	67.1%	69.7%	117	18.7%	12.5%	21.4%	17.6%
Upper	57	9.1%	14.8%	7.2%	9.4%	360	57.4%	72.1%	52.7%	64.2%
Unknown	0	0.0%	0.0%	0.1%	0.0%	22	3.5%	3.6%	6.2%	7.1%
Total	627	100.0%	100.0%	100.0%	100.0%	627	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	0.0%	0.0%	37	4.6%	2.4%	4.4%	2.0%
Moderate	282	34.9%	29.5%	28.9%	25.0%	95	11.8%	6.1%	14.2%	8.9%
Middle	469	58.1%	61.1%	63.9%	64.1%	194	24.0%	17.8%	21.8%	17.8%
Upper	56	6.9%	9.4%	7.1%	10.8%	476	59.0%	73.1%	54.6%	63.6%
Unknown	0	0.0%	0.0%	0.1%	0.1%	5	0.6%	0.6%	5.1%	7.7%
Total	807	100.0%	100.0%	100.0%	100.0%	807	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	0.0%	0.0%	71	10.3%	5.3%	10.5%	4.5%
Moderate	276	40.0%	36.0%	29.7%	25.4%	153	22.2%	14.5%	17.0%	8.0%
Middle	383	55.5%	57.5%	66.7%	65.2%	168	24.3%	20.5%	18.1%	17.3%
Upper	31	4.5%	6.5%	3.6%	9.4%	288	41.7%	58.6%	52.5%	66.8%
Unknown	0	0.0%	0.0%	0.0%	0.0%	10	1.4%	1.0%	2.0%	3.4%
Total	690	100.0%	100.0%	100.0%	100.0%	690	100.0%	100.0%	100.0%	100.0%
HMDA Totals										
Low	0	0.0%	0.0%	0.0%	0.0%	151	7.1%	2.7%	5.2%	2.1%
Moderate	773	36.4%	29.7%	27.9%	24.6%	333	15.7%	7.8%	15.0%	8.8%
Middle	1,207	56.8%	58.9%	65.4%	65.3%	479	22.6%	15.9%	21.0%	17.4%
Upper	144	6.8%	11.4%	6.6%	10.0%	1,124	52.9%	71.8%	53.5%	62.9%
Unknown	0	0.0%	0.0%	0.1%	0.1%	37	1.7%	1.8%	5.2%	8.9%
Total	2,124	100.0%	100.0%	100.0%	100.0%	2,124	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	206	28.5%	30.1%	25.7%	21.5%	0	0.0%	0.0%	22.2%	13.7%
Middle	427	59.1%	57.4%	59.0%	63.3%	6	100.0%	100.0%	72.2%	79.5%
Upper	90	12.4%	12.5%	8.6%	11.6%	0	0.0%	0.0%	5.6%	6.8%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	723	100.0%	100.0%	100.0%	100.0%	6	100.0%	100.0%	100.0%	100.0%
By Revenue										
\$1 Million or Less	587	81.2%	68.8%	38.1%	51.5%	3	50.0%	44.9%	83.3%	89.0%
By Loan Size										
\$100,000 or less	564	78.0%	29.9%	97.3%	51.4%	5	83.3%	59.2%	100.0%	100.0%
\$100,001-\$250,000	99	13.7%	24.6%	1.5%	13.7%	1	16.7%	40.8%	0.0%	0.0%
\$250,001-\$1 Million-\$500k (Farm)	60	8.3%	45.5%	1.2%	34.9%	0	0.0%	0.0%	0.0%	0.0%
Total	723	100.0%	100.0%	100.0%	100.0%	6	100.0%	100.0%	100.0%	100.0%
SMALL FARM										

Bank and Peer Comparison - HMDA, Small Business & Small Farm

Assessment Area/Group: Non-MSA Central KY1

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank (2006 & 2007)		Peer (2007)			Bank (2006 & 2007)		Peer (2007)		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	0.1%	0.1%	38	6.1%	2.9%	3.9%	1.9%
Moderate	43	6.9%	5.7%	5.4%	4.5%	84	13.4%	8.7%	14.5%	9.5%
Middle	433	69.2%	64.3%	53.9%	47.8%	141	22.5%	18.0%	20.0%	16.6%
Upper	150	24.0%	30.0%	40.2%	47.2%	331	52.9%	63.7%	52.1%	63.0%
Unknown	0	0.0%	0.0%	0.4%	0.4%	32	5.1%	6.7%	9.6%	9.1%
Total	626	100.0%	100.0%	100.0%	100.0%	626	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	1	0.1%	0.1%	0.1%	0.1%	37	5.3%	2.4%	4.8%	2.2%
Moderate	76	11.0%	7.9%	5.9%	4.5%	122	17.6%	11.7%	14.1%	8.5%
Middle	475	68.6%	67.6%	55.5%	50.7%	149	21.5%	18.4%	19.9%	16.4%
Upper	140	20.2%	24.4%	38.1%	44.3%	377	54.5%	66.0%	52.8%	63.2%
Unknown	0	0.0%	0.0%	0.4%	0.4%	7	1.0%	1.5%	8.4%	9.7%
Total	692	100.0%	100.0%	100.0%	100.0%	692	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	1	0.3%	0.0%	0.2%	0.0%	64	18.7%	7.7%	8.3%	4.2%
Moderate	110	32.2%	21.2%	7.8%	6.7%	76	22.2%	13.8%	16.2%	10.6%
Middle	198	57.9%	64.6%	55.1%	53.6%	67	19.6%	17.7%	19.5%	18.2%
Upper	33	9.6%	14.1%	35.5%	38.4%	132	38.6%	55.1%	52.5%	62.0%
Unknown	0	0.0%	0.0%	1.4%	1.3%	3	0.9%	5.6%	3.5%	5.0%
Total	342	100.0%	100.0%	100.0%	100.0%	342	100.0%	100.0%	100.0%	100.0%
HMDA Totals										
Low	2	0.1%	0.0%	0.1%	0.1%	139	8.4%	2.8%	4.7%	2.1%
Moderate	229	13.8%	7.5%	5.8%	4.6%	282	17.0%	10.4%	14.4%	8.9%
Middle	1,106	66.6%	65.9%	54.8%	49.2%	357	21.5%	18.2%	19.9%	16.3%
Upper	323	19.5%	26.6%	38.8%	45.7%	840	50.6%	64.5%	52.4%	62.2%
Unknown	0	0.0%	0.0%	0.5%	0.4%	42	2.5%	4.1%	8.7%	10.5%
Total	1,660	100.0%	100.0%	100.0%	100.0%	1,660	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
Low	1	0.2%	0.4%	0.2%	0.1%	0	0.0%	0.0%	0.0%	0.0%
Moderate	67	11.9%	8.4%	5.1%	3.5%	3	3.6%	8.3%	1.7%	0.8%
Middle	294	52.3%	56.6%	52.9%	49.1%	48	57.1%	46.9%	46.4%	40.8%
Upper	200	35.6%	34.6%	38.2%	45.4%	33	39.3%	44.8%	51.0%	58.2%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	562	100.0%	100.0%	100.0%	100.0%	84	100.0%	100.0%	100.0%	100.0%
By Revenue										
\$1 Million or Less	504	89.7%	78.8%	40.2%	55.7%	82	97.6%	99.3%	91.8%	93.7%
By Loan Size										
\$100,000 or less	454	80.8%	29.5%	96.9%	46.0%	72	85.7%	50.7%	95.4%	62.0%
\$100,001-\$250,000	66	11.7%	24.4%	1.6%	14.3%	11	13.1%	41.2%	3.4%	22.5%
\$250,001-\$1 Million-\$500k (Farm)	42	7.5%	46.0%	1.5%	39.7%	1	1.2%	8.1%	1.1%	15.5%
Total	562	100.0%	100.0%	100.0%	100.0%	84	100.0%	100.0%	100.0%	100.0%

Bank and Peer Comparison - HMDA, Small Business & Small Farm

Assessment Area/Group: Lexington-Fayette MSA 30460

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank (2006 & 2007)		Peer (2007)			Bank (2006 & 2007)		Peer (2007)		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	5	2.2%	1.7%	3.6%	3.4%	19	8.5%	4.5%	5.2%	3.3%
Moderate	55	24.6%	16.7%	12.7%	9.5%	39	17.4%	11.3%	18.9%	14.4%
Middle	73	32.6%	26.4%	34.9%	31.3%	39	17.4%	16.9%	23.6%	20.9%
Upper	91	40.6%	55.1%	48.7%	55.8%	96	42.9%	53.2%	39.9%	48.9%
Unknown	0	0.0%	0.0%	0.0%	0.0%	31	13.8%	14.2%	12.4%	12.5%
Total	224	100.0%	100.0%	100.0%	100.0%	224	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	2	1.0%	0.3%	3.4%	3.1%	23	11.5%	7.3%	6.7%	3.4%
Moderate	38	19.0%	14.5%	14.8%	10.3%	46	23.0%	16.5%	18.4%	11.9%
Middle	73	36.5%	37.0%	37.2%	30.8%	48	24.0%	24.8%	22.5%	17.8%
Upper	87	43.5%	48.1%	44.6%	55.7%	67	33.5%	43.0%	41.1%	50.8%
Unknown	0	0.0%	0.0%	0.0%	0.0%	16	8.0%	8.4%	11.3%	16.1%
Total	200	100.0%	100.0%	100.0%	100.0%	200	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	3.3%	4.7%	13	23.2%	6.5%	9.2%	4.0%
Moderate	11	19.6%	15.0%	17.8%	11.1%	13	23.2%	9.0%	17.6%	13.0%
Middle	27	48.2%	19.7%	40.7%	33.4%	14	25.0%	16.4%	24.1%	20.7%
Upper	18	32.1%	65.3%	38.2%	50.8%	15	26.8%	66.7%	45.1%	55.5%
Unknown	0	0.0%	0.0%	0.0%	0.0%	1	1.8%	1.4%	4.0%	6.8%
Total	56	100.0%	100.0%	100.0%	100.0%	56	100.0%	100.0%	100.0%	100.0%
HMDA Totals										
Low	7	1.5%	1.1%	3.6%	3.8%	55	11.5%	5.7%	6.0%	3.2%
Moderate	104	21.7%	15.8%	13.9%	10.1%	98	20.4%	13.3%	18.5%	12.8%
Middle	173	36.0%	30.5%	36.2%	30.9%	101	21.0%	20.0%	23.1%	18.8%
Upper	196	40.8%	52.6%	46.3%	55.2%	178	37.1%	49.5%	40.5%	48.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	48	10.0%	11.4%	11.8%	17.1%
Total	480	100.0%	100.0%	100.0%	100.0%	480	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
Low	14	4.6%	7.7%	9.3%	12.5%	0	0.0%	0.0%	3.6%	5.4%
Moderate	61	20.1%	19.4%	13.7%	12.4%	11	17.7%	24.3%	5.5%	3.9%
Middle	116	38.3%	36.8%	33.3%	30.3%	26	41.9%	40.3%	51.7%	51.1%
Upper	112	37.0%	36.2%	42.3%	44.0%	25	40.3%	35.4%	37.9%	39.5%
Unknown	0	0.0%	0.0%	0.0%	0.2%	0	0.0%	0.0%	0.0%	0.0%
Total	303	100.0%	100.0%	100.0%	100.0%	62	100.0%	100.0%	100.0%	100.0%
SMALL FARM										
By Revenue										
\$1 Million or Less	271	89.4%	85.1%	36.1%	47.4%	61	98.4%	91.7%	73.1%	59.2%
By Loan Size										
\$100,000 or less	224	73.9%	24.0%	94.0%	32.3%	53	85.5%	33.0%	67.4%	17.2%
\$100,001-\$250,000	47	15.5%	23.1%	3.0%	16.7%	4	6.5%	17.4%	19.0%	31.8%
\$250,001-\$1 Million-\$500k (Farm)	32	10.6%	52.8%	3.1%	51.0%	5	8.1%	49.6%	13.6%	51.0%
Total	303	100.0%	100.0%	100.0%	100.0%	62	100.0%	100.0%	100.0%	100.0%

Bank and Peer Comparison - HMDA, Small Business & Small Farm

Assessment Area/Group: Non-MSA Central KY2

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank (2006 & 2007)		Peer (2007)			Bank (2006 & 2007)		Peer (2007)		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
	Home Purchase									
Low	0	0.0%	0.0%	0.0%	0.0%	6	10.0%	4.9%	2.0%	1.3%
Moderate	0	0.0%	0.0%	0.0%	0.0%	11	18.3%	16.4%	16.3%	11.8%
Middle	50	83.3%	85.2%	70.4%	72.6%	13	21.7%	18.9%	26.5%	21.0%
Upper	10	16.7%	14.8%	29.6%	27.4%	27	45.0%	53.1%	52.0%	63.4%
Unknown	0	0.0%	0.0%	0.0%	0.0%	3	5.0%	6.8%	3.1%	2.5%
Total	60	100.0%	100.0%	100.0%	100.0%	60	100.0%	100.0%	100.0%	100.0%
	Refinance									
Low	0	0.0%	0.0%	0.0%	0.0%	7	9.2%	7.1%	7.8%	4.4%
Moderate	0	0.0%	0.0%	0.0%	0.0%	15	19.7%	10.3%	17.1%	10.7%
Middle	59	77.6%	76.3%	78.3%	75.5%	16	21.1%	20.5%	22.5%	20.4%
Upper	17	22.4%	23.7%	20.9%	23.7%	38	50.0%	62.0%	45.0%	56.8%
Unknown	0	0.0%	0.0%	0.8%	0.8%	0	0.0%	0.0%	7.8%	7.6%
Total	76	100.0%	100.0%	100.0%	100.0%	76	100.0%	100.0%	100.0%	100.0%
	Home Improvement									
Low	0	0.0%	0.0%	0.0%	0.0%	9	23.7%	6.3%	5.0%	4.6%
Moderate	0	0.0%	0.0%	0.0%	0.0%	7	18.4%	36.7%	5.0%	1.3%
Middle	34	89.5%	88.5%	70.0%	64.7%	8	21.1%	9.8%	25.0%	17.3%
Upper	4	10.5%	11.5%	27.5%	33.6%	14	36.8%	47.1%	65.0%	76.7%
Unknown	0	0.0%	0.0%	2.5%	1.7%	0	0.0%	0.0%	0.0%	0.0%
Total	38	100.0%	100.0%	100.0%	100.0%	38	100.0%	100.0%	100.0%	100.0%
	HMDA Totals									
Low	0	0.0%	0.0%	0.0%	0.0%	22	12.6%	6.2%	5.2%	3.2%
Moderate	0	0.0%	0.0%	0.0%	0.0%	33	19.0%	14.4%	15.0%	10.6%
Middle	143	82.2%	80.5%	74.2%	73.6%	37	21.3%	19.2%	24.3%	20.5%
Upper	31	17.8%	19.5%	25.1%	25.8%	79	45.4%	57.6%	50.6%	60.8%
Unknown	0	0.0%	0.0%	0.7%	0.5%	3	1.7%	2.6%	4.9%	5.0%
Total	174	100.0%	100.0%	100.0%	100.0%	174	100.0%	100.0%	100.0%	100.0%
	SMALL BUSINESS					SMALL FARM				
	By Tract Income									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	94	68.6%	74.1%	66.7%	65.1%	203	76.0%	73.3%	61.4%	67.3%
Upper	43	31.4%	25.9%	30.3%	31.3%	64	24.0%	26.7%	38.6%	32.7%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	137	100.0%	100.0%	100.0%	100.0%	267	100.0%	100.0%	100.0%	100.0%
	By Revenue									
\$1 Million or Less	127	92.7%	72.5%	51.1%	73.6%	266	99.6%	99.6%	95.5%	99.1%
	By Loan Size									
\$100,000 or less	118	86.1%	41.4%	97.3%	55.7%	254	95.1%	69.0%	93.2%	69.8%
\$100,001-\$250,000	16	11.7%	40.3%	1.8%	21.2%	13	4.9%	31.0%	6.8%	30.2%
\$250,001-\$1 Million-\$500k (Farm)	3	2.2%	18.3%	0.9%	23.1%	0	0.0%	0.0%	0.0%	0.0%
Total	137	100.0%	100.0%	100.0%	100.0%	267	100.0%	100.0%	100.0%	100.0%

Bank and Peer Comparison - HMDA, Small Business & Small Farm

Assessment Area/Group: All WV

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank (2006 & 2007)		Peer (2007)			Bank (2006 & 2007)		Peer (2007)		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
	Home Purchase									
Low	0	0.0%	0.0%	3.0%	2.9%	5	8.8%	5.2%	8.0%	4.1%
Moderate	13	22.8%	20.8%	23.2%	20.0%	11	19.3%	16.2%	14.6%	10.1%
Middle	44	77.2%	79.2%	73.5%	76.7%	11	19.3%	16.6%	24.2%	20.9%
Upper	0	0.0%	0.0%	0.0%	0.0%	30	52.6%	61.9%	48.7%	60.0%
Unknown	0	0.0%	0.0%	0.4%	0.4%	0	0.0%	0.0%	4.8%	5.0%
Total	57	100.0%	100.0%	100.0%	100.0%	57	100.0%	100.0%	100.0%	100.0%
	Refinance									
Low	3	2.9%	3.2%	2.1%	2.0%	2	1.9%	1.6%	7.7%	4.2%
Moderate	28	27.2%	26.6%	25.6%	21.8%	12	11.7%	8.0%	17.4%	12.6%
Middle	72	69.9%	70.2%	72.1%	76.0%	30	29.1%	25.6%	20.5%	18.6%
Upper	0	0.0%	0.0%	0.0%	0.0%	59	57.3%	64.7%	49.6%	58.8%
Unknown	0	0.0%	0.0%	0.2%	0.2%	0	0.0%	0.0%	4.8%	5.8%
Total	103	100.0%	100.0%	100.0%	100.0%	103	100.0%	100.0%	100.0%	100.0%
	Home Improvement									
Low	2	3.2%	9.0%	2.1%	2.3%	7	11.3%	6.4%	11.3%	4.9%
Moderate	18	29.0%	24.0%	25.4%	20.6%	16	25.8%	18.5%	19.2%	13.0%
Middle	42	67.7%	67.0%	72.1%	77.1%	12	19.4%	14.4%	22.9%	24.9%
Upper	0	0.0%	0.0%	0.0%	0.0%	27	43.5%	60.8%	44.2%	55.0%
Unknown	0	0.0%	0.0%	0.4%	0.0%	0	0.0%	0.0%	2.5%	2.2%
Total	62	100.0%	100.0%	100.0%	100.0%	62	100.0%	100.0%	100.0%	100.0%
	HMDA Totals									
Low	5	2.3%	2.6%	2.4%	2.4%	14	6.3%	2.9%	8.4%	4.2%
Moderate	59	26.6%	24.8%	24.7%	21.0%	39	17.6%	10.9%	16.7%	11.6%
Middle	158	71.2%	72.6%	72.6%	76.4%	53	23.9%	22.5%	22.3%	20.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	116	52.3%	63.7%	48.3%	59.0%
Unknown	0	0.0%	0.0%	0.3%	0.3%	0	0.0%	0.0%	4.3%	5.2%
Total	222	100.0%	100.0%	100.0%	100.0%	222	100.0%	100.0%	100.0%	100.0%
	SMALL BUSINESS					SMALL FARM				
	By Tract Income									
Low	0	0.0%	0.0%	1.4%	0.4%	0	0.0%	0.0%	0.0%	0.0%
Moderate	14	13.9%	25.4%	20.5%	31.8%	0	0.0%	0.0%	3.2%	1.3%
Middle	87	86.1%	74.6%	67.0%	65.1%	0	0.0%	0.0%	87.1%	98.4%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	101	100.0%	100.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%
	By Revenue									
\$1 Million or Less	91	90.1%	69.9%	38.5%	38.5%	0	0.0%	0.0%	90.3%	94.6%
	By Loan Size									
\$100,000 or less	79	78.2%	31.5%	94.8%	38.6%	0	0.0%	0.0%	87.1%	43.3%
\$100,001-\$250,000	15	14.9%	26.5%	2.2%	13.0%	0	0.0%	0.0%	12.9%	56.7%
\$250,001-\$1 Million-\$500k (Farm)	7	6.9%	42.1%	3.0%	48.4%	0	0.0%	0.0%	0.0%	0.0%
Total	101	100.0%	100.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%

Bank and Peer Comparison - HMDA, Small Business & Small Farm

Assessment Area/Group: Non-MSA WV

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank (2006 & 2007)		Peer (2007)			Bank (2006 & 2007)		Peer (2007)		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
	Home Purchase									
Low	0	0.0%	0.0%	0.0%	0.0%	3	5.8%	1.9%	5.3%	2.5%
Moderate	12	23.1%	21.8%	12.0%	10.0%	8	15.4%	12.9%	12.0%	7.7%
Middle	40	76.9%	78.2%	87.5%	89.4%	11	21.2%	18.0%	22.6%	18.5%
Upper	0	0.0%	0.0%	0.0%	0.0%	30	57.7%	67.1%	55.7%	66.4%
Unknown	0	0.0%	0.0%	0.6%	0.6%	0	0.0%	0.0%	4.5%	4.9%
Total	52	100.0%	100.0%	100.0%	100.0%	52	100.0%	100.0%	100.0%	100.0%
	Refinance									
Low	0	0.0%	0.0%	0.0%	0.0%	2	2.2%	1.8%	6.3%	2.9%
Moderate	25	26.9%	27.2%	14.5%	12.0%	10	10.8%	7.3%	13.0%	8.2%
Middle	68	73.1%	72.8%	85.5%	88.0%	25	26.9%	22.8%	18.8%	15.7%
Upper	0	0.0%	0.0%	0.0%	0.0%	56	60.2%	68.0%	56.3%	66.5%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	5.6%	6.8%
Total	93	100.0%	100.0%	100.0%	100.0%	93	100.0%	100.0%	100.0%	100.0%
	Home Improvement									
Low	0	0.0%	0.0%	0.0%	0.0%	5	10.4%	6.2%	7.6%	1.2%
Moderate	12	25.0%	22.1%	13.0%	12.3%	9	18.8%	13.0%	18.4%	11.8%
Middle	36	75.0%	77.9%	86.5%	87.6%	10	20.8%	15.1%	21.6%	23.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	24	50.0%	65.8%	51.4%	62.8%
Unknown	0	0.0%	0.0%	0.5%	0.1%	0	0.0%	0.0%	1.1%	1.3%
Total	48	100.0%	100.0%	100.0%	100.0%	48	100.0%	100.0%	100.0%	100.0%
	HMDA Totals									
Low	0	0.0%	0.0%	0.0%	0.0%	10	5.2%	2.0%	6.2%	2.6%
Moderate	49	25.4%	25.4%	13.3%	11.2%	27	14.0%	9.2%	13.7%	8.3%
Middle	144	74.6%	74.6%	86.4%	88.5%	46	23.8%	21.1%	20.8%	17.5%
Upper	0	0.0%	0.0%	0.0%	0.0%	110	57.0%	67.7%	55.1%	66.1%
Unknown	0	0.0%	0.0%	0.3%	0.3%	0	0.0%	0.0%	4.3%	5.5%
Total	193	100.0%	100.0%	100.0%	100.0%	193	100.0%	100.0%	100.0%	100.0%
	SMALL BUSINESS					SMALL FARM				
	By Tract Income									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	6	7.1%	20.9%	14.7%	29.7%	0	0.0%	0.0%	0.0%	0.0%
Middle	78	92.9%	79.1%	74.7%	67.8%	0	0.0%	0.0%	96.0%	99.8%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	84	100.0%	100.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%
	By Revenue									
\$1 Million or Less	77	91.7%	66.7%	37.4%	39.0%	0	0.0%	0.0%	88.0%	94.3%
	By Loan Size									
\$100,000 or less	65	77.4%	29.9%	94.2%	37.1%	0	0.0%	0.0%	84.0%	39.7%
\$100,001-\$250,000	13	15.5%	26.5%	2.4%	12.9%	0	0.0%	0.0%	16.0%	60.3%
\$250,001-\$1 Million-\$500k (Farm)	6	7.1%	43.6%	3.5%	50.0%	0	0.0%	0.0%	0.0%	0.0%
Total	84	100.0%	100.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%

Bank and Peer Comparison - HMDA, Small Business & Small Farm

Assessment Area/Group: Charleston MSA 16620

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank (2006 & 2007)		Peer (2007)			Bank (2006 & 2007)		Peer (2007)		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	10.6%	9.1%	2	40.0%	44.3%	14.8%	7.5%
Moderate	1	20.0%	9.6%	51.4%	41.4%	3	60.0%	55.7%	21.1%	15.1%
Middle	4	80.0%	90.4%	38.0%	49.5%	0	0.0%	0.0%	28.2%	25.8%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	31.0%	46.4%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	4.9%	5.1%
Total	5	100.0%	100.0%	100.0%	100.0%	5	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	3	30.0%	29.8%	6.7%	6.3%	0	0.0%	0.0%	10.8%	7.1%
Moderate	3	30.0%	21.3%	49.2%	43.0%	2	20.0%	14.1%	26.7%	22.3%
Middle	4	40.0%	48.9%	43.6%	50.0%	5	50.0%	48.3%	24.1%	24.9%
Upper	0	0.0%	0.0%	0.0%	0.0%	3	30.0%	37.6%	35.4%	42.1%
Unknown	0	0.0%	0.0%	0.5%	0.7%	0	0.0%	0.0%	3.1%	3.6%
Total	10	100.0%	100.0%	100.0%	100.0%	10	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	2	14.3%	43.3%	9.1%	11.3%	2	14.3%	7.1%	23.6%	19.6%
Moderate	6	42.9%	31.5%	67.3%	53.1%	7	50.0%	39.4%	21.8%	17.7%
Middle	6	42.9%	25.2%	23.6%	35.6%	2	14.3%	11.8%	27.3%	32.8%
Upper	0	0.0%	0.0%	0.0%	0.0%	3	21.4%	41.7%	20.0%	23.9%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	7.3%	5.9%
Total	14	100.0%	100.0%	100.0%	100.0%	14	100.0%	100.0%	100.0%	100.0%
HMDA Totals										
Low	5	17.2%	24.8%	8.4%	7.7%	4	13.8%	10.0%	14.0%	7.9%
Moderate	10	34.5%	19.8%	52.6%	42.8%	12	41.4%	25.3%	24.0%	19.0%
Middle	14	48.3%	55.4%	38.8%	49.1%	7	24.1%	34.6%	26.0%	25.7%
Upper	0	0.0%	0.0%	0.0%	0.0%	6	20.7%	30.0%	31.6%	43.1%
Unknown	0	0.0%	0.0%	0.3%	0.4%	0	0.0%	0.0%	4.3%	4.4%
Total	29	100.0%	100.0%	100.0%	100.0%	29	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
Low	0	0.0%	0.0%	7.1%	3.7%	0	0.0%	0.0%	0.0%	0.0%
Moderate	8	47.1%	56.8%	44.1%	50.2%	0	0.0%	0.0%	16.7%	21.7%
Middle	9	52.9%	43.2%	35.6%	41.5%	0	0.0%	0.0%	50.0%	75.9%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	17	100.0%	100.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%
SMALL FARM										
By Revenue										
\$1 Million or Less	14	82.4%	92.9%	42.7%	33.3%	0	0.0%	0.0%	100.0%	100.0%
By Loan Size										
\$100,000 or less	14	82.4%	42.6%	97.6%	52.0%	0	0.0%	0.0%	100.0%	100.0%
\$100,001-\$250,000	2	11.8%	26.3%	1.4%	13.7%	0	0.0%	0.0%	0.0%	0.0%
\$250,001-\$1 Million-\$500k (Farm)	1	5.9%	31.1%	1.0%	34.3%	0	0.0%	0.0%	0.0%	0.0%
Total	17	100.0%	100.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%

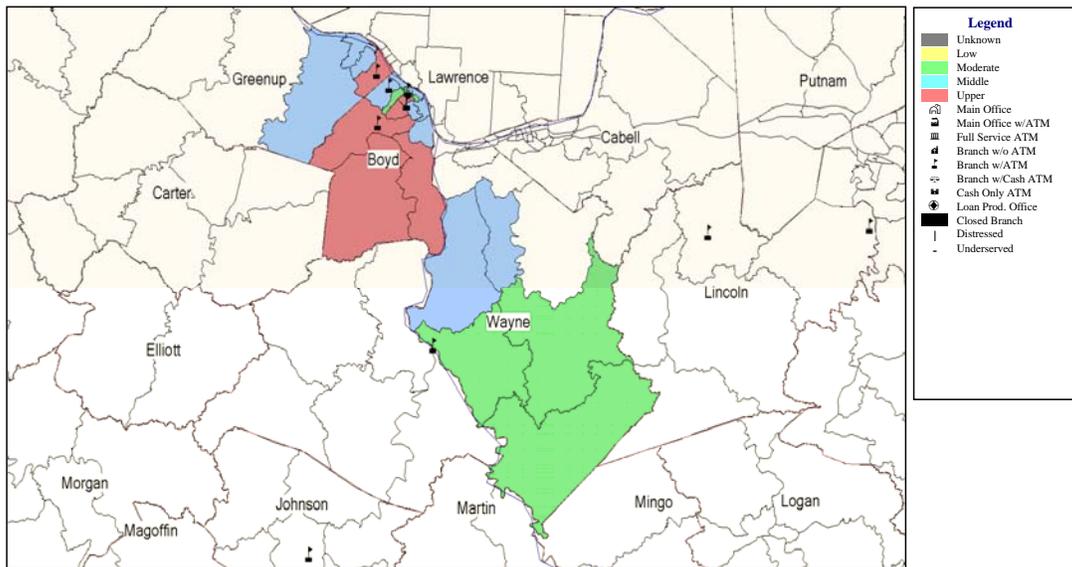
APPENDIX E

ASSESSMENT AREA MAPS

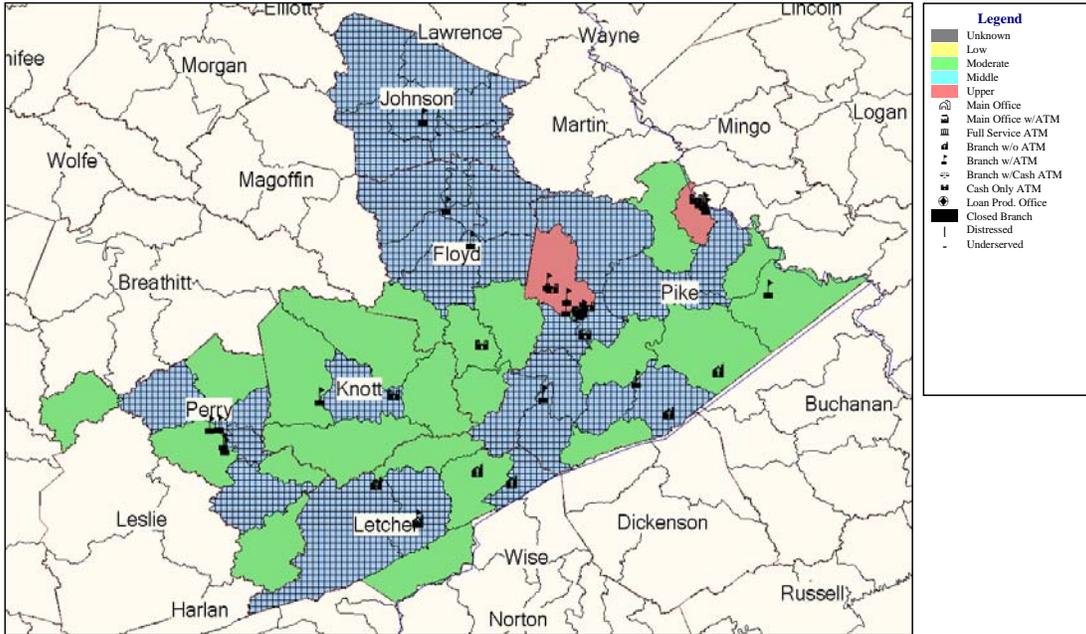
Community Trust Bank
 Assessment Area: Overall



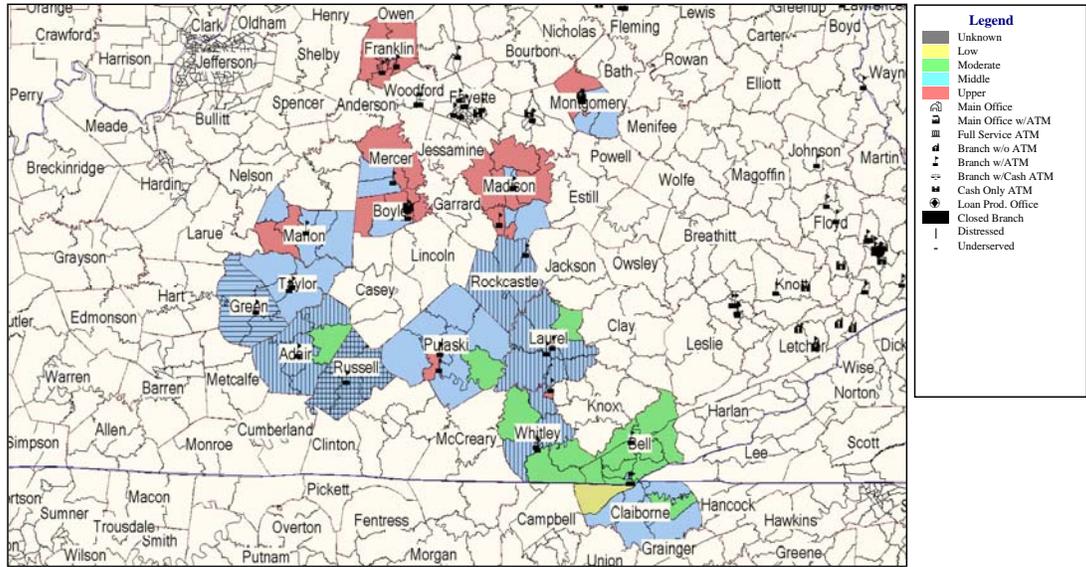
Community Trust Bank
 Assessment Area: Huntington-Ashland MSA 26580



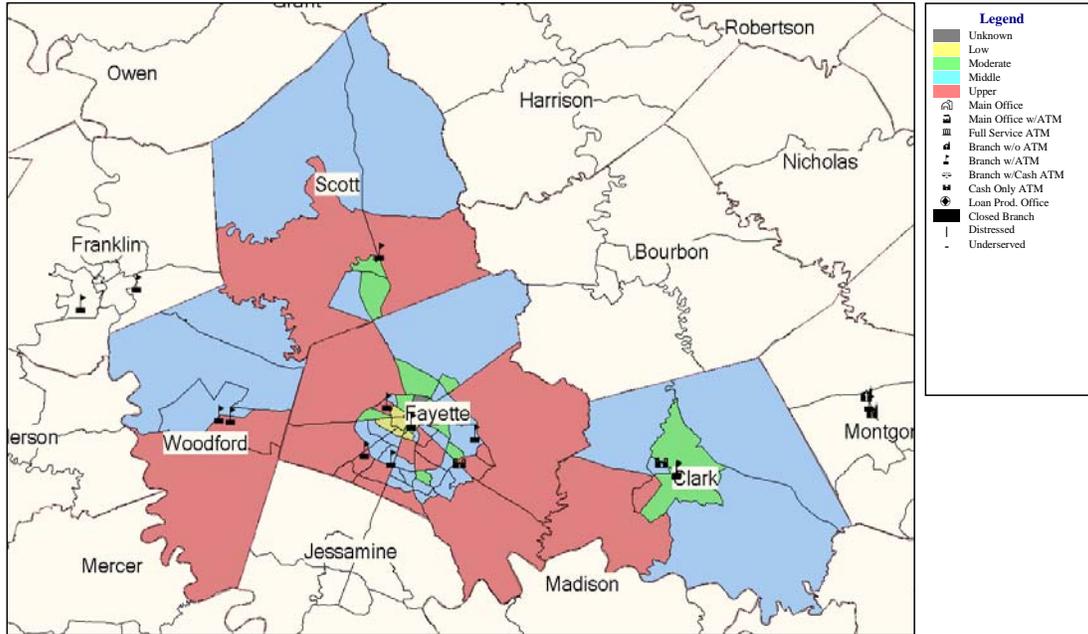
Community Trust Bank
 Assessment Area: Non-MSA Eastern KY



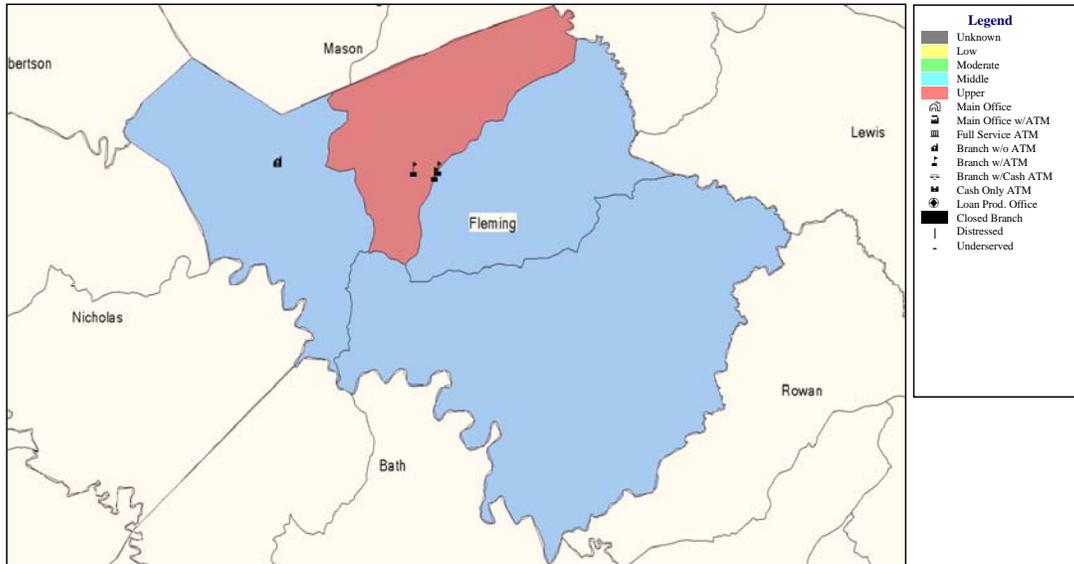
Community Trust Bank
 Assessment Area: Non-MSA Central KY1



Community Trust Bank
 Assessment Area: Lexington-Fayette MSA 30460



Community Trust Bank
 Assessment Area: Non-MSA Central KY2



Community Trust Bank
 Assessment Area: Non-MSA WV



Community Trust Bank
 Assessment Area: Charleston MSA 16620

