

FDIC State Profile

Tennessee

Third Quarter 2008

ECONOMIC INDICATORS (Change from year ago, unless noted)

Employment Growth Rates	Q3-08	Q2-08	Q3-07	2007	2006
Total Nonfarm (share of trailing four quarter employment in parentheses)	-0.6%	-0.2%	0.5%	0.5%	1.4%
Manufacturing (13%)	-2.5%	-2.4%	-5.1%	-4.6%	-2.3%
Other (non-manufacturing) Goods-Producing (5%)	-0.3%	0.4%	2.2%	2.4%	7.3%
Private Service-Producing (67%)	-0.5%	0.1%	1.5%	1.4%	2.0%
Government (15%)	0.3%	0.4%	1.0%	1.1%	1.0%
Unemployment Rate (% of labor force)	6.9%	6.1%	4.7%	4.7%	5.1%
Other Indicators	Q3-08	Q2-08	Q3-07	2007	2006
Single-Family Home Permits	-44.5%	-40.3%	-23.2%	-24.8%	-3.6%
Multifamily Building Permits	-13.3%	-59.5%	-18.2%	1.7%	11.1%
Home Price Index	1.4%	2.6%	5.5%	5.8%	7.6%
Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level)	7.97	7.07	6.69	6.34	5.33

BANKING TRENDS

General Information	Q3-08	Q2-08	Q3-07	2007	2006
Institutions (#)	201	200	202	203	201
Total Assets (in millions)	99,853	101,516	92,560	94,343	88,632
New Institutions (# < 3 years)	14	14	17	17	18
Subchapter S Institutions	43	43	43	43	43
Asset Quality	Q3-08	Q2-08	Q3-07	2007	2006
Past-Due and Nonaccrual Loans / Total Loans (median %)	2.53	2.09	1.74	2.05	1.60
ALLL/Total Loans (median %)	1.17	1.18	1.18	1.18	1.21
ALLL/Noncurrent Loans (median multiple)	1.16	1.47	1.97	1.99	2.77
Net Loan Losses / Total Loans (median %)	0.23	0.13	0.09	0.16	0.13
Capital / Earnings	Q3-08	Q2-08	Q3-07	2007	2006
Tier 1 Leverage (median %)	9.83	9.76	10.02	9.81	9.89
Return on Assets (median %)	0.62	0.75	0.89	0.83	0.91
Pretax Return on Assets (median %)	0.85	1.02	1.22	1.13	1.23
Net Interest Margin (median %)	3.88	3.82	3.98	3.94	4.13
Yield on Earning Assets (median %)	6.51	6.59	7.52	7.37	7.11
Cost of Funding Earning Assets (median %)	2.64	2.81	3.52	3.40	2.95
Provisions to Avg. Assets (median %)	0.29	0.19	0.13	0.16	0.17
Noninterest Income to Avg. Assets (median %)	0.70	0.73	0.75	0.74	0.77
Overhead to Avg. Assets (median %)	3.05	3.06	3.11	3.11	3.13
Liquidity / Sensitivity	Q3-08	Q2-08	Q3-07	2007	2006
Loans to Assets (median %)	73.0	71.7	70.8	70.4	69.6
Noncore Funding to Assets (median %)	30.5	29.7	27.1	28.1	27.4
Long-term Assets to Assets (median %, call filers)	18.3	18.2	14.9	15.4	12.8
Brokered Deposits (number of institutions)	89	78	68	78	66
Brokered Deposits to Assets (median % for those above)	6.1	4.3	3.8	4.6	4.1
Loan Concentrations (median % of Tier 1 Capital)	Q3-08	Q2-08	Q3-07	2007	2006
Commercial and Industrial	74.9	76.5	75.4	78.2	76.0
Commercial Real Estate	326.6	313.3	271.6	292.2	255.9
Construction & Development	107.3	105.2	100.0	98.1	81.1
Multifamily Residential Real Estate	6.1	5.2	3.8	4.1	4.6
Nonresidential Real Estate	163.1	159.3	141.1	147.8	135.9
Residential Real Estate	225.0	220.2	205.2	208.1	207.4
Consumer	43.6	45.0	46.6	48.3	51.7
Agriculture	17.5	17.8	16.4	17.8	16.9

BANKING PROFILE

Largest Deposit Markets (from 2007 Summary of Deposits)	Institutions in Market	Deposits (\$ millions)	Asset Distribution	Institutions
Nashville-Davidson--Murfreesboro, TN	59	31,440	< \$250 million	134 (66.7%)
Memphis, TN-MS-AR	58	21,391	\$250 million to \$1 billion	57 (28.4%)
Knoxville, TN	43	11,113	\$1 billion to \$10 billion	9 (4.5%)
Chattanooga, TN-GA	28	7,643	> \$10 billion	1 (0.5%)
Kingsport-Bristol-Bristol, TN-VA	28	4,391		