

Board of Governors of the Federal Reserve System



Annual Report of Holding Companies—FR Y-6

Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844(c)(1)(A)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

This report form is to be filed by all top-tier bank holding companies, top-tier savings and loan holding companies, and U.S. intermediate holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

NOTE: The *Annual Report of Holding Companies* must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

Date of Report (top-tier holding company's fiscal year-end):
December 31, 2016

Month / Day / Year
549300MZBTMEM6F0R827

Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address

HomeTown Bankshares Corporation

Legal Title of Holding Company

202 S. Jefferson St.

(Mailing Address of the Holding Company) Street / P.O. Box

Roanoke VA 24011

City State Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Sheri M. Rock Controller

Name Title

540-597-1117

Area Code / Phone Number / Extension

540-342-1327

Area Code / FAX Number

srock@hometownbank.com

E-mail Address

www.hometownbank.com

Address (URL) for the Holding Company's web page

I, Susan K. Still

Name of the Holding Company Director and Official

CEO and Director

Title of the Holding Company Director and Official

attest that the *Annual Report of Holding Companies* (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Signature of Holding Company Director and Official

06/27/2017

Date of Signature

For holding companies not registered with the SEC—
 Indicate status of Annual Report to Shareholders:

- is included with the FR Y-6 report
- will be sent under separate cover
- is not prepared

For Federal Reserve Bank Use Only

RSSD ID _____

C.I. _____

Is confidential treatment requested for any portion of this report submission? 0=No 1=Yes **0**

In accordance with the General Instructions for this report (check only one),

- 1. a letter justifying this request is being provided along with the report
- 2. a letter justifying this request has been provided separately

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

Public reporting burden for this information collection is estimated to vary from 1.3 to 101 hours per response, with an average of 5.50 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0297), Washington, DC 20503.

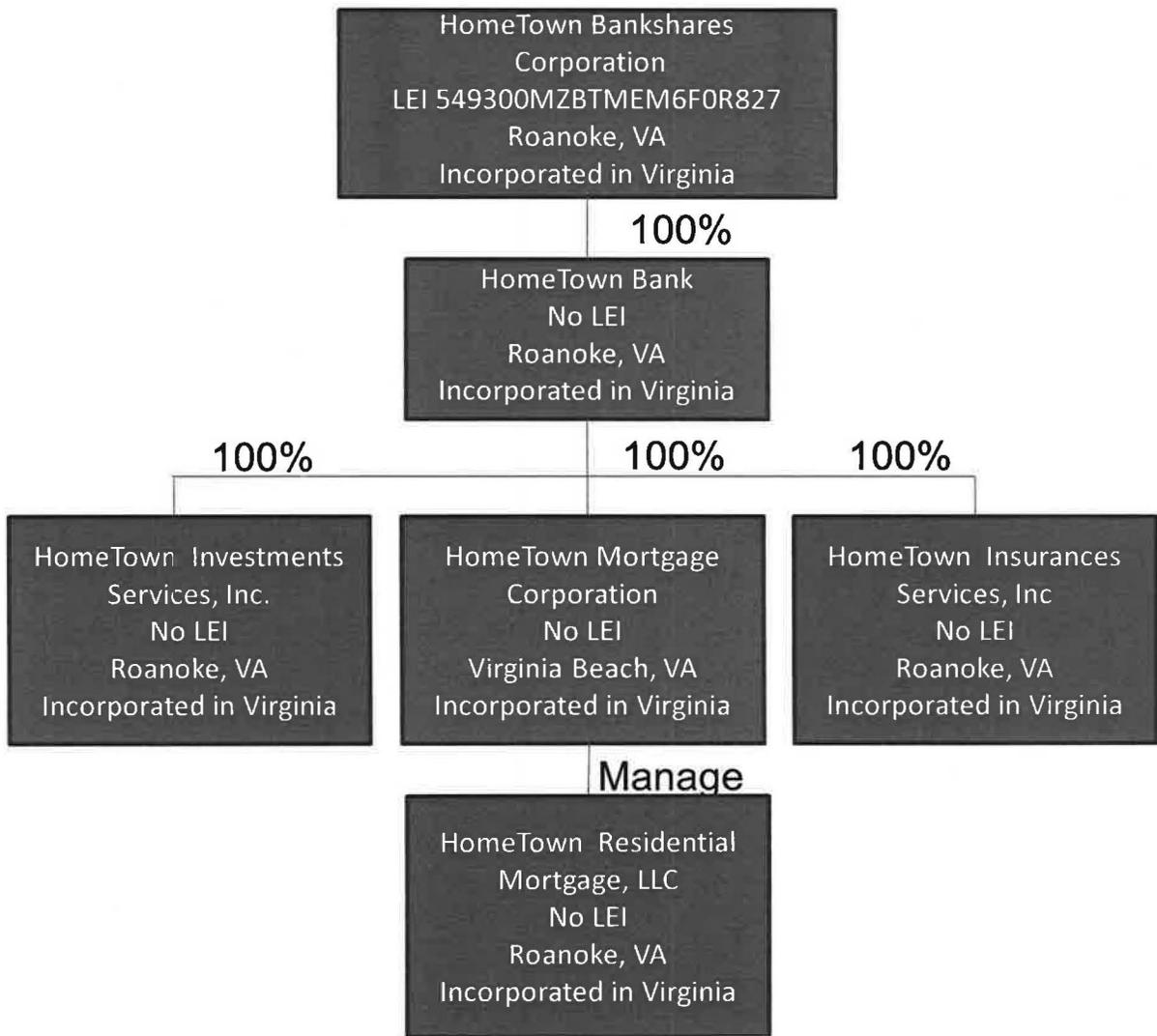
Form FRY-6

**HomeTown Bankshares Corporation
Roanoke, Virginia
Fiscal Year ending December 31, 2016**

Report Item

1: The bank holding company is registered with the Securities and Exchange Commission.

2a: Organization Chart



2b: Domestic Branch Listing submitted via secure e-mail on 3/31/2017

Results: A list of branches for your depository institution: HOMETOWN BANK (ID_RSSD: 3357910).
 This depository institution is held by HOMETOWN BANKSHARES CORPORATION (3848342) of ROANOKE, VA.
 The data are as of 12/31/2016. Data reflects information that was received and processed through 01/10/2017.

Reconciliation and Verification Steps

1. In the **Data Action** column of each branch row, enter one or more of the actions specified below.
2. If required, enter the date in the **Effective Date** column.

Actions

- OK:** If the branch information is correct, enter 'OK' in the **Data Action** column.
- Change:** If the branch information is incorrect or incomplete, revise the data, enter 'Change' in the **Data Action** column and the date when this information first became valid in the **Effective Date** column.
- Close:** If a branch listed was sold or closed, enter 'Close' in the **Data Action** column and the sale or closure date in the **Effective Date** column.
- Delete:** If a branch listed was never owned by this depository institution, enter 'Delete' in the **Data Action** column.
- Add:** If a reportable branch is missing, insert a row, add the branch data, and enter 'Add' in the **Data Action** column and the opening or acquisition date in the **Effective Date** column.

If printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or legal sized paper.

Submission Procedure

When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.
 If you are e-mailing this to your FRB contact, put your institution name, city and state in the subject line of the e-mail.

Note:

To satisfy the **FR Y-10 reporting requirements**, you must also submit FR Y-10 Domestic Branch Schedules for each branch with a **Data Action** of Change, Close, Delete, or Add.
 The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - <https://y10online.federalreserve.gov>

* FDIC UNINUM, Office Number, and ID_RSSD columns are for reference only. Verification of these values is not required

Data Action	Effective Date	Branch Service Type	Branch ID_RSSD*	Popular Name	Street Address	City	State	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
OK		Full Service (Head Office)	3357910	HOMETOWN BANK	202 SOUTH JEFFERSON STREET	ROANOKE	VA	24011	ROANOKE CITY	UNITED STATES	441067	0	HOMETOWN BANK	3357910	
OK		Full Service	3811917	NEWRIVER BANK, MARKET STREET BRANCH	2950 MARKET STREET	CHRISTIANSBURG	VA	24073	MONTGOMERY	UNITED STATES	480308	4	HOMETOWN BANK	3357910	
OK		Full Service	3444968	MONETA BRANCH	13400 BOOKER T WASHINGTON HIGHWAY	MONETA	VA	24121	FRANKLIN	UNITED STATES	451395	1	HOMETOWN BANK	3357910	
OK		Full Service	3591424	COLONIAL AVENUE AT 419 BRANCH	4225 COLONIAL AVENUE	ROANOKE	VA	24018	ROANOKE	UNITED STATES	466488	3	HOMETOWN BANK	3357910	
OK		Full Service	3616206	ROANOKE BRANCH	3521 FRANKLIN ROAD	ROANOKE	VA	24014	ROANOKE CITY	UNITED STATES	465909	2	HOMETOWN BANK	3357910	
OK		Full Service	4727172	SALEM BRANCH	852 WEST MAIN STREET	SALEM	VA	24153	SALEM CITY	UNITED STATES	Not Required	Not Required	HOMETOWN BANK	3357910	

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Fiscal Year Ending December 31, 2016

Report Item 3: Securities holders

(1)(a)(b)(c) and (2)(a)(b)(c)

Current securities holders with ownership, control or holdings of 5% or more with power to vote as of fiscal year ending 12-31-2016				Securities holders not listed in 3(1)(a) through 3(1)(c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year ending 12-31-2016		
(1)(a) Name, City, State, Country	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities		(2)(a) Name, City, State, Country	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
EJF Capital, LLC Arlington, VA, USA	USA	372,735	6.47%	None		
FJ Capital Management, LLC McLean, VA, USA	USA	372,736	6.47%			
Wellington Management Company, LLP Boston, MA, USA	USA	372,735	6.47%			

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Report Item 4: Insiders
(1), (2), (3)(a)(b)(c), and (4)(b)(c)

(1) Name, City, State, Country	(2) and (3)(c) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securi- ties are held (List names of companies and percentage of voting securities held)
Nancy H. Agee Roanoke, VA USA	President & CEO Carillion Clinic	Director	Director HomeTown Bank	0.35%	N/A	N/A
George B. Cartledge, JR Roanoke, VA USA	CEO of Grand Home Furnishings	Chairman	Chairman HomeTown Bank	0.94%	N/A	N/A
Warner Dalhouse Roanoke, VA USA	Retired	Director	Director HomeTown Bank	0.27%	N/A	N/A
Marc S. Fink Roanoke, VA USA	President & CEO Fink's Jewelers, Inc.	Director	Director HomeTown Bank	0.54%	N/A	Fink's Inc. 72%
Daniel D. Hamrick Roanoke, VA USA	Attorney at Law Daniel D. Hamrick, P.C.	Director	Director HomeTown Bank	0.46%	N/A	Daniel D. Hamrick, P.C. 100%
William R. Rakes Roanoke, VA USA	Partner of Gentry, Locke, Rakes, & Moore Attorney	Director	Director HomeTown Bank	1.70%	N/A	N/A
Susan K. Still Roanoke, VA USA	N/A	President, CEO, & Director	President, CEO, & Director HomeTown Bank	0.57%	N/A	N/A
James M. Turner, Jr. Roanoke, VA USA	Retired Chairman & CEO JM Turner & Co., Inc.	Director	Director HomeTown Bank	0.21%	N/A	J.M. Turner & Co. Inc 50%
Vance W. Adkins Roanoke, VA USA	N/A	Chief Financial Officer	Chief Financial Officer HomeTown Bank	0.09%	N/A	SWVA Arms, LLC 85%
William C. Moses Roanoke, VA USA	N/A	Chief Credit Officer	Chief Credit Officer HomeTown Bank	0.39%	N/A	N/A