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. §§ 3108(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, 1850(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

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, 2017

Name of the Holding Company Director and Official (Chairman)

Name of the Holding Company Director and Official (Chairman)

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 “Regulation 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: George B. Cartledge, Jr.

Date of Signature: 03/30/2018

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

R USSD ID

C.I.

3848342

FR Y-6

4MB Number 7100-0297

Page 1 of 2

Is confidential treatment requested for any portion of this report submission? ........................................

☐ Yes ☐ No

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

2a: Organization Chart

- HomeTown Bankshares Corporation
  - LEI 549300M2BMEM6F0R827
  - Roanoke, VA
  - Incorporated in Virginia
  - 100%

- HomeTown Bank
  - LEI 549300TMF7YJBKDNMP72
  - Roanoke, VA
  - Incorporated in Virginia
  - 100%

- HomeTown Investments Services, Inc.
  - No LEI
  - Roanoke, VA
  - Incorporated in Virginia
  - 100%

- HomeTown Mortgage Corporation
  - No LEI
  - Virginia Beach, VA
  - Incorporated in Virginia
  - 100%

- HomeTown Insurances Services, Inc.
  - No LEI
  - Roanoke, VA
  - Incorporated in Virginia
  - 100%

- Manage

- HomeTown Residential Mortgage, LLC
  - No LEI
  - Virginia Beach, VA
  - Incorporated in Virginia
## Domestic Branch Listing

Results: A list of branches for your holding company: HOMETOWN BANKSHARES CORPORATION (3848342) of ROANOKE, VA.

The data are as of 12/31/2017. Data reflects information that was received and processed through 01/04/2018.

### 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 email.

### 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://ylOonline.federalreserve.gov.

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

### Table

<table>
<thead>
<tr>
<th>Data Action</th>
<th>Effective Date</th>
<th>Branch Service Type</th>
<th>Branch ID_RSSID*</th>
<th>Popular Name</th>
<th>Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>County</th>
<th>Country</th>
<th>FINC UNINUM*</th>
<th>Office Number*</th>
<th>Head Office</th>
<th>Head Office ID_RSSID*</th>
<th>Comments</th>
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<td>OK</td>
<td>Full Service</td>
<td>3357910</td>
<td>HOMETOWN BANK</td>
<td>202 SOUTH JEFFERSON STREET</td>
<td>ROANOKE</td>
<td>VA</td>
<td>24011</td>
<td>ROANOKE CITY</td>
<td>UNITED STATES</td>
<td>Not Required</td>
<td>Not Required</td>
<td>HOMETOWN BANK</td>
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<td>3801317</td>
<td>NEWRIVER BANK, MARKET STREET BRANCH</td>
<td>2990 MARKET STREET</td>
<td>CHRISTIANSBURG</td>
<td>VA</td>
<td>24073</td>
<td>MONTGOMERY</td>
<td>UNITED STATES</td>
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<td>3843496889</td>
<td>MONETA BRANCH</td>
<td>13400 BOOKER T WASHINGTON HIGHWAY</td>
<td>MONETA</td>
<td>VA</td>
<td>24121</td>
<td>FRANKLIN</td>
<td>UNITED STATES</td>
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<td>89654424</td>
<td>COLONIAL AVENUE AT 419 BRANCH</td>
<td>422 COLONIAL AVENUE</td>
<td>ROANOKE</td>
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<td>OK</td>
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<td>4061026665</td>
<td>ROANOKE BRANCH</td>
<td>551 FRANKLIN ROAD</td>
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<td>877777372</td>
<td>SALISBURY BRANCH</td>
<td>802 WEST MAIN STREET</td>
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<tr>
<td>(1)(a) Name, City, State, Country</td>
<td>(1)(b) Country of Citizenship or Incorporation</td>
<td>(1)(c) Number and Percentage of Each Class of Voting Securities</td>
<td>(2)(a) Name, City, State, Country or Incorporation</td>
<td>(2)(b) Number and Percentage of Each Class of Voting Securities</td>
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<td>EJF Capital, LLC, Arlington, VA, USA</td>
<td>USA</td>
<td>372,735 6.47%</td>
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<td>FJ Capital Management, LLC, McLean, VA, USA</td>
<td>USA</td>
<td>489,100 8.49%</td>
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<td>Wellington Management Company, LLP, Boston, MA, USA</td>
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<tr>
<td>Name, City, State, Country</td>
<td>Title &amp; Position with Other businesses) (Include names of other businesses)</td>
<td>(1)</td>
<td>(2) and (3)(c) Principal Occupation if other than with Bank Holding Company</td>
<td>(3)(a) Title &amp; Position with Bank Holding Company</td>
<td>(3)(b) Title &amp; Position with Subsidiaries (Include names of subsidiaries)</td>
<td>(4)(a) Percentage of Voting Shares in Bank Holding Company</td>
<td>(4)(b) Percentage of Voting Shares in Subsidiaries (Include names of subsidiaries)</td>
<td>(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)</td>
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<td>Nancy H. Agee, Roanoke, VA, USA</td>
<td>President &amp; CEO Carrilion Clinic</td>
<td>Director</td>
<td>Director</td>
<td>Nancy H. Agee, Director</td>
<td>HomeTown Bank</td>
<td>0.43%</td>
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<td>George B. Cartledge, JR, Roanoke, VA, USA</td>
<td>CEO of Grand Home Furnishings</td>
<td>Chairman</td>
<td>Chairman</td>
<td>George B. Cartledge, Chairman</td>
<td>HomeTown Bank</td>
<td>0.94%</td>
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<td>Warner Dalhouse, Roanoke, VA, USA</td>
<td>Retired</td>
<td>Director</td>
<td>Director</td>
<td>Warner Dalhouse, Director</td>
<td>HomeTown Bank</td>
<td>0.27%</td>
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<td>Marc S. Fink, Roanoke, VA, USA</td>
<td>President &amp; CEO Fink's Jewelers, Inc.</td>
<td>Director</td>
<td>Director</td>
<td>Marc S. Fink, Director</td>
<td>HomeTown Bank</td>
<td>0.54%</td>
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<td>Fink's Inc. 72%</td>
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<td>Daniel D. Hamrick, Roanoke, VA, USA</td>
<td>Attorney at Law Daniel D. Hamrick, P.C.</td>
<td>Director</td>
<td>Director</td>
<td>Daniel D. Hamrick, Director</td>
<td>HomeTown Bank</td>
<td>0.46%</td>
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<td>Daniel D. Hamrick, P.C. 100%</td>
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<td>William R. Rakes, Roanoke, VA, USA</td>
<td>Partner of Gentry, Locke, Rakes, &amp; Moore Attorney</td>
<td>Director</td>
<td>Director</td>
<td>William R. Rakes, Director</td>
<td>HomeTown Bank</td>
<td>1.70%</td>
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<td>Susan K. Stell, Roanoke, VA, USA</td>
<td>N/A</td>
<td>President, CEO, &amp; Director</td>
<td>President, CEO, &amp; Director</td>
<td>Susan K. Stell, President, CEO, &amp; Director</td>
<td>HomeTown Bank</td>
<td>0.65%</td>
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<td>James M. Turner, Jr., Roanoke, VA, USA</td>
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<td>Director</td>
<td>Director</td>
<td>James M. Turner, Jr., Director</td>
<td>HomeTown Bank</td>
<td>0.21%</td>
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<td>Vance W. Adkins, Roanoke, VA, USA</td>
<td>N/A</td>
<td>Chief Financial Officer</td>
<td>Chief Financial Officer</td>
<td>Vance W. Adkins, Chief Financial Officer</td>
<td>HomeTown Bank</td>
<td>0.11%</td>
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<td>SWVA Arms, LLC 100%</td>
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