



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **PUBLIC DISCLOSURE**

March 31, 2012

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**Union Bank, NA  
Charter Number 21541**

**400 California Street  
San Francisco, CA 94104**

**Office of the Comptroller of the Currency**

**Large Bank Supervision  
Constitution Center  
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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, and should not 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.

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## Overall CRA Rating

**Institution’s CRA Rating:** This institution is rated “**Satisfactory.**”

The following table indicates the performance level of **Union Bank, NA (UB)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Union Bank, NA Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	X
High Satisfactory			
Low Satisfactory	X		
Needs to Improve			
Substantial Noncompliance			

\* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- A geographic distribution of loans that was good for small businesses and adequate for home mortgages.
- A borrower distribution of loans that was adequate for small businesses and poor for home mortgages.
- Adequate level of lending activity in California and Washington, however, poor lending activity in Oregon and very poor in Texas and New York. This negatively impacted the bank’s overall lending test.
- Excellent community development lending.
- Excellent levels of community development investments that are heavily focused on affordable housing and small business development needs.
- A good distribution of branch offices that makes UB’s products and services readily accessible to geographies and individuals of different income levels.
- Excellent community development services.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**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 MA/assessment area.

**Census Tract (CT):** 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 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:** 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.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**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 Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., 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 (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

**Home Mortgage Loans:** Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

**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 Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., 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 MA/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division (MD):** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

**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 multi-state 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 multi-state metropolitan area, the institution will receive a rating for the multi-state 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.

**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.

**Tier One Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Description of Institution

Union Bank, NA (UB) is an interstate full-service commercial bank that operates in the states of California, New York, Oregon, Texas, and Washington. Headquartered in San Francisco, California, UB is the primary subsidiary of UnionBanCal Corporation (UNBC). Effective November 4, 2008, UNBC became a wholly-owned subsidiary of The Bank of Tokyo-Mitsubishi UFJ, Ltd located in Tokyo, Japan. UNBC has assets of \$92 billion as of March 31, 2012 which place it fifth in size for commercial banks in California and 22<sup>nd</sup> for banks in the country. UB's Tier 1 regulatory capital levels for years ending 2011, 2010, and 2009 were \$8.6 billion, \$7.4 billion, and \$7.2 billion, respectively.

UB has its most significant presence in California where the predominance of its deposits is gathered. Lending activity and branch offices are likewise most prevalent in California. Competition in California is intense and comprised of a myriad of financial institution types. For the state of New York, UB has one branch, which is in New York-White Plains-Wayne, NY-NJ MD. For the state of Oregon, UB has four branches, three in the Portland portion of that multi-state MSA and one is the Salem MSA. For the state of Texas, UB has one branch in the Dallas-Plano-Irving, TX MD. For the state of Washington, UB has 47 branches. UB acquired the assets of Frontier Bank located in Washington and Oregon and Tamalpais Bank in the San Francisco Bay area. Both purchases were through the FDIC asset purchase program. In addition, UB opened the New York branch as of June 30, 2011. As of March 31, 2012, UB operated 400 full-service branches throughout its five-state assessment areas (AAs).

UB provides a comprehensive array of financial services to individuals, small businesses, middle-market companies, major corporations, government agencies, not-for-profit organizations, corporate and multi-national companies headquartered in the United States, and the real estate development and real estate investment community. Also included are clients with large or unique cash management requirements, such as government entities and not-for-profits, national clients in communications, media, entertainment, energy, public utilities, retailing, and other specialty industries. Consumer, consumer real estate, and agricultural lending represent smaller lines of business for the bank.

Under the CRA, UB's major lending focus is toward small businesses. The bank offers various special loan programs designed to accommodate small business needs and to foster their development. One of UB's more prominent programs is its Business Diversity Lending program, which focuses on making credit available to credit-worthy small businesses that are at least 51% owned and managed by women, minorities and disabled veterans. The flexible underwriting standards and intended market of this program make it unique, and under the Equal Credit Opportunity Act it is considered a Special Purpose Credit Program. Under Fair Lending laws, this exclusive designation allows UB to track various borrower profile items. Another of UB's programs is its Community Based Financing Program where the bank partners with community based financing organizations to provide non-traditional business financing for small businesses. Other small business programs relate to the Small Business Administration, the First Step Business Line of Credit, California Capital Access Program (CalCAP), and The California Economic Development and Lending Initiative (CEDLI). While UB's lending niche emphasizes lending to small businesses, it also emphasizes an active jumbo mortgage loan program. The bank responds to other community credit needs, such as affordable housing to low- and moderate-income (LMI) geographies and borrowers, through

extensive transactions associated with community development loans, investments and services.

There are no legal or financial factors impeding the bank's ability to help meet credit needs in its AAs. The prior evaluation of UB's CRA performance was in 2009 when the bank received an "Outstanding" rating.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This evaluation considered UB's small loans to businesses, small loans to farms, and HMDA-reportable loans (home purchase, home improvement and home refinance) for the calendar years 2009, 2010, and 2011. CD lending, CD investments, CD services and branch distribution were evaluated for the period beginning March 31, 2009 and ending March 31, 2012.

Under the Lending Test, narrative comments addressing UB's performance embody the bank's lending record for the three-year evaluation period. Any analyses of loan market share were based on 2010, the most recent available data.

In evaluating Lending Test performance, our weighting considered loan volume and AA credit needs. The bank's loans to small businesses are where UB's loan volume was most significant and is consistent with its main strategy and focus. AA credit needs were consistently identified to be in the areas of affordable housing (home purchase) and small business. UB's volume of home improvement loans, multifamily, and small loans to farms was generally insignificant. The bank does not generally offer home improvement loans focusing instead on home equity loans and small loans to farms. Additionally, consideration was given to the actual number of loans originated/purchased within each AA over the three year evaluation period. When the number of loans/originations was less than 25, depending on the assessment area, related analyses and conclusions were not meaningful.

### Data Integrity

We tested the accuracy of the bank's reported data including community development loans, investments and services and found the data reliable. The Consumer Financial Protection Bureau (CFPB) tested residential mortgage loans and determined that this data is reliable as well.

### Selection of Areas for Full-Scope Review

In each state where the bank has a branch office, a sample of AAs within that state was selected for full-scope reviews. Those AAs having the highest representation of deposits and, where lending activity and number of branches are significant, were chosen to receive full-scope reviews.

### Ratings

The overall bank rating is a blend of the state ratings. However, California performance was weighted considerably more than the other states and drives the overall rating. This heavier weighting reflects that 92% of the bank's deposits are gathered from California. Likewise, UB's lending volume and branch locations are most heavily concentrated in California.

The individual state ratings are most influenced by those AAs receiving full-scope reviews. The aggregate deposits represented by these full-scope AAs provided a significant majority of their state's deposit gatherings. For the state of California, full-scope review AAs carrying the

most weight, in order, are the Los Angeles-Long Beach-Glendale MD, San Francisco-San Mateo-Redwood City MD, San Diego-Carlsbad-San Marcos MSA, Santa Ana-Anaheim-Irvine MD, Oakland-Fremont-Hayward MD, Riverside-San Bernardino-Ontario MSA, San Jose-Sunnyvale-Santa Clara MSA, and the Fresno MSA. For the states of New York, Oregon, Texas, and Washington, the ratings were influenced most by the respective full-scope AAs reviewed there.

UB's overall CRA rating is driven primarily by its Lending Test performance (50%), followed by the Investment Test (25%) and Service Test (25%). Lending Test conclusions were influenced most by UB's performance with small loans to businesses, followed by home mortgage purchase lending. This weighting considers the respective volume in these lending categories, AA credit needs, and UB's business focus of lending to small businesses. Home improvement loans, multifamily loans, and small loans to farms represented low loan volumes overall and are also insignificant product lines for the bank. Accordingly, these loan categories did not have significant weight under the Lending Test conclusions. Community development loan activity had either a positive or neutral effect on Lending Test conclusions for each full-scope AA. Positive community development loan activity may or may not elevate an overall Lending Test rating and would depend upon Lending Test component performance and various other factors including loan volume, AA credit needs, and performance context.

## **Fair Lending or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. 25.28(c) in determining a national bank's CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance.

The OCC did not identify evidence of discriminatory or other illegal credit practices with respect to this institution.

Further, section 1025 of the Dodd–Frank Wall Street Reform and Consumer Protection Act (Pub. L. 111-203) assigns to the CFPB exclusive examination authority, and primary enforcement authority, to ensure compliance by banks with Federal consumer financial laws, if the bank has more than \$10 billion in assets. The CFPB has not provided the OCC with any information about, or other evidence of, discriminatory or other illegal credit practices relative to this institution with respect to the Federal consumer financial laws.

## State Rating

### State of California

<b>CRA Rating for California:</b>	<b><u>Satisfactory</u></b>
<b>The Lending Test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The Investment Test is rated:</b>	<b><u>Outstanding</u></b>
<b>The Service Test is rated:</b>	<b><u>Outstanding</u></b>

The major factors that support this rating include:

- Good geographic and adequate borrower distribution of loans to small businesses.
- Adequate geographic and poor borrower distribution of home mortgage loans.
- Adequate lending activity due to generally good or excellent lending activity for small business lending that was negatively impacted from much weaker lending activity for mortgage lending.
- Excellent levels of CD lending. During the evaluation period, UB's CD financing provided 12,617 units of affordable housing within its full-scope AAs that benefitted LMI geographies or borrowers. CD lending had a significantly positive impact on lending performance.
- Excellent levels of investments that are responsive to AA needs.
- An excellent distribution of branch offices that is readily accessible to geographies and individuals of different income levels.

### Description of Institution's Operations in California

UB's most significant banking presence is in the state of California where it is the 4<sup>th</sup> largest deposit-taking financial institution with over 6% of the state's deposit base (FDIC, June 2011). Other large institutions include Bank of America (26%), Wells Fargo (19%), and JP Morgan Chase (7%). UB operates 346 branches in 27 AAs within the state. As well, 92% of its deposits and 93% of its reportable loans are in California, thus driving the overall rating.

Refer to the Market Profiles for the state of California in Appendix C for detailed demographics and other contextual information for the full-scope AAs.

### Scope of Evaluation in California

In evaluating UB's lending record, ratings were influenced most by those areas receiving full-scope reviews. We chose full scope areas representing the bank's larger deposit contributors or AAs such as the Fresno MSA where the bank provided alternative services to the community. We considered information provided by community contacts relating to UB's AA activities and credit needs. During the evaluation period, 70% of the CRA loans by number were small business loans, 28% were originated/purchased home purchase loans. The

volume of UB's small farm loan originations/purchases is not material as previously mentioned, since agricultural lending is not a primary business line. Among home mortgage loan origination/purchases, 69% were home refinance and 26% home purchase. Home improvement loans are not a primary product line. In addition, when analyzing lending performance in each AA, we did not consider conclusions to be meaningful in those AAs where the number of originations/purchased were low.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in California is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance is adequate in each of the full-scope AAs

### Lending Activity

Refer to Table 1 in the state of California section of Appendix D for the facts and data used to evaluate the bank's lending activity.

UB's lending activity is adequate throughout California AAs. UB has excellent lending activity in small loans to businesses; however, performance for HMDA-reportable products is much weaker. The following comments on lending activity are based on June 30<sup>th</sup> 2011 deposit market data and 2010 loan market data for each of the AAs. In the dollar market share profile of each AA, there are numerous credit card products that average smaller dollar balances. Accordingly, more weight was placed on the dollar volume of market share for loans to small businesses. For mortgage loans, UB is not a competitor by number of loans in most AAs because of the focus on jumbo mortgage products. The bank's ability to compete strongly in the jumbo market but poorly in LMI markets negatively impacted the bank's lending performance.

*Fresno MSA* – UB ranks 4<sup>th</sup> in deposit market share in this AA with 6% of the market's deposit base. In small loans to business lending, the bank ranks 8<sup>th</sup> in market share (5.43%) by number and 7<sup>th</sup> in market share (2.95%) by dollar. Given the nature of such loan types, a comparison of market share based on dollar volume is meaningful. UB's market rank and market share for HMDA loans by number are 52<sup>nd</sup> and .3%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 50<sup>th</sup> and .3%, respectively. While UB offers mortgage loans, it does not actively compete in this market.

*Los Angeles-Long Beach-Glendale MD* – UB ranks 3<sup>rd</sup> in deposit market share in this AA with 10% of the market's deposit base. In small loans to business lending, the bank ranks 9<sup>th</sup> in market share (2.3%) by number and 6<sup>th</sup> in market share (4.4%) by dollar. Given the nature of such loan types, a comparison of market share based on dollar volume is meaningful. UB's market rank and market share for HMDA loans by number are 21<sup>st</sup> and .8%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 7<sup>th</sup> and 2%, respectively. UB's mortgage lending in this market has expanded substantially relative to its peers in this AA.

*Oakland-Fremont-Hayward MD* – UB ranks 9<sup>th</sup> in deposit market share in this AA with 2% of the market's deposit base. In small loans to business lending, the bank ranks 11<sup>th</sup> in market

share (1.3%) by number, and 5<sup>th</sup> in market share (4.8%) by dollar. UB's market rank and market share for HMDA loans by number are 48<sup>th</sup> and .3%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 24<sup>th</sup> and .8%, respectively. While UB offers mortgage loans, it does not actively compete in this market.

*Riverside-San Bernardino-Ontario MSA* – UB ranks 5<sup>th</sup> in deposit market share in this AA with 5% of the market's deposit base. In small loans to business lending, the bank ranks 8<sup>th</sup> in market share (2.4%) by number, and 7<sup>th</sup> in market share (4.5%) by dollar. UB's market rank and market share for HMDA loans by number are 87<sup>th</sup> and .2%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 41<sup>st</sup> and .4%, respectively. While UB offers mortgage loans, it does not actively compete in this market.

*San Diego-Carlsbad-San Marcos MSA* – UB ranks 3<sup>rd</sup> in deposit market share in this AA with 14% of the market's deposit base. In small loans to business lending, the bank ranks 5<sup>th</sup> in market share (5.8%) by number, and 2<sup>nd</sup> in market share (11%) by dollar. UB's market rank and market share for HMDA loans by number are 30<sup>th</sup> and .5%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 12<sup>th</sup> and 1.4%, respectively. While UB offers mortgage loans, it does not actively compete in this market.

*San Francisco-San Mateo-Redwood City MD* – UB ranks 7<sup>th</sup> in deposit market share in this AA with 3% of the market's deposit base. In small loans to business lending, the bank ranks 9<sup>th</sup> in market share (1.4%) by number, and 2<sup>nd</sup> in market share (6.9%) by dollar. UB's market rank and market share for HMDA loans by number are 15<sup>th</sup> and 1.3%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 5<sup>th</sup> and 3%, respectively. UB's mortgage lending in this market has expanded substantially relative to its peers in this AA.

*San Jose-Sunnyvale-Santa Clara MSA* – UB ranks 8<sup>th</sup> in deposit market share in this AA with 2.5% of the market's deposit base. In small loans to business lending, the bank ranks 10<sup>th</sup> in market share (1.3%) by number, and 7<sup>th</sup> in market share (3.8%) by dollar. UB's market rank and market share for HMDA loans by number are 36<sup>th</sup> and .4%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 16<sup>th</sup> and 1%, respectively. UB's mortgage lending in this market has expanded substantially relative to its peers in this AA.

*Santa Ana-Anaheim-Irvine MD* – UB ranks 4<sup>th</sup> in deposit market share in this AA with 6% of the market's deposit base. In small loans to business lending, the bank ranks 6<sup>th</sup> in market share (3.9%) by number, and 2<sup>nd</sup> in market share (6.6%) by dollar. UB's market rank and market share for HMDA loans by number are 28<sup>th</sup> and .5%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 10<sup>th</sup> and 1.5%, respectively. UB's mortgage lending in this market has expanded substantially relative to its peers in this AA.

### **Distribution of Loans by Income Level of the Geography**

Overall geographic distribution of loans is good. The insignificant volume of small loans to farms, multifamily loans, and home improvement loans precluded any meaningful weight from the conclusions with these loan products.

## ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the state of California section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The performance context issue relating to affordable housing in California is relevant here. As the cost of housing in California is among the highest in the country, it presents severe challenges for a financial institution to lend to either LMI borrowers so that demographic parity (the proportion of a lender's loans made to LMI-income borrowers versus the percentage of such borrowers in that AA) is attained. In each of UB's full-scope AAs between 2009 and 2011, well over three-quarters of the respective families could not afford a median priced home based on their median family income. As a result of the 2008 financial market crisis, housing values significantly declined in all of the California assessment areas between 2009 and 2011. This, coupled with job losses, reduced borrowers' ability to finance homes. UB has a conservative lending approach and did not have the level of delinquency, short sales, or foreclosures compared to their competitors. The mortgage industry has since notably consolidated, with many of the largest lenders filing for bankruptcy or being acquired by other institutions. Rather than engage in aggressive mortgage lending practices common in the California marketplace and potentially compromise safety and soundness standards, UB continued to rely on its community development lending channels to help address the affordable housing needs of its AAs. UB also attempts to assist LMI borrowers through its flexible loan products under its Economic Opportunity Mortgage program. These loans are made available to borrowers below certain income levels and underwriting standards are flexible. Our conclusions for the borrower distribution of home purchase loans toward UB's Lending Test results considered this performance context.

UB's overall low volume of home improvement loans resulted in minimal consideration toward conclusions under the Lending Test. To facilitate meaningful analyses, we only analyzed the Los Angeles-Long Beach-Glendale MD geographic distribution of home improvement loans.

Overall geographic distribution of home mortgage loans is adequate. Performance is excellent in the Fresno MSA, and San Francisco-San Mateo-Redwood City MD, adequate in the San Diego-Carlsbad-San Marcos MSA, Riverside-San Bernardino-Ontario MSA and in the Los Angeles-Long Beach-Glendale MD, and poor in the Oakland-Fremont-Hayward MD, San Jose-Sunnyvale-Santa Clara MSA, and Santa Anna-Anaheim-Irvine MD.

UB's geographic distribution of home purchase loans is excellent in the Fresno MSA, San Francisco-San Mateo-Redwood City MD, and San Jose-Sunnyvale-Santa Clara MSA; good in the San Diego-Carlsbad-San Marcos MSA and Los Angeles-Long Beach-Glendale MD; and adequate in the Riverside-San Bernardino-Ontario MSA and Oakland-Fremont-Hayward; and poor in the Santa Anna-Anaheim-Irvine MDs.

UB's geographic distribution of home refinance loans is good in the Fresno MSA and San Diego-Carlsbad-San Marcos MSA; adequate in the Riverside-San Bernardino-Ontario MSA and San Francisco-San Mateo-Redwood City MD; poor in the Los Angeles-Long Beach-Glendale MD; and very poor in the Oakland-Fremont-Hayward MD, San Jose-Sunnyvale-Santa Clara MSA, and Santa Anna-Anaheim-Irvine MD.

UB's geographic distribution of home improvement loans is adequate in the Los Angeles-Long Beach–Glendale MD. As noted above we did not analyze the home improvement loans in the other AAs due to the low numbers of this product during our evaluation period.

UB's geographic distribution of multifamily loans is excellent in the Oakland-Fremont-Hayward MD, Riverside-San Bernardino-Ontario MSA, San Diego-Carlsbad-San Marcos MSA, San Jose-Sunnyvale-Santa Clara MSA, and Santa Ana-Anaheim-Irvine MD, and good in the Los Angeles-Long Beach-Glendale MD and San Francisco-San Mateo-Redwood City MD. We did not analyze the multifamily loans in the Fresno MSA due to the lack of multifamily lending during the evaluation period.

*Fresno MSA* – UB's geographic distribution of home purchase loans in this AA is excellent. Its geographic distribution of home purchase loans in low-income census tracts exceeds the percent of owner occupied units there. UB's market share of home purchase loans in low-income census tracts significantly exceeds its overall market share. UB's geographic distribution of home purchase loans in moderate-income census tracts exceeds the percent of moderate-income census tracts there and its market share of such loans to moderate-income census tracts significantly exceeds its overall market share.

UB's geographic distribution of home refinance loans is good. UB's geographic distribution of home refinance loans in low-income census tracts is somewhat lower than the percent of owner-occupied units there and its market share of such loans in low-income census tracts is significantly below its overall market share. UB's geographic distribution of home refinance loans in moderate-income census tracts exceeds the percent of owner-occupied units there and its market share of such loans in moderate-income census tracts significantly exceeds its overall market share.

*Los Angeles-Long Beach-Glendale MD* – UB's geographic distribution of home purchase loans in this AA is adequate. Its geographic distribution of home purchase loans in low-income census tracts is near to the percent of owner occupied units there. UB's market share of home purchase loans in low-income census tracts is significantly lower than its overall market share. UB's geographic distribution of home purchase loans in moderate-income census tracts is significantly lower than the percent of moderate-income census tracts there and its market share of such loans to moderate-income census tracts is significantly lower than its overall market share.

UB's geographic distribution of home improvement loans in this AA is adequate. UB's geographic distribution of home improvement loans in low-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans there is significantly lower than its overall market share. UB's geographic distribution of home improvement loans in moderate-income census tracts is reasonably near to the percent of owner-occupied units there and its market share of such loans in moderate-income census tracts is significantly above its overall market share.

UB's geographic distribution of home refinance loans is poor. UB's geographic distribution of home refinance loans in low-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans in low-income census tracts is significantly below its overall market share. UB's geographic distribution of home refinance loans in moderate-income census tracts is lower than the percent of owner-occupied units

there and its market share of such loans in moderate-income census tracts is significantly below its overall market share.

UB's geographic distribution of multifamily loans is good in this AA. UB's geographic distribution of multifamily loans in low-income census tracts is lower than the percent of multifamily units there and its market share of such loans in low-income census tracts is significantly lower than its overall market share. UB's geographic distribution of multifamily loans in moderate-income census tracts is near to the percent of multifamily units there and its market share of such loans in moderate-income census tracts exceeds its overall market share.

*Oakland-Fremont-Hayward MD* – UB's geographic distribution of home purchase loans in this AA is poor. Its geographic distribution of home purchase loans in low-income census tracts is somewhat lower than the percent of owner occupied units there. UB's market share of home purchase loans in low-income census tracts is significantly lower than its overall market share. UB's geographic distribution of home purchase loans in moderate-income census tracts is somewhat lower than the percent of moderate-income census tracts there and its market share of such loans to moderate-income census tracts is lower than its overall market share.

UB's geographic distribution of home refinance loans is very poor. UB's geographic distribution of home refinance loans in low-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans in low-income census tracts exceeds its overall market share. UB's geographic distribution of home refinance loans in moderate-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans in moderate-income census tracts is significantly below its overall market share.

UB's geographic distribution of multifamily loans is excellent in this AA. UB's geographic distribution of multifamily loans in low-income census tracts exceeds the percent of multifamily units there and its market share of such loans in low-income census tracts significantly exceeds its overall market share. UB's geographic distribution of multifamily loans in moderate-income census tracts exceeds the percent of multifamily units there and its market share of such loans in moderate-income census tracts exceeds its overall market share.

*Riverside-San Bernardino-Ontario MSA* – UB's geographic distribution of home purchase loans in this AA is adequate. Its geographic distribution of home purchase loans in low-income census tracts is significantly lower than the percent of owner occupied units there. UB's market share of home purchase loans in low-income census tracts exceeds its overall market share. UB's geographic distribution of home purchase loans in moderate-income census tracts exceeds the percent of moderate-income census tracts there and its market share of such loans to moderate-income census tracts is reasonably near to its overall market share.

UB's geographic distribution of home refinance loans is adequate. UB's geographic distribution of home refinance loans in low-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans in low-income census tracts is significantly below its overall market share. UB's geographic distribution of home refinance loans in moderate-income census tracts is reasonably near to the percent of owner-occupied units there and its market share of such loans in moderate-income census tracts significantly exceeds its overall market share.

UB's geographic distribution of multifamily loans is excellent in this AA. UB's geographic distribution of multifamily loans in low-income census tracts exceeds the percent of multifamily units there and its market share of such loans in low-income census tracts significantly exceeds its overall market share. UB's geographic distribution of multifamily loans in moderate-income census tracts exceeds the percent of multifamily units there and its market share of such loans in moderate-income census tracts exceeds its overall market share.

*San Diego-Carlsbad-San Marcos MSA* - UB's geographic distribution of home purchase loans in this AA is good. Its geographic distribution of home purchase loans in low-income census tracts exceeds the percent of owner occupied units there. UB's market share of home purchase loans in low-income census tracts exceeds its overall market share. UB's geographic distribution of home purchase loans in moderate-income census tracts is lower than the percent of moderate-income census tracts there and its market share of such loans to moderate-income census tracts is significantly lower than its overall market share.

UB's geographic distribution of home refinance loans is good. UB's geographic distribution of home refinance loans in low-income census tracts is lower than the percent of owner-occupied units there and its market share of such loans in low-income census tracts exceeds its overall market share. UB's geographic distribution of home refinance loans in moderate-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans in moderate-income census tracts substantially meets its overall market share.

UB's geographic distribution of multifamily loans is excellent in this AA. UB's geographic distribution of multifamily loans in low-income census tracts exceeds the percent of multifamily units there and its market share of such loans in low-income census tracts significantly exceeds its overall market share. UB's geographic distribution of multifamily loans in moderate-income census tracts exceeds the percent of multifamily units there and its market share of such loans in moderate-income census tracts exceeds its overall market share.

*San Francisco-San Mateo-Redwood City MD* – UB's geographic distribution of home purchase loans in this AA is excellent. Its geographic distribution of home purchase loans in low-income census tracts exceeds the percent of owner occupied units there. UB's market share of home purchase loans in low-income census tracts is reasonably near its overall market share. UB's geographic distribution of home purchase loans in moderate-income census tracts is reasonably near the percent of moderate-income census tracts there and its market share of such loans to moderate-income census tracts is reasonably near its overall market share.

UB's geographic distribution of home refinance loans is adequate. UB's geographic distribution of home refinance loans in low-income census tracts exceeds the percent of owner-occupied units there and its market share of such loans in low-income census tracts is significantly below its overall market share. UB's geographic distribution of home refinance loans in moderate-income census tracts is somewhat lower than the percent of owner-occupied units there and its market share of such loans in moderate-income census tracts is significantly below its overall market share.

UB's geographic distribution of multifamily is good in this AA. UB's geographic distribution of multifamily loans in low-income census tracts is significantly lower than the percent of

multifamily units there and its market share of such loans in low-income census tracts significantly is below its overall market share. UB's geographic distribution of multifamily loans in moderate-income census tracts exceeds the percent of multifamily units there and its market share of such loans in moderate-income census tracts exceeds its overall market share.

*San Jose-Sunnyvale-Santa Clara MSA* – UB's geographic distribution of home purchase loans in this AA is excellent. Its geographic distribution of home purchase loans in low-income census tracts exceeds the percent of owner occupied units there. UB's market share of home purchase loans in low-income census tracts is reasonably near its overall market share. UB's geographic distribution of home purchase loans in moderate-income census tracts is reasonably near the percent of moderate-income census tracts there and its market share of such loans to moderate-income census tracts is reasonably near its overall market share.

UB's geographic distribution of home refinance loans is very poor. UB's geographic distribution of home refinance loans in low-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans in low-income census tracts exceeds its overall market share. UB's geographic distribution of home refinance loans in moderate-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans in moderate-income census tracts is significantly below its overall market share.

UB's geographic distribution of multifamily loans is excellent in this AA. UB's geographic distribution of multifamily loans in low-income census tracts exceeds the percent of multifamily units there and its market share of such loans in low-income census tracts is near to its overall market share. UB's geographic distribution of multifamily loans in moderate-income census tracts exceeds the percent of multifamily units there and its market share of such loans in moderate-income census tracts exceeds its overall market share.

*Santa Ana-Anaheim-Irvine MD* – UB's geographic distribution of home purchase loans in this AA is poor. Its geographic distribution of home purchase loans in low-income census tracts is significantly lower than the percent of owner occupied units there. UB's market share of home purchase loans in low-income census tracts is significantly lower than its overall market share. UB's geographic distribution of home purchase loans in moderate-income census tracts is significantly lower than the percent of moderate-income census tracts there and its market share of such loans to moderate-income census tracts is significantly below its overall market share.

UB's geographic distribution of home refinance loans is very poor. UB's geographic distribution of home refinance loans in low-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans in low-income census tracts is significantly below its overall market share. UB's geographic distribution of home refinance loans in moderate-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans in moderate-income census tracts exceeds its overall market share.

UB's distribution of multifamily loans is excellent in this AA. UB's geographic distribution of multifamily loans in low-income census tracts exceeds the percent of multifamily units there and its market share of such loans in low-income census tracts is near to its overall market share. UB's geographic distribution of multifamily loans in moderate-income census tracts

exceeds the percent of multifamily units there and its market share of such loans in moderate-income census tracts exceeds its overall market share.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of California section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is good overall. Performance is excellent in the Oakland-Fremont-Hayward MD, San Francisco-San Mateo-Redwood City MD, Santa Ana-Anaheim-Irvine MD, and San Jose-Sunnyvale-Santa Clara MSA, and good in the Fresno, Los Angeles-Long Beach-Glendale MD, Riverside-San Bernardino-Ontario MSA, and San Diego-Carlsbad-San Marcos MSA.

*Fresno, CA MSA* – The geographic distribution of small business loans is good. In the low-income geographies of this AA, the bank's portion of small loans to businesses is reasonably near to the percentage of businesses located in those geographies and its market share of such loans exceed its overall market share. In moderate-income geographies, the bank's percentage of loans is below the percentage of businesses located there. The bank's market share of loans made in moderate-income geographies exceeds its overall market share.

*Los Angeles-Long Beach-Glendale MD* – The geographic distribution of small business loans is good. In the low-income geographies of this AA, the bank's portion of small loans to businesses is reasonably near to the percentage of businesses located there and its market share of such loans significantly exceeds its overall market share. In moderate-income geographies the bank's percentage of loans is lower than the percentage of businesses located there. The bank's market share of loans made in moderate-income geographies is near to its overall market share.

*Oakland-Fremont-Hayward MD* – The geographic distribution of small business loans is excellent. In the low-income geographies of this AA, the bank's portion of small loans to businesses significantly exceeds the percentage of businesses located in those geographies and its market share of such loans there significantly exceeds its overall market share. In moderate-income geographies the bank's percentage of loans is near to the percentage of businesses located there. The bank's market share of loans made in moderate-income geographies significantly exceeds its overall market share.

*Riverside-San Bernardino-Ontario MSA* – The geographic distribution of small business loans is good. In the low-income geographies of this AA, the bank's portion of small loans to businesses is lower than the percentage of businesses located there and its market share of such loans exceeds its market share. In moderate-income geographies, the percentage of loans exceeds the percentage of businesses located in these geographies. The bank's market share of loans made in moderate-income geographies significantly exceeds its overall market share.

*San Diego-Carlsbad-San Marcos MSA* – The geographic distribution of small business loans is good. In the low-income geographies of this AA, the bank's portion of small loans to businesses is lower than the percentage of businesses located in those geographies and its

market share of such loans approximates its overall market share. In moderate-income geographies, the bank's percentage of loans exceeds the percentage of businesses located in these geographies. The bank's market share of loans made in moderate-income geographies significantly exceeds its overall market share.

*San Francisco-San Mateo-Redwood City MD* – The geographic distribution of small business loans is excellent. In the low-income geographies of this AA, the bank's portion of small loans to businesses significantly exceeds the percentage of businesses located there and its market share of such loans significantly exceeds its overall market share. In moderate-income geographies the percentage of loans significantly exceeds the percentage of businesses located in these geographies. The bank's market share of loans made in moderate-income geographies significantly exceeds its overall market share.

*San Jose-Sunnyvale-Santa Clara MSA* – The geographic distribution of small business loans is excellent. In the low-income geographies of this AA, the bank's portion of small loans to businesses significantly exceeds the percentage of businesses located there and its market share of such loans significantly exceeds its overall market share. In moderate-income geographies, the bank's percentage of loans exceeds the percentage of businesses located there. The bank's market share of loans made in moderate-income geographies significantly exceeds its overall market share.

*Santa Ana-Anaheim-Irvine MD* – The geographic distribution of small business loans is excellent. In the low-income geographies of this AA, the bank's portion of small loans to businesses exceeds the percentage of businesses located in those geographies and its market share of such loans significantly exceeds its overall market share. In moderate-income geographies the percentage of loans is near to the percentage of businesses located in these geographies. The bank's market share of loans made in moderate-income geographies exceeds its overall market share.

### ***Small Loans to Farms***

Refer to Table 7 in Appendix D for the facts and data regarding the geographic distribution of the bank's origination/purchase of small loans to farms.

As mentioned previously, UB's overall volume of small loans to farms was not material and therefore resulted in minimal weight toward conclusions under the Lending Test.

The overall geographic distribution of small loans to farms is good. Performance is excellent in the Los Angeles-Long Beach-Glendale MD, and Santa Ana-Anaheim-Irvine MD; good in the Fresno MSA, San Diego-Carlsbad-San Marcos MSA, San Francisco-San Mateo-Redwood City MD, and San Jose-Sunnyvale-Santa Clara MSA; adequate in the Riverside-San Bernardino-Ontario MSA; and poor in the Oakland-Fremont-Hayward MD.

*Fresno, CA MSA AA* – The geographic distribution of loans to farms is good. UB's geographic distribution of small loans to farms in low-income census tracts is not applicable since so few small farms are located in low-income census tracts. UB's geographic distribution of small loans to farms in moderate-income census tracts is near to the percent of small farms there and its market share of such exceeds its overall market share.

*Los Angeles-Long Beach-Glendale MD* – The geographic distribution of loans to farms is excellent. UB's geographic distribution of small loans to farms in low-income census tracts exceeds the percent of small farms there and its market share of such significantly exceeds its overall market share. UB's geographic distribution of small loans to farms in moderate-income census tracts exceeds the percent of small farms there and its market share significantly exceeds its overall market share.

*Oakland-Fremont-Hayward MD* – The geographic distribution of loans to farms is poor. UB's geographic distribution of small loans to farms in low-income census tracts is significantly lower than the percent of small farms there and its market share of such significantly below its overall market share. UB's geographic distribution of small loans to farms in moderate-income census tracts is significantly lower than the percent of small farms there and its market share significantly exceeds its overall market share.

*Riverside-San Bernardino-Ontario MSA* – The geographic distribution of loans to farms is adequate. UB does not have small loans to farms in this assessment area partially due to limited opportunity with less than 2% of the small loans to farms in low income tracts. UB's geographic distribution of small loans to farms in moderate-income census tracts is near to the percent of small farms there and its market share significantly exceeds its overall market share.

*San Diego-Carlsbad-San Marcos MSA* – The geographic distribution of loans to farms is good. UB's geographic distribution of small loans to farms in low-income census tracts is lower than the percent of small farms there and its market share of such is significantly below its overall market share. UB's geographic distribution of small loans to farms in moderate-income census tracts exceeds the percent of small farms there and its market share significantly exceeds its overall market share.

*San Francisco-San Mateo-Redwood City MD* – The geographic distribution of loans to farms is good. UB's geographic distribution of small loans to farms in low-income census tracts is lower than the percent of small farms there and its market share of such significantly below its overall market share. UB's geographic distribution of small loans to farms in moderate-income census tracts significantly exceeds the percent of small farms there and its market share is significantly below its overall market share.

*San Jose-Sunnyvale-Santa Clara MSA* – The geographic distribution of loans to farms is good. UB does not have small loans to farms in this assessment area partially due to limited opportunity with less than 2% of the small loans to farms in low income tracts. UB's geographic distribution of small loans to farms in moderate-income census tracts exceeds the percent of small farms there and its market share significantly exceeds its overall market share.

*Santa Ana-Anaheim-Irvine MD* – The geographic distribution of loans to farms is excellent. UB's geographic distribution of small loans to farms in low-income census tracts exceeds the percent of small farms there and its market share of such is significantly below its overall market share. UB's geographic distribution of small loans to farms in moderate-income census tracts exceeds the percent of small farms there and its market share is below its overall market share.

## ***Lending Gap Analysis***

Maps and reports detailing UB's lending activity did not reveal any unexplained conspicuous gaps in the geographic distribution of these loans. This performance was a positive factor in the conclusions for UB's geographic distribution of home mortgage loans, small loans to businesses, and small loans to farms.

## ***Inside/Outside Ratio***

We performed this analysis at the bank level. Our analysis does not consider affiliate lending under the performance criteria. During the evaluation period, 96% of the bank's mortgage loans, 94% of the bank's small loans to businesses and 98% of the bank's small loans to farms were originated within the bank's AA. This performance was a positive factor in the conclusions for UB's geographic distribution of home mortgage loans, small loans to businesses, and small loans to farms.

## **Distribution of Loans by Income Level of the Borrower**

### ***Home Mortgage Loans***

Refer to Tables 8, 9, and 10 in the state of California section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The previously mentioned performance context issue relating to affordable housing in California is relevant here. The high cost of housing, the declining housing values and the increased unemployment all contributed to a reduction in lending activity and consolidation in the mortgage industry. Our conclusions for the borrower distribution of mortgage home purchase loans toward UB's Lending Test results considered this performance context. Additionally we placed more emphasis on borrower distribution since UB's market share is very small in all areas.

UB's overall low volume of home improvement loans resulted in minimal consideration toward conclusions under the Lending Test. To facilitate meaningful analyses, we only analyzed the Los Angeles-Long Beach-Glendale MD distribution of home improvement loans.

Overall borrower distribution for home mortgage loans is excellent for Fresno, good for the Riverside-San Bernardino-Ontario MD, adequate for the San Diego-Carlsbad-San Marcos MSA, poor for the Los Angeles-Long Beach-Glendale MD, Oakland-Fremont-Hayward MD, San Jose-Sunnyvale-Santa Clara MSA, Santa Ana-Anaheim-Irvine MD, and very poor for the San Francisco-San Mateo-Redwood City MD.

*Fresno MSA* – UB's borrower distribution of home purchase loans by income level of the borrower in this AA is excellent. Its distribution of loans to low-income borrowers is reasonably near to the percent of low-income families there and its market share of such loans to low-income borrowers exceeds its overall market share. UB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA and its market share of such loans to moderate-income borrowers is significantly below its overall market share.

UB's borrower distribution of home refinance loans by income level of the borrower in this AA is excellent. UB's distribution of loans to low-income borrowers exceeds the percent of such families within the AA and its market share of such loans to low-income borrowers significantly exceeds its overall market share. UB's borrower distribution of home refinance loans made to moderate-income borrowers exceeds the percent of such families within the AA and its market share of such loans to moderate-income borrowers significantly exceeds its overall market share.

*Los Angeles-Long Beach-Glendale MD* – UB's borrower distribution of home purchase loans by income level of the borrower in this AA is very poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families there and its market share of such loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home purchase loans to moderate-income borrowers is significantly lower than the percent of moderate-income families within the AA and its market share of such loans to moderate-income borrowers is significantly below than its overall market share.

UB's borrower distribution of home refinance loans by income level of the borrower in this AA is poor. UB's distribution of loans to low-income borrowers is significantly lower than the percent of such families within the AA and its market share of such loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home refinance loans made to moderate-income borrowers is lower than the percent of such families within the AA and its market share of such loans to moderate-income borrowers is reasonably near to its overall market share.

*Oakland-Fremont-Hayward MD* – UB's borrower distribution of home purchase loans by income level of the borrower in this AA is poor. The bank's distribution of loans to low-income borrowers is significantly lower than the percent of such within the AA and its market share of such loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home purchase loans to moderate-income borrowers is somewhat lower than the percent of such families within the AA and its market share of such loans to moderate-income borrowers is significantly below its overall market share.

UB's borrower distribution of home refinance loans by income level of the borrower in this AA is very poor. The bank's distribution of loans to low-income borrowers is significantly lower than the percent of such families within the AA and its market share of such loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home refinance loans made to moderate-income borrowers is significantly lower than the percent of moderate-income families within the AA and its market share of such loans to moderate-income borrowers is below its overall market share.

*Riverside-San Bernardino-Ontario MSA* – UB's borrower distribution of home purchase loans by income level of the borrower in this AA is adequate. The bank's distribution of loans to low-income borrowers is well below the percent of such families within the AA and its market share of such loans to low-income borrowers slightly exceeds its overall market share. UB's borrower distribution of home purchase loans to moderate-income borrowers is somewhat lower than the percent of such families within the AA and its market share of such loans to moderate-income borrowers is significantly below its overall market share.

UB's borrower distribution of home refinance loans by income level of the borrower in the Riverside-San Bernardino-Ontario MSA is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. UB's market share of home refinance loans to low-income borrowers exceeds its overall market share. UB's borrower distribution of home refinance loans in moderate-income borrowers is reasonably near to the percent of moderate-income families within the AA. UB's market share of home refinance loans to moderate-income borrowers significantly exceeds its overall market share.

*San Diego-Carlsbad-San Marcos MSA* – UB's borrower distribution of home purchase loans by income level of the borrower in the San Diego-Carlsbad-San Marcos MSA is adequate. Its distribution of loans to low-income borrowers is well below the percent of low-income families within the AA. UB's market share of home purchase loans to low-income borrowers exceeds its overall market share. UB's borrower distribution of home purchase loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near to its overall market share.

UB's borrower distribution of home refinance loans by income level of the borrower in the San Diego-Carlsbad-San Marcos MSA is poor. Its distribution of loans to low-income borrowers is well below the percent of low-income families within the AA. UB's market share of home refinance loans to low-income borrowers significantly exceeds its overall market share. UB's borrower distribution of home refinance loans in moderate-income borrowers is well below the percent of moderate-income families within the AA. UB's market share of home refinance loans to moderate-income borrowers exceeds its overall market share.

*San Francisco-San Mateo-Redwood City MD* – UB's borrower distribution of home purchase loans by income level of the borrower in this AA is very poor. The bank's distribution of loans to low-income borrowers is significantly lower than the percent of such families within the AA and its market share of such loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home purchase loans to moderate-income borrowers is significantly lower than the percent of such families within the AA and its market share of such loans to moderate-income borrowers is significantly below its overall market share.

UB's borrower distribution of home refinance loans by income level of the borrower in the San Francisco-San Mateo-Redwood City MD is very poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. UB's market share of home refinance loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home refinance loans to moderate-income borrowers is significantly lower than the percent of moderate-income families within the AA. UB's market share of home refinance loans to moderate-income borrowers is significantly below its overall market share.

*San Jose-Sunnyvale-Santa Clara MSA* – UB's borrower distribution of home purchase loans by income level of the borrower in the San Jose-Sunnyvale-Santa Clara MSA is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. UB's market share of home purchase loans to low-income

borrowers is significantly below its overall market share. UB's borrower distribution of home purchase loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is significantly below its overall market share.

UB's borrower distribution of home refinance loans by income level of the borrower in the San Jose-Sunnyvale-Santa Clara MSA is very poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. UB's market share of home refinance loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home refinance loans to moderate-income borrowers is significantly lower than the percent of moderate-income families within the AA. UB's market share of home refinance loans to moderate-income borrowers is also significantly below its overall market share.

*Santa Ana-Anaheim-Irvine MD* – UB's borrower distribution of home purchase loans by income level of the borrower in the Santa Ana-Anaheim-Irvine MD is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. UB's market share of home purchase loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home purchase loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is significantly below its overall market share.

UB's borrower distribution of home refinance loans by income level of the borrower in the Santa Ana-Anaheim-Irvine MD is poor. Its distribution of loans to low-income borrowers is much lower than the percent of low-income families within the AA. UB's market share of home refinance loans to low-income borrowers significantly exceeds its overall market share. UB's borrower distribution of home refinance loans in moderate-income borrowers is much lower than the percent of moderate-income families within the AA. UB's market share of home refinance loans to moderate-income borrowers exceeds its overall market share.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of California section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The overall distribution of small loans to businesses by income level of borrower is adequate.

UB's portion of small loans made to smaller businesses (those with annual revenues of \$1 million or less) is good in the Fresno, MSA and San Jose-Sunnyvale-Santa Clara MSA. UB's portion of small loans to businesses is adequate in the Los Angeles-Long Beach-Glendale MD, Oakland-Fremont-Hayward MD, Riverside-San Bernardino-Ontario MSA, San Diego-Carlsbad-San Marcos MSA, San Francisco-San Mateo-Redwood City MD, and Santa Ana-Anaheim-Irvine MD.

*Fresno MSA* – UB's distribution of small loans to businesses based on the revenue size of the businesses in the Fresno MSA is good. UB's percentage of loans to businesses with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small

businesses in the AA. UB's market share of loans to businesses with gross annual revenue of \$1 million or less significantly exceeds its overall business loan market share.

*Los Angeles-Long Beach-Glendale MD* – UB's distribution of small loans to businesses based on the revenue size of the businesses in the Los Angeles-Long Beach-Glendale MD is adequate. UB's percentage of loans to businesses with gross annual revenue of \$1 million or less is significantly lower than the percentage of small businesses in the AA. UB's market share of loans to businesses with gross annual revenue of \$1 million or less significantly exceeds its overall business loan market share.

*Oakland-Fremont-Hayward MD* – UB's distribution of small loans to businesses based on the revenue size of the businesses in the Oakland-Fremont-Hayward MD is adequate. UB's percentage of loans to businesses with gross annual revenue of \$1 million or less is significantly lower than the percentage of small businesses in the AA. UB's market share of loans to businesses with gross annual revenue of \$1 million or less significantly exceeds its overall business loan market share.

*Riverside-San Bernardino-Ontario MSA* – UB's distribution of small loans to businesses based on the revenue size of the businesses in the Riverside-San Bernardino-Ontario MSA is adequate. UB's percentage of loans to businesses with gross annual revenue of \$1 million or less is significantly lower than the percentage of small businesses in the AA. UB's market share of loans to businesses with gross annual revenue of \$1 million or less significantly exceeds its overall business loan market share.

*San Diego-Carlsbad-San Marcos MSA* – UB's distribution of small loans to businesses based on the revenue size of the businesses in the San Diego-Carlsbad-San Marcos MSA is adequate. UB's percentage of loans to businesses with gross annual revenue of \$1 million or less is significantly lower than the percentage of small businesses in the AA. UB's market share of loans to businesses with gross annual revenue of \$1 million or less significantly exceeds its overall business loan market share.

*San Francisco-San Mateo-Redwood City MD* – UB's distribution of small loans to businesses based on the revenue size of the businesses in the San Francisco-San Mateo-Redwood City MD is adequate. UB's percentage of loans to businesses with gross annual revenue of \$1 million or less is significantly lower than the percentage of small businesses in the AA. UB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

*San Jose-Sunnyvale-Santa Clara MSA* – UB's distribution of small loans to businesses based on the revenue size of the businesses in the San Jose-Sunnyvale-Santa Clara MSA is good. UB's percentage of loans to businesses with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small businesses in the AA. UB's market share of loans to businesses with gross annual revenue of \$1 million or less significantly exceeds its overall business loan market share.

*Santa Ana-Anaheim-Irvine MD* – UB's distribution of small loans to businesses based on the revenue size of the businesses in the Santa Ana-Anaheim-Irvine MD is adequate. UB's percentage of loans to businesses with gross annual revenue of \$1 million or less is significantly lower than the percentage of small businesses in the AA. UB's market share of

loans to businesses with gross annual revenue of \$1 million or less significantly exceeds its overall business loan market share.

### ***Small Loans to Farms***

Refer to Table 12 in the state of California section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to farms.

As mentioned previously, UB's overall volume of small loans to farms was not material and therefore resulted in minimal weight toward conclusions under the Lending Test.

The overall borrower distribution of small loans to farms is adequate in the Fresno, Los Angeles-Long Beach-Glendale, Riverside-San Bernardino-Ontario, San Diego-Carlsbad-San Marcos, San Jose-Sunnyvale-Santa Clara and Santa Ana-Anaheim-Irvine AAs and poor in the Oakland-Fremont-Hayward, and San Francisco-San Mateo-Redwood City AAs .

*Fresno MSA* – Overall borrower distribution in this AA is adequate. UB's borrower distribution of small loans to farms with revenues of \$1 million or less was significantly below the percentage of such farms there but near to its overall market share of such loans in this AA.

*Los Angeles-Long Beach-Glendale MD* – Overall borrower distribution in this AA is adequate. UB's borrower distribution of small loans to farms with revenues of \$1 million or less was significantly below the percentage of such farms there but near to its overall market share of such loans in this AA.

*Oakland-Fremont-Hayward MD*- Overall borrower distribution in this AA is poor. UB's borrower distribution of small loans to farms with revenues of \$1 million or less was significantly below the percentage of such farms there and also significantly below its overall market share of such loans in this AA.

*Riverside-San Bernardino-Ontario MSA* – Overall borrower distribution in this AA is adequate. UB's borrower distribution of small loans to farms with revenues of \$1 million or less was significantly below the percentage of such farms there but near to its overall market share of such loans in this AA.

*San Diego-Carlsbad-San Marcos MSA* - Overall borrower distribution in this AA is adequate. UB's borrower distribution of small loans to farms with revenues of \$1 million or less was significantly below the percentage of such farms there but near to its overall market share of such loans in this AA.

*San Francisco-San Mateo-Redwood City MD* - Overall borrower distribution in this AA is poor. UB's borrower distribution of small loans to farms with revenues of \$1 million or less was significantly below the percentage of such farms there and also significantly below its overall market share of such loans in this AA.

*San Jose-Sunnyvale-Santa Clara MSA* – Overall borrower distribution in this AA is adequate. UB's borrower distribution of small loans to farms with revenues of \$1 million or less was

significantly below the percentage of such farms there but near to its overall market share of such loans in this AA.

*Santa Ana-Anaheim-Irvine MD* – Overall borrower distribution in this AA is adequate. UB's borrower distribution of small loans to farms with revenues of \$1 million or less was significantly below the percentage of such farms there but near to its overall market share of such loans in this AA.

### **Community Development Lending**

Refer to Table 1 in the state of California section of Appendix D for the facts and data used to evaluate the bank's level of CD lending.

UB's level and nature of CD lending was excellent in each full-scope AA. The bank's CD lending in these AAs was a considerable \$2 billion, an 11% increase in the amount of CD loans covered by the evaluation period for the prior examination. UB placed most of its CD loan emphasis on affordable housing and community service initiatives; both identified as important needs. The high cost of residential real estate in much of the state gives significant weight to the bank's CD lending activities that provide and support affordable housing to LMI geographies and borrowers.

UB has addressed the CD needs of their AAs. In addition to the bank's CD lending in the various AAs, we also considered UB's additional \$56 million in CD lending was made throughout the state of California with no potential benefit to the specific AAs.

Following are highlights of UB's CD lending in each of the full-scope AAs.

*Fresno MSA* – UB originated 13 CD loans totaling \$121 million over the evaluation period in this AA. Over 99% of these loans were for economic development needs, 0.45% targeted to affordable housing needs, 0.31% to organizations providing community services, and 0.12% for revitalization and stabilization needs.

UB's transactions included six lines of credit totaling over \$120 million to an organization whose mission is to help individuals with developmental disabilities and children at risk to reach their goals. Roughly half of their clients are LMI adults and the other half of their clients are children from all income levels. Well over 50% are LMI.

*Los Angeles-Long Beach-Glendale MD* – UB originated 212 CD loans totaling \$430 million over the evaluation period in this AA. Approximately 49% of these loans were targeted to affordable housing needs, 20% to organizations providing community services, 15% for economic development needs, 11% small business development, and 5% for revitalization and stabilization needs. UB's lending provided financing for 7,798 units of affordable housing for LMI individuals and families.

UB's transactions included a \$13.4 million construction loan (later converting to a permanent loan) for a 108-unit single room complex to serve very-low income individuals who have formerly experienced chronic homelessness. Roughly half will be supported by Section 8 Project Based Vouchers. The complex is located in Los Angeles' Central East neighborhood. Social services and case management services will be provided.

*Oakland-Fremont-Hayward MD* – UB originated 55 CD loans totaling \$344 million over the evaluation period in this AA. Approximately 54% of these loans were targeted to organizations providing community services, 45% to affordable housing needs, 1% for small business development, and 0.1% for economic development needs. UB's lending provided financing for 1,474 units of affordable housing for LMI individuals and families.

UB's activity included a \$32.3 million permanent loan take out on a syndicated construction loan where UB will hold the entire permanent loan. The loan supports a 378-unit affordable housing apartment complex in Richmond, CA. An example of CD loans for community services to benefit LMI individuals were six lines of credit totaling over \$153 million to a borrower that provides social services to LMI disabled adults, children and families and is part of the State of California Regional Centers network; 100% of the recipients are low-income and public-benefit recipients.

*Riverside-San Bernardino-Ontario MSA* – UB originated 33 CD loans totaling \$218 million over the evaluation period in this AA. Approximately 75% of these loans were to support economic development initiatives, 20% for affordable housing needs, 2% to revitalization and stabilization needs, 2% to small business development, and 0.9% to organizations providing community services. UB's lending provided financing for 789 units of affordable housing for LMI individuals and families.

One example of CD loans for economic development initiatives to benefit LMI individuals was a \$45 million line of credit to support an agency that provides social services to LMI disabled adults, children and families in Riverside, CA, and surrounding geographies and is part of the State of California Regional Centers network; 100% of recipients are low-income and public-benefit recipients.

*San Diego-Carlsbad-San Marcos MSA* – UB originated 165 CD loans totaling \$318 million over the evaluation period in this AA. Approximately 63% of these loans were targeted to organizations providing community services, 26% to affordable housing needs, 6% for small business development, 5% for revitalization and stabilization needs, and 0.4% for economic development needs. UB's lending provided financing for 1,292 units of affordable housing for LMI individuals and families.

UB's transactions included a \$10 million construction loan for Poway Villas, a 60-unit complex located in San Diego, CA to serve low-income families making 50-60% AMI. An example of CD loans for community services to benefit LMI individuals were six lines of credit totaling over \$168 million to support an agency that provides social services to LMI disabled adults, children and families in San Diego, CA and the surrounding geographies. 100% of the recipients are low-income and public-benefit recipients.

*San Francisco-San Mateo-Redwood City MD* – UB originated 77 CD loans totaling almost \$221 million over the evaluation period in this AA. Approximately 45% of these loans were to economic development initiatives, 40% of these loans were targeted to affordable housing needs, 10% to organizations providing community services, 5% for small business development, and 0.4% for revitalization and stabilization needs. UB's lending provided financing for 591 units of affordable housing for LMI individuals and families.

UB's activity included renewal of a \$25 million construction loan originated to build a 107-unit senior housing development. The finished units will be leased to individuals with maximum income of 50% AMI; amenities include a health clinic and computer labs. An example of community development initiatives include five lines of credit totaling nearly \$97 million to an agency that provides social services to LMI disabled adults, children and families in San Francisco, CA, and surrounding geographies. 100% of recipients are low-income and public-benefit recipients.

*San Jose-Sunnyvale-Santa Clara MSA* – UB originated 15 CD loans totaling \$22 million over the evaluation period in this AA. Approximately 64% of these loans were targeted to affordable housing needs, 18% for revitalization and stabilization needs, 11% for small business development, and 6% to organizations providing community services. UB's lending provided financing for 225 units of affordable housing for LMI individuals and families including an \$8.9 million 124-unit affordable housing project for seniors in Sunnyvale, CA.

*Santa Ana-Anaheim-Irvine MD* – UB originated 65 CD loans totaling \$363 million over the evaluation period in this AA. Approximately 55% of these loans were targeted to organizations providing community services, 35% to affordable housing needs, 9% for small business development, 0.4% for revitalization and stabilization needs, and 0.05% for economic development needs. UB's lending provided financing for 646 units of affordable housing for LMI individuals and families.

UB's activity included \$23.2 million loan for new construction of a 74-unit apartment complex; finished units will be leased to tenants with an average of 45% of AMI. An example of CD loans for community services to benefit LMI individuals are seven lines of credit to an agency that provides social services to LMI disabled adults, children and families in Orange and Santa Ana, CA and surrounding geographies. 100% of recipients are low-income and public-benefit recipients.

### **Product Innovation and Flexibility**

UB's flexible loan products include the Economic Opportunity Mortgage (EOM) whereby UB extended 2,364 loans totaling \$443 million in California during the evaluation period. The EOM loans had a neutral impact on the lending performance in California.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on the limited-scope reviews, UB's performance under the Lending Test in the Bakersfield MSA, El Centro MSA, Hanford-Corcoran MSA, Madera MSA, Merced MSA, Modesto MSA, Redding MSA, Sacramento-Arden-Arcade-Roseville MSA, Salinas MSA, San Luis Obispo-Paso Robles MSA, Santa Barbara-Santa Maria-Goleta MSA, Santa Cruz-Watsonville MSA, Santa Rosa-Petaluma MSA, Stockton MSA, Vallejo-Fairfield MSA, Visalia-Porterville MSA, and Yuba City MSA and Non-MSA assessment areas, is not inconsistent with the bank's overall "Low Satisfactory" performance under the Lending Test for the state of California.

Performance was weaker in the Oxnard-Thousand Oaks-Ventura MSA. The weaker performances are centered in the weaker loan distribution and/or weaker performance with CD lending and did not negatively impact the overall conclusion for the Lending Test for California.

Refer to the Tables 1 through 11 in the state of California section of Appendix D for the facts and data that support these conclusions

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

Refer to Table 14 in the state of California section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The bank's performance under the Investment Test in California is rated "Outstanding." Based on full-scope reviews, the bank's performance is excellent in the Los Angeles-Long Beach-Glendale MD, Riverside-San Bernardino-Ontario MSA, Oakland-Fremont-Hayward MD, Santa Ana-Anaheim-Irvine MD, and San Francisco-San Mateo-Redwood City MD. The bank's performance is adequate in San Diego-Carlsbad-San Marcos MSA, and San Jose-Sunnyvale-Santa Clara MSA. Performance is poor in the Fresno MSA AA.

UB continues to be responsive in addressing the community's need in the California MSA and MD assessment areas by providing a combination of investments, grants, and donations to a variety of organizations in its full-scope AAs. Much of the focus has been on affordable housing for LMI households with some modest investments that promote job creation and retention.

During a prior evaluation period, UB began an innovative program of packaging its investments in Low Income Housing Tax Credits (LIHTCs) into UB Guaranteed Tax Credit Funds and then selling participations in these funds to other financial institutions. In this program UB sells participations in amounts as low as \$250 thousand, which enables much smaller financial institutions to participate in LIHTC investments. By using its in-house legal and investment expertise, the bank is able to reduce the overhead expense to create the funds and thus provide a better return to downstream investors. The bank has continued this investment packaging process and has carried it forward into the current evaluation period. By expanding the accessibility of the LIHTC program and combining other tax credits (new market tax credits and historic tax credit) UB has effectively increased the capacity of the marketplace to invest in the creation of affordable housing and assisting in the stabilization and revitalization of low- and moderate-income areas. The packaging of these tax credits remains a complex transaction and is responsive to community needs.

Due to the bank's in-house expertise, over 90% of the dollar amount in bank's investment portfolio for AAs within UB footprints is contributed to tax credit equity funds that finance affordable housing for low-income families. An additional \$232 million of unfunded investment commitments will also go toward financing affordable housing. Nearly 19 thousand affordable housing units are the result of these investments. UB also has made some state and regional investments in areas outside of the UB AAs; investments during the current period total of \$5 million and had \$6.0 million outstanding from prior period investments. An additional 1,000 affordable housing units will result from these investments. These additional investments further enhance the bank's overall performance under the Investment Test.

## Donations

UB made donations in California of \$20 million or 96% of the total donations made during the evaluation period. Donations to these organizations support affordable housing initiatives, provide social and community services, support educational initiatives including financial and adult literacy, as well as numerous other initiatives for the benefit of individuals and families in LMI areas. All assessment areas (full- and limited-scope) in the bank's footprints benefited from these donations.

## Interest on Lawyers Trust Accounts (IOLTAs)

During the evaluation period, UB was recognized by the California State Bar Association for its leadership and innovation for their participation in the "Peaking Your Interest" program on IOLTA deposits.

An IOLTA is a program that is offered in every state, as well as the District of Columbia and Virgin Islands, that allows lawyers holding funds belonging to clients, which are nominal amounts or held for such a short-term period of time that would not be feasible for an individual interest bearing account. In California, the statute mandates that lawyers, who manage these accounts for their clients, place them in pooled, interest bearing checking accounts and sets the minimum interest rate that financial institutions must pay on IOLTA account. The interest generated from the pooled funds are used to provide civil legal aid to the poor/indigent ("indigent" being defined as individuals whose income is less than 125% of the current poverty threshold established by the US Office of Management and Budget) and support improvements to the justice system. The IOLTA program is a unique and innovative way to increase access to legal aid/services for LMI individuals and their families.

Beginning on June 1, 2009, UB joined the ranks of the Leadership Banks that "Peak Their Interest" on IOLTA accounts and currently pay at least 1% yield on IOLTA accounts. The Leadership Banks have voluntarily opted to demonstrate their commitment to their communities by paying the peaked interest rates over the required rate set by association, which has made an enormous difference in the IOLTA funding. During this evaluation period (March 2009 through March 2012), UB has paid in excess of \$1.8 million in interest that benefited poor and indigent individuals or families in all of the MSAs and MDs within UB's California assessment area.

## Investments by Assessment Area

*Los Angeles-Long Beach-Glendale MD* – UB made 679 investments totaling over \$152 million in this AA during the evaluation period. The bank also had 137 outstanding prior investments totaling another \$28.5 million. Nearly 93% of the dollar volume of UB's investment transactions were focused on affordable housing, a primary credit need in the AA. UB's LIHTC investments here include a November 2011 transaction where the bank committed to purchasing \$10.3 million of tax credit equity (of which \$100,000 is funded) to support the rehabilitation of an existing 83-unit family and senior housing development. The project includes the rehabilitation of a historic hotel in the Central Avenue neighborhood. In addition, UB made donations totaling nearly \$6.8 million during the current period, of which \$110 thousand was paid to an agency whose mission is to enhance the dignity and quality of life of individuals and families by strengthening communities. UB paid excess interest on IOLTAs of

\$673 thousand that will benefit low- and moderate-income individuals in this MSA/AA. There are good investment opportunities and numerous investment vehicles in this assessment area.

*Riverside-San Bernardino-Ontario MSA* – UB made 103 investments totaling \$28.5 million in this AA during the evaluation period. The bank also had 43 outstanding prior investments totaling another \$37.5 million. Nearly 95% of the dollar volume of UB's investment transactions was focused on affordable housing, a primary credit need in the AA. One of UB's equity investments in the AA was a \$19.6 million LIHTC to build apartments for a 241-unit family housing complex for low-income families. UB paid \$615 thousand in donations and \$195 thousand in excess interest on IOLTAs that will benefit low- and moderate-income individuals in this MSA/AA. There are limited agencies providing investment opportunities in this assessment area.

*San Diego-Carlsbad-San Marcos MSA* – UB made 388 investments totaling \$35.6 million in this AA during the evaluation period. The bank also had 34 outstanding prior investments totaling another \$5.2 million. More than 84% of the dollar volume of UB's investment transactions there was focused on affordable housing, a primary credit need in the AA. UB made \$3.7 million in donations and paid \$139 thousand in excess interest on IOLTAs that will benefit low- and moderate-income individuals in this MSA/AA. There are good investment opportunities with a number of CDFIs that serve this AA.

*San Francisco-San Mateo-Redwood City MD* – UB made 446 investments totaling \$81.4 million in this AA during the evaluation period. The bank also had 26 outstanding prior investments totaling nearly \$12 million. Nearly 87% of the dollar volume of UB's investment transactions were focused on affordable housing, a primary credit need in the AA. In March 2010, the bank committed to \$36 million in tax credit equity financing (of which \$9 million is funded) to provide 84 affordable housing units for low- and very low- income individuals. The project will serve households with income restrictions ranging from 30 to 50% of the area median income. UB also made \$4.7 million in donations, of which \$120 thousand went to support a primary CDFI customer that provides affordable housing in this MSA/ AA. UB also paid \$58.4 thousand in excess interest on IOLTA that will benefit low- and moderate- income individuals in this MSA/AA. There are numerous opportunities for financial institutions to become involved in activities that benefit low- and moderate-income neighborhoods and individuals in this assessment area.

*San Jose-Sunnyvale-Santa Clara MSA* – UB made 71 investments totaling \$5.7 million in this AA during the evaluation period. The bank also had 17 outstanding prior investments totaling nearly \$5.3 million. Only 52% of all of the dollar volume of UB's investment transactions in this AA were focused on affordable housing, a primary credit need in the AA. UB made \$290.5 thousand in donations and \$51.9 thousand in excess interest on IOLTA that will benefit low- and moderate-income individuals in this MSA/AA. There are several CDFIs and Community Development Corporations that provide opportunities for investment in this assessment area.

*Santa Ana-Anaheim-Irvine MD* – UB made 121 investments totaling \$49.5 million in this AA during the evaluation period. The bank also had 76 outstanding prior investments totaling another \$16.3 million. Nearly 94% of the dollar volume of UB's investment transactions here were focused on affordable housing, a primary credit need in the AA. Investments included \$7.3 million in tax credit equity to two non-profit organizations to renovate 76 units of affordable housing for low-income residents, helping to begin the process of revitalizing the area. UB

made \$851 thousand in donations and paid \$122 thousand in excess interest on IOLTA that will benefit low- and moderate-income individuals in this MSA/AA.

*Oakland-Fremont-Hayward MD* – UB made 230 investments totaling \$55.7 million in this AA during the evaluation period. The bank also had 23 outstanding prior investments totaling another \$30 million. Nearly 93% of the dollar volume of UB’s investment transactions in this AA are focused on affordable housing, a primary credit need in this AA. UB’s LIHTC investments include a \$20.5 million construction loan in support of a 69-unit apartment project to provide affordable housing to households headed by senior citizens earning between 30-50% of AMI. In addition, UB made donations of \$1.7 million dollars, of which \$40 thousand was to an organization that brings volunteers and communities together to provide home repairs, safety modifications, and energy upgrades to low- and moderate-income individuals struggling to maintain their homes. UB also paid \$90 thousand in excess interest on IOLTAs that will benefit low- and moderate-income individuals in this MSA/AA. The level of opportunity for CD activities is very good. There are numerous non-profit and community development entities serving the area. There are a number of CDFI’s serving the area.

*Fresno MSA* – UB made 66 investments totaling \$460 thousand in this AA during the evaluation period. The bank also had 3 outstanding prior investments totaling another \$914 thousand. Nearly 64% of the dollar volume of UB’s investment transactions were focused on affordable housing, providing 181 affordable housing units in the AA. UB made donations totaling over \$389 thousand to numerous agencies that provide support services to low- and moderate-income individuals in this MSA/AA. UB also paid excess interest on IOLTAs of \$71 thousand that will provide legal services benefits for low- and moderate-income individuals in this MSA/AA. Investment opportunities are limited in this assessment area due to the lack of infrastructure for creating investment opportunities.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, UB’s performance under the Investment Test in the Bakersfield-Delano MSA, Oxnard-Thousand Oaks-Ventura MSA, Redding MSA, Sacramento-Arden-Arcade-Roseville MSA, Salinas MSA, San Luis Obispo-Paso Robles MSA, Santa Cruz-Watsonville MSA, Santa Rosa-Petaluma MSA, Stockton MSA, Vallejo-Fairfield MSA, Visalia-Porterville MSA, Yuba City MSA and California non-MSAs are not consistent with the bank’s overall “Outstanding” performance under the Investment Test for the state of California. All other limited-scope AAs showed a weaker performance due to the lower level of investment activity in comparison to the bank’s presence in the AAs.

During this evaluation period UB invested \$5 million in investments outside of UB footprints and had prior period investments of \$6 million. The vast majority of this investment was in tax equity credits that are for affordable housing.

### **SERVICE TEST**

#### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank’s overall performance under the Service Test is rated “Outstanding.” Based on full-scope reviews, the bank’s performance is excellent in the Fresno MSA, Los Angeles-Long Beach-Glendale MD, San Francisco-San Mateo-Redwood City MD, San Diego-Carlsbad-San

Marcos MSA, Riverside-San Bernardino-Ontario MSA, Oakland-Fremont-Hayward MD, and good in the San Jose-Sunnyvale-Santa Clara MSA, and adequate in the Santa Ana-Anaheim-Irvine MD.

## Retail Banking Services

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's delivery system and branch openings and closings.

UB's retail delivery systems considering bordering branches are excellent in the Fresno MSA, Los Angeles-Long Beach-Glendale MD, Oakland-Fremont-Hayward MD, Riverside-San Bernardino-Ontario MSA, San Diego-Carlsbad-San Marcos MSA, and San Jose-Sunnyvale-Santa Clara MSA, and good in San Francisco-San Mateo-Redwood City MD and Santa Ana-Anaheim-Irvine MD.

The Service Test analysis focuses heavily on UB's distribution of branches by income level of the geography. However, there were instances in which a branch located in a middle- or upper-income CT was on the border of a LMI tract, in some cases across the street or within a city block. In those instances, the middle- or upper-income branch provides ready access to the bank's financial services to both income areas. Accordingly, our analysis considered the benefit that "bordering branches" provided to their respective communities.

UB offers traditional deposit and loan products and services, including low cost basic checking accounts targeted to low-income individuals and students. The bank also offers the Electronic Transfer Account ("ETA") and Electronic Access Account ("EAA"). The ETA account is designed for recipients of federal government benefits such as Social Security and Native American Tribal Welfare. The basic checking, ETA, and EAA accounts require no minimum balance, have modest monthly service fees, and allow unlimited Automated Teller Machine ("ATM") access.

UB's hours and services offered throughout the AAs are good. Products and services do not vary in a way that inconveniences LMI individuals located within in LMI geographies. Branches are typically opened for business 9:00 a.m. to 5:00 p.m. Monday through Thursday, 9:00 a.m. to 6:00 p.m. on Friday, and 9:00 a.m. to 1:00 p.m. on Saturday. In-store branches typically have extended hours, from 10:00 a.m. to 7:00 p.m. Monday through Friday and until 6:00 p.m. on Saturday. "Cash & Save" (C&S) branches have the longest hours, from 9:00 a.m. to 7:00 p.m. Monday through Friday and 10:00 a.m. to 6:00 p.m. on Saturday. Branches located in downtown areas are not generally open on Saturday.

In the Fresno MSA, the percentage of the bank's branches located in low-income tracts is above the distribution of the population living in those geographies and exceeds the population in moderate-income geographies. UB has 15 branches in the AA, of which 6.67% are located in low-income CTs and 33% are located in moderate-income CTs. Overall accessibility to the bank's services in LMI CTs is further enhanced by considering bordering branches. One branch in a middle-income geography and one branch in an upper-income geography border moderate-income geographies. UB did not open any new branches in LMI areas during the evaluation period. There have been no branch closures in the AA during the evaluation period.

In the Los Angeles-Long Beach-Glendale MD, the distribution of UB's branches in low-income geographies is above the distribution of the population living in those geographies and is lower than demographics in moderate-income geographies. UB has 74 branches in the AA, of which 8% are located in low-income CTs and 17% are located in moderate-income CTs. Openings of new branches improved accessibility, as the bank opened a total of five branches including one branch in a moderate-income CT during the evaluation period. After considering near-to branches, accessibility to the bank's services in LMI CTs is improved with bordering branches. Five branches in middle-income geographies and two branches in upper-income geographies border moderate-income geographies. The bank closed one branch in an upper-income CT during the evaluation period.

In the Oakland-Fremont-Hayward MD, the percentage of UB's branches located in low-income geographies exceeds the population living in those geographies, and in moderate-income geographies, is lower than the demographics. UB has 17 branches in the AA; 23% are located in low-income CTs and 17% are located in moderate-income CTs. One branch in an upper-income geography borders a moderate-income geography and improves accessibility of bank services to LMI geographies. There were no branch openings or closing in the AA during the evaluation period.

In the Riverside-San Bernardino-Ontario MSA, the percentage of UB branches in LMI CTs exceeds the respective distribution of the population living in such geographies. UB has 31 branches in the AA, of which 9% are located in low-income CTs and 35% are located in moderate-income CTs. The delivery of services in the AA is further augmented by four branches in middle-income CTs bordering moderate-income geographies. UB closed one branch in a low-income CT and one branch in a moderate-income CT during the evaluation period; the closings have not affected the accessibility of services to LMI geographies.

In the San Diego-Carlsbad-San Marcos MSA, the percentage of UB's branches in low-income CTs exceeds the population living in those geographies and is near to the population in moderate-income geographies. UB has 59 branches in the AA, of which 12% are located in low-income CTs and 22% are located in moderate-income CTs. There is one branch in an upper-income CT which borders a low-income CT. Additionally, there are four branches in middle-income geographies and one branch in an upper-income geography that border moderate-income geographies and further improve accessibility. Branch opening and closings have not affected accessibility; the bank closed one branch in an upper-income CT during the evaluation period.

In the San Francisco-San Mateo-Redwood City MD, the percentage of UB's branches in low-income CTs significantly exceeds the respective population demographics. The percentage of branches in moderate-income CTs is well below the population residing in those tracts. UB has 23 branches in the AA, of which 22% are located in a low-income CT and 9% are located in a moderate-income CT. However, after considering the six near-to branches, accessibility improved significantly in both low- and moderate-income CTs. Branch opening and closings improved the accessibility; the bank opened 3 branches and acquired 7 through an FDIC acquisition during the evaluation period. One of the three branches opened is located in a moderate-income geography.

In the San Jose-Sunnyvale-Santa Clara MSA, the percentage of UB's branches in low-income geographies exceeds the population living in those geographies and is near to in the

moderate-income CT. UB has 16 branches in the AA, of which 12% are located in low-income CT and 31% are located in a moderate-income CT. UB opened three branches in the AA, one in a low-income geography and one in a moderate-income geography which improved the accessibility to the LMI population in the AA.

In the Santa Ana-Anaheim-Irvine MD, the percentage of UB's branches located in low-income tracts is well below the percentage of the assessment area's population residing in those tracts. The percentage of branches in moderate-income tracts is below the population residing in those tracts. Of the bank's 44 branches in the AA, none are in low-income CTs, where less than 5% of the population lives and 18% of the branches are located in moderate-income CTs. Accessibility is improved by branches bordering moderate-income areas. Branch openings and closings have not impacted the accessibility in low- and moderate-income CTs.

### **Community Development Services**

UB provides a high level of CD services to its full-scope AAs. The bank's CD services had an overall positive impact on all full-scope AAs. The bank's performance is excellent in the Fresno MSA, Los Angeles-Long Beach-Glendale MD, and San Diego-Carlsbad-San Marcos, MSA; good in the Oakland-Fremont-Hayward MD, Riverside-San Bernardino-Ontario MSA, San Francisco-San Mateo-Redwood City MD, and Santa Ana-Anaheim-Irvine MD; and adequate in the San Jose-Sunnyvale-Santa Clara MSA.

In addition to the traditional and in-store branches, approximately 9% of the branches specifically target LMI persons through the Alternative Financial Services (AFS) division. The AFS division branches are located in southern California and include UB's Cash & Save branches and three newer hybrid branches that consist of a traditional branch, a Cash & Save branch office, and a financial literacy provider, all in the same facility. UB's Cash & Save branches and hybrid branches specifically target LMI persons and geographies. The Cash & Save program was introduced by the bank in 1993, introducing a network of banking facilities to many LMI persons for the first time. The Cash & Save program was expanded from 16 branches to 29 branches during the evaluation period and combines traditional banking products and services with those services provided by check cashers into a single business solution. The offices, mostly in underserved neighborhoods in the inner city, provide check cashing, savings, low-cost checking, money order, wire, remittance, and other services to individuals who do not typically use traditional banking services.

In each of the bank's full-scope AAs, UB provided leadership efforts in its involvement with the Bank on California initiative (BC). The BC is a California state effort designed specifically to help LMI individuals open bank accounts. The BC initiative encourages California's larger financial institutions to reach out into underserved communities to help unbanked LMI families enter the financial mainstream by opening checking and savings accounts and providing them access to basic financial services. This CD service benefited the bank's full-scope AAs.

In 2010 the bank introduced its Financial Literacy Month Campaign, which involved a competition among the branches. In 2010, 5,600 hours of financial education were logged and in 2011, 7,000 hours (representing a 24% increase) were logged.

In 2011 the bank opened a new student-run branch at a high school in Fresno targeting LMI youth. This innovative program allows student interns to gain practical experience associated with business and finance.

UB's performance in providing CD services in the Fresno MSA is excellent. During the evaluation period, UB employees were involved with 29 CD organizations serving community needs with affordable housing, community economic development, community services, technical assistance, and small business development. Employees contributed more than 4,383 hours toward these organizations through fundraising events, mentoring and providing financial education and career development.

UB's performance in providing CD services in the Los Angeles-Long Beach-Glendale MD is excellent. During the evaluation period, UB employees were involved with 142 CD organizations serving community needs with affordable housing, community economic development, community services, and technical assistance. In these capacities, employees contributed more than 8,524 hours toward these organizations by serving on 37 boards of directors, providing financial education and technical assistance to LMI persons, and participating in fundraising events.

UB's performance in providing CD services in the Oakland-Fremont-Hayward MD is good. During the evaluation period, bank employees were involved in 50 CD organizations related to community services, affordable housing, economic development, and technical assistance. Bank employees contributed 1,415 hours toward CD efforts of these organizations.

UB's performance in providing CD services in the Riverside-San Bernardino-Ontario MSA is good. During the evaluation period bank employees provided services to 44 CD organizations that are related to affordable housing, economic development, community services, and technical assistance targeted to LMI persons. Bank employees contributed more than 1,181 hours toward the CD efforts of these organizations. Employee's primarily assisted on the boards of six organizations and providing assistance in fundraising efforts, financial education, and financial literacy.

UB's performance in providing CD services in the San Diego-Carlsbad-San Marcos MSA is excellent. During the evaluation period, UB employees were involved in 97 CD organizations that focus on affordable housing, small business development, and essential services targeted to LMI persons. Bank employees contributed over 5,679 hours toward these community organizations. Their involvement consists of board membership with 47 community organizations, assisting with strategic planning, financial education, financial literacy, technical assistance, and fundraising.

UB performance in providing CD services in the San Jose-Sunnyvale-Santa Clara MSA is adequate. During the evaluation period, Bank employees were involved in 16 CD organizations related to affordable housing, financial education, technical assistance, and fundraising. Bank employees contributed 508 hours toward CD efforts of these organizations.

UB's performance in providing CD services in the San Francisco-San Mateo-Redwood City MD is good. During the evaluation period, bank employees were involved in 58 CD organizations that are focused primarily on affordable housing, economic development, community services, and technical assistance targeted to LMI persons. Employees

contributed more than 2,360 hours toward these CD organizations. Their involvement primarily consists of board membership with 14 organizations, assisting with strategic planning, credit counseling, and fundraising.

UB's performance in providing CD services in the Santa Ana-Anaheim-Irvine MD is good. During the evaluation period, bank employees were involved in 50 CD organizations that primarily provide affordable housing, revitalize LMI areas, or provide essential services targeted to LMI persons. Employees contributed more than 1,731 hours in their participation on the boards of the organizations or assisting with strategic planning, credit counseling, or fundraising efforts.

### **Conclusions for Areas receiving Limited-Scope Reviews**

Based on limited-scope reviews, UB's bank's performance under the Service Test in the Bakersfield-Delano MSA, El Centro MSA, Hanford-Corcoran MSA, Madera-Chowchilla MSA, Merced MSA, Modesto MSA, Sacramento-Arden-Arcade-Roseville MSA, Salinas MSA, San Luis Obispo-Santa Barbara-Santa Maria-Goleta MSA, Santa Cruz-Watsonville MSA, Santa Rosa-Petaluma MSA, Stockton MSA, Vallejo-Fairfield MSA, Visalia-Porterville MSA, Yuba City MSA and California non-MSA AAs is weaker than the bank's overall performance. The weaker performances are centered in the weaker distribution of branches in either LMI geographies compared to the respective population demographics. However, none of these weaker distributions of branches lowered the bank's overall conclusion under the Service Test.

UB offers a wide array of alternative delivery systems for delivery of products and services to customers. Alternative delivery systems include online banking, telephone banking, and ATMs. Although these alternative delivery systems are of potential benefit to persons across all income levels, there is no data available to show that these alternative delivery systems increase the accessibility of UB's services to LMI persons or geographies. As a result, significant weight was not placed on the alternative delivery system when drawing conclusions regarding UB's bank performance for each full-scope AA under the Service Test.

## State Rating

### State of New York

<b>CRA Rating for New York:</b>	<b><u>Needs to Improve</u></b>
<b>The Lending Test is rated:</b>	<b><u>Needs to Improve</u></b>
<b>The Investment Test is rated:</b>	<b><u>Outstanding</u></b>
<b>The Service Test is rated:</b>	<b><u>Needs to Improve</u></b>

The major factors that support this rating include:

- We took into account that UB opened this branch nine months prior to the end of the three year evaluation period. However, the lack of lending had a negative impact on the overall rating for the state.
- Limited CD loan activity that is responsive to AA needs. Lending activity is poor, even after considering the relatively short time period in the state.
- An excellent level and nature of investment activity considering the duration of the operation of this branch.
- A poor geographic distribution of branch office locations considering that the only branch is not available to the public and is operated as a commercial branch by UB.

### Description of Institution's Operations in New York

UB's presence in the New York-White Plains-Wayne, NY/NJ MD is very limited, as the bank operates only one commercial branch office in this AA. UB ranks 168th by deposit market share and has one newly-opened office and \$2.5 million in deposits. JP Morgan Chase is the market leader with a 38.93% deposit market share, 647 offices and \$333.7 billion in deposits. Less than 1% of UB's total deposits and 1% of its reportable loans are in New York.

Refer to the Market Profiles for the state of New York in Appendix C for detailed demographics and other contextual information for the full-scope AAs.

### Scope of the Evaluation in New York

In analyzing UB's performance in New York, we performed a full-scope review of the New York-White Plains-Wayne, NY/NJ MD. This is the bank's sole AA and accounts for 100% of UB's deposits in the state of New York. In concluding on the bank's lending record, we placed the weight on community development loans. The other loan products are insignificant lines of business for UB.

Refer to the community profiles in Appendix C for discussion of community contacts made in the full-scope AA.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in New York is rated "Needs to Improve." Based on the full-scope review, the bank's performance in the New York-White Plains-Wayne, NY/NJ MD is poor.

### **Lending Activity**

Refer to Table 1 in the state of New York section of Appendix D for the facts and data used to evaluate the bank's lending activity.

UB's lending activity in the New York AA is poor. During the evaluation period, UB did not originate or purchase any mortgage loans in this AA. UB extended very few small loans to businesses and no small loans to farms.

### **Distribution of Loans by Income Level of the Geography**

UB's overall geographic distribution in the New York-White Plains-Wayne, NY/NJ full-scope AA is very poor.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of New York section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

During the evaluation period, the bank's volume of small loans to businesses was insignificant and none were made in low- or moderate-income census tracts.

### ***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the state of New York section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

During the evaluation period, UB did not originate or purchase any mortgage loans.

### ***Small Loans to Farms***

Refer to Table 7 in Appendix D for the facts and data regarding the geographic distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, UB did not originate or purchase any loans to small farms.

### ***Lending Gap Analysis***

Maps and reports detailing UB's lending activity were not applicable for this AA. This analysis considered the limited presence and loan activity within this AA.

### ***Inside/Outside Ratio***

Due to the limited number of loans in this AA, the Inside/Outside Ratio was not analyzed in this AA.

### **Distribution of Loans by Income Level of the Borrower**

UB's overall borrower distribution in the New York-White Plains-Wayne, NY/NJ full-scope AA is very poor.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of New York section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of the bank's origination and purchase of small loans to businesses is poor.

### ***Home Mortgage Loans***

Refer to Tables 8 through 10 in the New York section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations/purchases.

Union Bank did not originate or purchase any mortgage loans.

### ***Small Loans to Farms***

Refer to Table 12 in the Appendix D for the facts and data regarding the borrower distribution of the bank's origination/purchase of small loans to farms.

Union Bank did not originate or purchase any small loans to farms.

### **Community Development Lending**

Refer to Table 1 in the state of New York section of Appendix D for the facts and data used to evaluate the bank's level of CD lending.

CD lending had limited impact on the Lending Test conclusions for the New York-White Plains-Wayne, NY/NJ AA. During the evaluation period, UB's affiliate Bank of Tokyo Mitsubishi

(BTMU) originated a \$10 million loan to promote revitalization through the development of underutilized real estate that revitalized and stabilized an underserved market in the AA.

### **Product Innovation and Flexibility**

UB's flexible loan products are not offered at this time in New York-White Plains-Wayne, NY/NJ.

## **INVESTMENT TEST**

### **Conclusions for Area Receiving Full-Scope Review**

UB's performance under the Investment Test in New York is rated "Outstanding" based on a full-scope review, the bank's performance in the New York-White Plains-Wayne, NY/NJ AA is excellent.

Refer to Table 14 in the state of New York section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

UB made no new investment or donations during the period within the New York-White Plains-Wayne, NY/NJ MSA/AA. However, UB had seven prior period investments totaling \$442 thousand. UB also made two investments to areas outside of their AA totaling \$1.7 million and had prior investments of \$5.6 million for a total of \$7.4 million outside the AA. All of the investments within NY White Plains go toward the creation and preservation of affordable housing, as well as the tax credit equity fund investments in statewide initiatives that also benefit the AA. There are numerous opportunities for financial institutions to become involved in activities that benefit low- and moderate-income neighborhoods and individuals in this assessment area.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's overall performance under the Service Test is rated "Needs to Improve." Based on a full-scope review, the bank's performance is poor in the New York-White Plains-Wayne, NY/NJ AA.

### **Retail Banking Services**

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's delivery system and branch openings and closings.

UB's delivery systems are unreasonably inaccessible to geographies and individuals of different income levels in the New York-White Plains-Wayne, NY/NJ AA. The bank opened one commercial branch during the evaluation period and it is located in an upper -income CT. There have been no branch closures during the evaluation period. UB's products and services are generally not available to the public at this branch location.

### **Community Development Services**

UB's performance in providing CD services in the full-scope AA is very poor. During the evaluation period, the bank did not provide any CD services within their AA.

### **Limited-Scope Reviews**

This section is not applicable to the State rating.

## State Rating

### State of Oregon

<b>CRA Rating for Oregon:</b>	<b><u>Satisfactory</u></b>
<b>The Lending Test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The Investment Test is rated:</b>	<b><u>Outstanding</u></b>
<b>The Service Test is rated:</b>	<b><u>High Satisfactory</u></b>

The major factors that support this rating include:

- Adequate lending activity had a negative impact on the overall Lending Test.
- Excellent geographic distribution of small loans to businesses and excellent geographic distribution of home mortgage loans.
- Poor borrower distribution of small loans to businesses and a very poor borrower distribution of home mortgage loans.
- CD loan volumes that are highly responsive to AA needs.
- An excellent level and nature of investment activity.
- A good geographic distribution of branch office locations.

### Description of Institution's Operations in Oregon

UB's presence in the Portland-Vancouver-Hillsboro, OR/WA MSA is limited. The bank has three branch offices there which are in the Portland segment of the Portland-Vancouver-Hillsboro, OR/WA MSA. UB does not have a presence in the Vancouver portion of this multi-state MSA.

UB ranks 18<sup>th</sup> in the market with a 0.59% deposit market share, three offices and \$236 million in deposits (FDIC- June 2011). The four largest institutions, based on deposit market share include Bank of America which is the market leader with a 21.14% deposit market share, 62 offices and \$8.6 billion in deposits. U.S. Bank ranks second with a 18.76% market share, 108 offices and \$7.6 billion in deposits and Wells Fargo ranks third with a 15.43% market share, 73 offices and \$6.2 billion in deposits. Less than 1% of UB's total deposits and 1% of its reportable loans are in Oregon.

Refer to the Market Profiles for the state of Oregon in Appendix C for detailed demographics and other contextual information for the full-scope AAs.

### Scope of the Evaluation in Oregon

In analyzing UB's performance in Oregon, we performed a full-scope review of the Portland-Vancouver-Hillsboro, OR/WA MSA. This is one of two AAs in the state and accounts for 83% of UB's deposits in the state of Oregon. In concluding on the bank's lending record, we placed

the weight on performance with small loans to businesses given the bank's strategic focus and lending volume in this loan category. The other loan products are insignificant lines of business for UB and their associated loan volumes were nominal to result in any meaningful weight toward conclusions.

Refer to the community profiles in Appendix C for discussion of community contacts made in the full-scope AA.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in Oregon is rated "Low Satisfactory." Based on the full-scope review, the bank's performance in the Portland-Vancouver-Hillsboro, OR/WA MSA is adequate.

### **Lending Activity**

Refer to Table 1 in the state of Oregon section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Although the volume of loans was low in the Portland-Vancouver-Hillsboro, OR/WA MSA, lending activity is adequate overall. UB reported 480 CRA loans in Oregon during the evaluation period. We based our conclusion on the bank's performance in small loans to businesses which makes up 61% of the reported lending in Oregon. While the number of loans is low they typically are more complex credits, such as multifamily and community development loans. We included the HMDA loans in the market share comparisons below, however the primary focus is on small business lending.

Union Bank ranks 18<sup>th</sup> in market with less than 1% of the deposit market share. Based on 2010 HMDA aggregate data, the bank's market rank is nominal at 147<sup>th</sup> for home mortgage lending. Based on dollar volumes, the bank's market share is not significant. UB ranks 19<sup>th</sup> by number for small business loans. Small loans to farms are not a major product line of the bank. The comparison of the deposit market rank relative to the small business loan market rank is favorable. We also considered the FDIC acquisition of Frontier Bank deposits and loans in April of 2010 and the considerable competition by the large banks in the market. The three largest banks by market share have nearly 60% small business lending in the market.

### **Distribution of Loans by Income Level of the Geography**

UB's overall geographic distribution in the Portland-Vancouver-Hillsboro, OR/WA MSA is excellent.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Oregon section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is excellent in the Portland-Vancouver-Hillsboro, OR/WA MSA. In the low-income geographies of this AA, the bank's portion of small loans to businesses significantly exceeds the percentage of businesses located there and its market share of such loans significantly exceeds its overall market share. In moderate-income geographies, the bank's percentage of loans exceeds the percentage of businesses located there and its market share of such loans significantly exceeds its overall market share.

### ***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the state of Oregon section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

During the evaluation period, UB's mortgage loan origination/purchase volume was insignificant to allow for any meaningful weight toward conclusions. Notwithstanding, home mortgage geographic distribution was excellent for home purchase and excellent for home refinance loans.

### ***Small Loans to Farms***

Refer to Table 7 in Appendix D for the facts and data regarding the geographic distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, the bank's volume of loans to small farms was insignificant to allow for meaningful analysis or conclusions.

### ***Lending Gap Analysis***

Maps and reports detailing UB's lending activity did not reveal any unexplained conspicuous gaps in the geographic distribution of these loans. This analysis also considered the limited presence and loan activity within this AA.

### ***Inside/Outside Ratio***

This portion of the evaluation was performed at the bank level. A substantial majority of UB's home mortgage loans, small loans to businesses, and small loans to farms were originated within its AAs. During the evaluation period by number, nearly 100% of the home mortgage loans, small loans to business, and small loans to farms were originated within the bank's AAs. This performance was a positive factor in the overall conclusion for UB's geographic distribution of lending.

### ***Distribution of Loans by Income Level of the Borrower***

The borrower distribution of UB's small loans to businesses and home mortgage loans reflects a poor dispersion among borrowers of different income levels. Performance is poor in the Portland-Vancouver-Hillsboro, OR/WA MSA.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Oregon section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Borrower distribution of small loans to businesses is poor in the Portland-Vancouver-Hillsboro, OR/WA MSA. UB's portion of small loans made to businesses with annual revenues of \$1 million or less is significantly lower than the percentage of such small businesses there. UB's market share for such loans is significantly lower than its overall market share in this AA.

### ***Home Mortgage Loans***

Refer to Tables 8 through 10 in the Oregon section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations/purchases.

During the evaluation period, UB's mortgage loan origination volume was insignificant to allow for any meaningful weight toward conclusions. Notwithstanding, borrower distribution of home mortgage purchase and home refinance loans is very poor. The distribution of loans to both low- and moderate-income borrowers was significantly below demographics for both products.

### ***Small Loans to Farms***

Refer to Table 12 in the Appendix D for the facts and data regarding the borrower distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, the bank's volume of small loans to farms was not significant enough to allow for any meaningful analysis or conclusions.

### ***Community Development Lending***

Refer to Table 1 in the state of Oregon section of Appendix D for the facts and data used to evaluate the bank's level of CD lending.

CD lending was significantly positive by dollar volume and responsiveness for the Portland-Vancouver-Hillsboro, OR/WA MSA AA. During the evaluation period, UB originated 29 loans totaling \$4.3 million in the Portland-Vancouver-Hillsboro, OR/WA MSA. Over 88% of the CD lending was focused on affordable housing initiatives, a primary credit need in the AA, and 12% to organizations providing community services. UB's lending provided financing for 414 units of affordable housing for LMI individuals and families. Both the number and dollar amount of the bank's CD lending is significant.

UB has addressed the CD needs of their AAs. In addition to the bank's CD lending in the various AAs, we also considered UB's additional \$2.2 million in CD lending that was made throughout the state of Oregon that generally benefitted UB's Oregon AAs.

## **Product Innovation and Flexibility**

UB's flexible loan products had a neutral impact on UB's lending performance in Oregon. The flexible loan products include the Economic Opportunity Mortgage (EOM). These direct-loan programs are geared to the needs of both LMI families. The bank's EOM program is available for borrowers meeting income limits, or residing in targeted LMI CTs. Underwriting standards for the program are flexible, allowing higher loan-to-value, higher income debt ratios, and limited credit history. UB did not originate a significant number of EOM loans due to the decline in home values and limited emphasis in Oregon during the evaluation period. UB anticipates increased EOM volumes with the changes in the program during 2012.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on the limited-scope review, UB's performance under the Lending Test in the Salem MSA is not inconsistent with the bank's overall "Low Satisfactory" performance under the Lending Test for the state of Oregon.

Refer to the Tables 1 through 11 in the state of Oregon section of Appendix D for the facts and data that support these conclusions

## **INVESTMENT TEST**

### **Conclusions for Area Receiving Full-Scope Review**

UB's performance under the Investment Test in Oregon is rated "Outstanding." Based upon a full-scope review, the bank's performance in the Portland-Vancouver-Hillsboro, OR MSA is excellent.

Refer to Table 14 in the state of Oregon section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

UB made 2 investments during this evaluation period in this AA. Current period investments total over \$7.7 million. UB made 2 prior period investments totaling \$279 thousand. The majority of the investments are for creating and preserving affordable housing, while a small portion went to economic development for promoting job creation. In addition, UB made another investment totaling \$303 thousand that promotes economic development in broader statewide areas. This investment has the potential to benefit the bank's AA as well. These investments represent a strong commitment of resources by the bank. There are a number of non-profit entities and CDFIs serving the area that provide potential community development opportunities in this assessment area.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on a limited-scope review, UB's performance under the Investment Test in the Salem, OR MSA AA is weaker than the bank's overall performance in the state. This is primarily due to a lower dollar volume of investments. UB made donations of \$14 thousand to various

charities that promote economic development activity to support low-income children and women. This performance did not impact the overall rating. The opportunities are limited in this assessment area because there is not a strong community development infrastructure in place.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test is rated "High Satisfactory." Based on a full-scope review, the bank's performance is good in the Portland-Vancouver-Hillsboro, OR MSA.

### **Retail Banking Services**

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's delivery system and branch openings and closings.

UB's delivery systems are readily accessible to geographies and individuals of different income levels in the Portland-Vancouver-Hillsboro, OR/WA MSA. The percentage of the bank's branches located in low-income CTs is significantly above the percentage of the AAs population residing in those CTs. The percentage of the bank's branches in moderate-income tracts is near to the population residing in those tracts. During the evaluation period, UB did not have any openings and closings but acquired two branches through an FDIC acquisition, one of which is located in a low-income CT.

The reasonableness of business hours and services offered at branch locations are adequate and do not vary in a way that inconveniences LMI geographies or individuals. Typical branch hours are Monday through Friday from 9:00 a.m. to 5:00 p.m. with no Saturday hours.

UB's standard products and services are available at the branch. The bank also offers low-cost basic checking accounts targeted to low-income individuals. They also offer the Electronic Transfer Account ("ETA") and Electronic Access Account ("EAA"). The ETA account is designed for recipients of Federal government benefits such as Social Security. The basic checking, ETA, and EAA accounts require no minimum balance, have modest monthly service fees, and allow unlimited Automated Teller Machine ("ATM") access. UB offers an array of alternative delivery systems for its products/services to help reach its customers. These include online banking, telephone banking, and one ATM. Although these alternative delivery systems are of potential benefit to persons across all income levels, there is no data available to show that these alternative delivery systems increase the accessibility of UB's services to LMI persons or geographies. As a result, significant weight was not placed on the alternative delivery systems when drawing conclusions regarding UB's performance for the full-scope AA under the Service Test.

### **Community Development Services**

UB's performance in providing CD services in the full-scope AA is poor. During the evaluation period, bank employees provided CD services through four community organizations focusing on community services and other organizations. Employees contributed 61 hours toward

these organizations in their participation in financial education, financial literacy training, technical assistance, and fundraising efforts.

**Conclusions for Area receiving Limited-Scope Review**

Based on limited-scope reviews, the bank's performance under the Service Test in the Salem AA is weaker than the bank's overall performance in the state of Oregon.

## State Rating

### State of Texas

<b>CRA Rating for Texas:</b>	<b><u>Needs to Improve</u></b>
<b>The Lending Test is rated:</b>	<b><u>Needs to Improve</u></b>
<b>The Investment Test is rated:</b>	<b><u>Outstanding</u></b>
<b>The Service Test is rated:</b>	<b><u>Needs to Improve</u></b>

The major factors that support this rating include:

- Union Bank did not extend or purchase any mortgage loans or small business loans out of its Dallas Branch. The lack of lending had a negative impact on the overall rating for the state
- Poor geographic distribution of small loans to businesses and no HMDA loans.
- Poor borrower distribution of small loans to businesses and home mortgage loans.
- CD loan activity that is responsive to AA needs.
- An excellent level and nature of investment activity.
- A poor geographic distribution of branch office locations.

### Description of Institution's Operations in Texas

UB's presence in the Texas AA is very limited. The bank has one branch office there which is in the Dallas-Plano-Irving, TX MD.

UB is ranked 50<sup>th</sup> in deposit size for institutions in this MD, with less than 1% of the state's deposit base (FDIC-June 2011). Bank of America is the market leader with a 31.7% deposit market share, 159 offices, and \$52.7 billion in deposits. JP Morgan Chase ranks second with a 19.62% market share, 255 offices and \$32.7 billion in deposits. Less than 1% of UB's total deposits and 1% of its reportable loans are in Texas.

Refer to the Market Profiles for the state of Texas in Appendix C for detailed demographics and other contextual information for the full-scope AAs.

### Scope of the Evaluation in Texas

In analyzing UB's performance in Texas, we performed a full-scope review of the Dallas-Plano-Irving, TX MD. This is the bank's sole AA and accounts for 100% of UB's deposits in the state of Texas. We considered the lack of lending either through direct lending or purchases in this AA. Considering UB's limited commercial activities in the Dallas-Plano-Irving, TX MD and limited deposits, we focused on CD lending although this does not overcome the lack of lending activity.

Refer to the community profiles in Appendix B for discussion of community contacts made in the full-scope AA.

## **LENDING TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in Texas is rated "needs to improve." Based on the full-scope review, the bank's performance in the Dallas-Plano-Irving, TX MD AA is poor.

### **Lending Activity**

Refer to Table 1 in the state of Texas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

UB's lending activity in the Texas AA is poor. We based our conclusion on UB's lack of small business or HMDA loans in the Texas AA.

Based on 2011 deposit data, UB ranks 50<sup>th</sup> in the market with a 0.16% deposit market share, one office and \$266 million in deposits.

### **Distribution of Loans by Income Level of the Geography**

During the evaluation period, UB did not originate or purchase any HMDA loans and made only five small business loans.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

During the evaluation period, UB only made five small business loans and therefore the analysis is not meaningful.

### ***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

During the evaluation period, UB did not originate or purchase any mortgage loans and therefore the analysis is not meaningful.

### ***Small Loans to Farms***

Refer to Table 7 in Appendix D for the facts and data regarding the geographic distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period UB did not originate any small farm loans and therefore the analysis is not meaningful.

### ***Lending Gap Analysis***

We did not perform a lending gap analysis because the bank did not provide any significant lending in this Assessment Area.

### ***Inside/Outside Ratio***

Union Bank did not generate sufficient loan volume to provide a meaningful analysis of the Inside/Outside Ratio.

### **Distribution of Loans by Income Level of the Borrower**

During the evaluation period, UB did not originate or purchase any HMDA loans and made only five small business loans.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

During the evaluation period, UB only made five small business loans and therefore the analysis is not meaningful.

### ***Home Mortgage Loans***

Refer to Tables 8 through 10 in the Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations/purchases.

During the evaluation period, UB did not originate or purchase any mortgage loans and therefore the analysis is not meaningful.

### ***Small Loans to Farms***

Refer to Table 12 in the Appendix D for the facts and data regarding the borrower distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, UB did not originate any small farm loans and therefore the analysis is not meaningful.

### **Community Development Lending**

Refer to Table 1 in the state of Texas section of Appendix D for the facts and data used to evaluate the bank's level of CD lending.

CD lending had a positive impact on the Lending Test conclusions for the Dallas-Plano-Irving, TX MD AA; however the very poor lending activity was the primary consideration for evaluating UB's performance under lending test for this AA.

During the evaluation period, UB originated one (1) loan totaling \$20 million in the Dallas-Plano-Irving MD AA. This loan promotes revitalization and stabilization of an underserved market place.

### **Product Innovation and Flexibility**

UB's flexible loan products are not offered at this time in Dallas-Plano-Irving, TX MD. This had a neutral impact on the lending test rating.

## **INVESTMENT TEST**

### **Conclusions for Area Receiving Full-Scope Review**

UB's performance under the Investment Test in Texas is rated "Outstanding." Based upon a full-scope review, the bank's performance in the Dallas-Plano-Irving, TX MD AA is excellent.

Refer to Table 14 in the state of Texas section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

UB made a combination of 10 investments, grants, and donations to a variety of organizations in this AA. Current period investments are mostly comprised of donations for a total of \$208 thousand, of which \$125 thousand was made in donations to an organization that builds homes for low-income families. The bank also had seven outstanding prior period investments totaling \$1.8 million; most of which also create or preserve affordable housing. In addition, UB made six prior period investments totaling another \$2 million in tax credit equity investments that focus on broader statewide areas. This investment has the potential to benefit the bank's AA as well. These investments represent a substantial commitment of resources by the bank when compared to the bank's limited presence in the state. There are numerous opportunities for banks and other financial service institutions to meet community needs.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's overall performance within the AA under the Service Test is rated "Needs to Improve." Based on a full-scope review, the bank's performance is poor in the Dallas-Plano-Irving, TX MD.

### **Retail Banking Services**

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's delivery system and branch openings and closings.

UB's delivery systems are unreasonably inaccessible to low- and moderate-income geographies and individuals of different income levels in the Dallas-Plano-Irving, TX MD AA.

The bank opened one commercial branch located in an upper-income CT during the evaluation period. The low-income population is 7.6% and moderate-income population is 27.4% in the AA. The office is near a moderate-income CT and is accessible to moderate-income customers.

The branch hours are Monday through Friday from 9:00 a.m. to 5:00 p.m. with no Saturday hours.

UB's products and services are available but not actively promoted at the branch.

### **Community Development Services**

UB's performance in providing CD services in the full-scope AA is very poor. During the evaluation period, bank employees provided CD services through one community organization focusing on affordable housing and community economic development participating in fundraising efforts. Employees contributed 12 hours toward this community organization.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

This section is not applicable to this AA.

## State Rating

### State of Washington

<b>CRA Rating for Washington:</b>	<b><u>Satisfactory</u></b>
<b>The Lending Test is rated:</b>	<b><u>High Satisfactory</u></b>
<b>The Investment Test is rated:</b>	<b><u>High Satisfactory</u></b>
<b>The Service Test is rated:</b>	<b><u>Outstanding</u></b>

The major factors that support this rating include:

- Good geographic distribution of small loans to businesses and good geographic distribution of home mortgage loans.
- Adequate borrower distribution overall. Borrower distribution of HMDA reportable loans is good, but small business borrower distribution is poor.
- CD lending activity is responsive to AA needs and had a positive impact on the bank's Lending Test conclusions.
- A good level and nature of investment activity. The excellent performance in the full-scope area was negatively impacted by weaker performance in the limited-scope areas.
- Excellent distribution of branch offices and banking services that are readily accessible to geographies and individuals of different income levels.

### Description of Institution's Operations in Washington

UB's presence has grown in the state of Washington due to the purchase of the Frontier Bank assets. The bank ranks 11<sup>th</sup> in deposit size with 2% of the state's deposit base (FDIC-June 2011). More than half of the state's deposits are held by four institutions; Bank of America (22%), Wells Fargo (10%), U.S. Bank (10%) and JP Morgan Chase (9%). UB operates 48 branches in seven AAs within the state; less than 4% of UB's total deposits and 7% of UB's reportable loans are in Washington.

Refer to the Market Profiles for the state of Washington in Appendix C for detailed demographics and other contextual information for the full-scope AAs.

### Scope of the Evaluation in Washington

In analyzing UB's CRA performance for the state of Washington, we performed a full-scope review of the Seattle-Bellevue-Everett MD. This AA provides over 75% of UB's state of Washington deposits and the majority of its loans (by number and dollar). In evaluating the bank's lending performance, weight was again placed on small loans to businesses due its high volume and representation of the bank's lending focus. The other loan products are insignificant lines of business for UB and their associated loan volumes were nominal to result in any meaningful weight toward conclusions.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Washington is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the Seattle-Bellevue-Everett MD is good. Performance in the limited-scope areas did not impact the lending test conclusion.

### Lending Activity

Refer to Table 1 in the state of Washington section of Appendix D for the facts and data used to evaluate the bank's lending activity.

UB's lending activity in the Seattle-Bellevue-Everett MD AA is adequate. This conclusion reflects the bank's lending focus which is small loans to businesses.

Based on 2011, deposit market data, the bank ranks 7<sup>th</sup> with a 3% deposit market share. UB ranks 7<sup>th</sup> in the number of small loans to businesses with a 6% market share and 2<sup>nd</sup> by dollar with a 15.46% dollar market share.

UB's market rank and market share for HMDA loans by number are 40<sup>th</sup> and .33%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 31<sup>st</sup> and .62%, respectively. Small loans to farms are not a major product line of the bank. While UB offers mortgage loans, it does not actively compete in this market.

### Distribution of Loans by Income Level of the Geography

UB's overall geographic distribution in the Seattle-Bellevue-Everett MD full-scope AA is excellent.

### *Small Loans to Businesses*

Refer to Table 6 in the state of Washington section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is excellent in the Seattle-Bellevue-Everett MD. In the low-income geographies of this AA, the bank's portion of small loans to businesses significantly exceeds the percentage of businesses located in those geographies, and significantly exceeds its market share in low-income geographies throughout the evaluation period. In moderate-income geographies the percentage of loans exceeds the percentage of businesses located in these geographies. The bank's market share of loans made in moderate-income geographies significantly exceeds its overall market share.

### *Home Mortgage Loans*

Refer to Tables 2, 3 and 4 in the state of Washington section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

UB's geographic distribution of home purchase loans in this AA is good. Its geographic distribution of home purchase loans in low-income census tracts is reasonably near to the percent of owner-occupied units there. UB's market share of home purchase loans in low-income census tracts is significantly below its overall market share. UB's geographic distribution of home purchase loans in moderate-income census tracts exceeds the percent of moderate-income census tracts there and its market share of such loans to moderate-income census tracts substantially meets its overall market share.

UB's geographic distribution of home improvement loans in this AA is poor. UB's geographic distribution of home improvement loans in low-income census tracts is significantly lower than the percent of owner-occupied units there and its market share of such loans there is significantly lower than its overall market share. UB's geographic distribution of home improvement loans in moderate-income census tracts is lower than the percent of owner-occupied units there and its market share of such loans in moderate-income census tracts is reasonably near to its overall market share.

UB's geographic distribution of refinance loans is good. UB's geographic distribution of home refinance loans in low-income census tracts is lower than the percent of owner-occupied units there and its market share of such loans in low-income census tracts exceeds its overall market share. UB's geographic distribution of home refinance loans in moderate-income census tracts exceeds the percent of owner-occupied units there and its market share of such loans in moderate-income census tracts substantially exceeds its overall market share.

UB's geographic distribution of multifamily loans is excellent in this AA. UB's geographic distribution of multifamily loans in low-income census tracts exceeds the percent of multifamily units there and its market share of such loans in low-income census tracts significantly exceeds its overall market share. UB's geographic distribution of multifamily loans in moderate-income census tracts exceeds the percent of multifamily units there and its market share of such loans in moderate-income census tracts exceeds its overall market share.

### ***Small Loans to Farms***

Refer to Table 7 in Appendix D for the facts and data regarding the geographic distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, the bank's volume of small loans to farms was insignificant to allow for any meaningful analysis and conclusions.

### ***Lending Gap Analysis***

Maps and reports detailing UB's lending activity did not reveal any unexplained conspicuous gaps in the geographic distribution of these loans.

### ***Inside/Outside Ratio***

This portion of the evaluation was performed at the bank level. A substantial majority of UB's home mortgage loans, small loans to businesses, and small loans to farms were originated within its AAs. During the evaluation period by number, nearly 100% of the home mortgage

loans, small loans to business, and small loans to farms were originated within the bank's AAs. This performance was a positive factor in the overall conclusion for UB's geographic distribution of lending.

### **Distribution of Loans by Income Level of the Borrower**

The bank's distribution of loans by income level of the borrower in the full-scope AA is adequate. The bank competes reasonably well in both market share and demographics.

#### ***Small Loans to Businesses***

Refer to Table 11 in the state of Washington section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Borrower distribution of small loans to businesses is poor in the Seattle Bellevue-Everett MD. UB's portion of small loans made to businesses with annual revenues of \$1 million or less is significantly lower than the percentage of such small businesses there. UB's market share for such loans is somewhat lower than its overall market share in this AA.

#### ***Home Mortgage Loans***

Refer to Tables 8 through 10 in the Washington section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations/purchases.

*Seattle-Bellevue-Everett MD* – UB's borrower distribution of home purchase loans by income level of the borrower in this AA is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families there and its market share of such loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA and its market share of such loans to moderate-income borrowers is significantly below its overall market share.

UB's borrower distribution of home improvement loans by income level of the borrower in this AA is good. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families there and its market share of such loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families there and its market share of such loans to moderate-income borrowers is significantly below its overall market share.

UB's borrower distribution of home refinance loans by income level of the borrower in this AA is adequate. UB's distribution of loans to low-income borrowers is somewhat lower than the percent of such families within the AA and its market share of such loans to low-income borrowers is significantly below its overall market share. UB's borrower distribution of home refinance loans made to moderate-income borrowers is somewhat lower than the percent of such families within the AA and its market share of such loans to moderate-income borrowers is significantly below its overall market share.

### ***Small Loans to Farms***

Refer to Table 12 in the Appendix D for the facts and data regarding the borrower distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, the bank's volume of small loans to farms was insignificant to allow for any meaningful analysis and conclusions.

### **Community Development Lending**

Refer to Table 1 in the state of Washington section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

CD lending had a positive impact on the Lending Test conclusions for the Seattle-Bellevue-Everett MD.

During the evaluation period, UB originated 94 loans totaling over \$111.4 million in the Seattle-Bellevue-Everett MD. Approximately 40% of these loans were targeted to affordable housing needs, 32% to organizations providing community services, 15% for small business development, and 13% for economic development needs. UB's lending provided financing for 429 units of affordable housing for LMI individuals and families.

UB has addressed the CD needs of their AAs. In addition to the bank's CD lending in the various AAs, we also considered UB's additional \$8.6 million in CD lending that was made throughout the state of Washington with no potential benefit to the specific AAs.

### **Product Innovation and Flexibility**

UB's flexible loan products had a positive impact on the bank's performance in the state of Washington, and include the Economic Opportunity Mortgage (EOM). These direct-loan programs are geared to the needs of both LMI families. The bank's EOM program is available for borrowers meeting income limits, or residing in targeted LMI CTs. Underwriting standard for the program are flexible, allowing higher loan-to-value, higher income debt ratios, and limited credit history. UB originated 55 EOM loans totaling \$9.8 million during the evaluation period.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on the limited-scope review of the Bellingham, Bremerton-Silverdale, Mount Vernon-Anacortes, Olympia and Tacoma MD, UB's performance under the Lending Test is weaker than the overall High Satisfactory performance under the Lending Test in Washington considering that UB purchased the assets of Frontier Bank well into the three-year evaluation period.

Refer to the Tables 1 through 12 in the state of Washington section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Review**

The bank's performance under the Investment Test in Washington is rated "High Satisfactory."

Refer to Table 14 in the state of Washington section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Based upon a full-scope review, UB's performance in the Seattle-Bellevue-Everett MD is excellent. During the evaluation period, UB made a combination of investments, donations, and grants in this AA, for a total of 87 transactions that aggregated \$21 million. \$432 thousand in donations were made to various organizations that provide services directly to LMI individuals in this AA.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on a limited-scope review, UB's performance under the Investment Test in the Tacoma and Olympia MSAs are not inconsistent with the bank's overall performance in this state, with 13 investments totaling over \$10 million. UB's performance under the Investment Test in the Bellingham MSA, Bremerton-Silverdale MSA, Mount Vernon-Anacortes MSA, and Washington Non-MSA is weaker than the bank's overall performance in the state. This is primarily due to a minimal or no dollar volume of investments in these MSAs. The limited scope performance pulled the rating down, but not enough to move it to another category. There are a number of non-profit organizations and CDFI's that provide potential community development opportunities

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Review**

The bank's overall performance within the AA under the Service Test is rated "Outstanding." Based on a full-scope review, the bank's performance is excellent in the Seattle-Bellevue-Everett MD. The bank's performance in the limited-scope assessment area did not impact the Service Test rating for the AA.

### **Retail Banking Services**

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's delivery system and branch openings and closings.

The distribution of bank branches is such that the bank's retail banking services are readily accessible to all portions of the AA. The percentage of the bank's branches located in low-income tracts is significantly above the percentage of the AAs population residing in those CTs. The percentage of the bank's branches in moderate-income tracts is near to the population residing in those tracts. UB did not open any branches in Washington but did acquire one branch in a low-income CT and 11 branches in moderate-income CTs. The

acquisition improved overall accessibility to the bank's services in LMI areas with bordering branches that are near-to the LMI CTs.

UB's lobby hours and services at all bank locations are good and provide convenient access to bank products and services to customers in the Seattle-Bellevue-Everett MD. The traditional branch format provides a wide array of banking services including full-teller transactional services, safe deposit, and new account and loan services and ATMs. Traditional branch banking hours are Monday through Friday 9:00 a.m. to 5:00 p.m. Several branches are open until 6:00 p.m. on Fridays.

In addition to the traditional deposit, loan products, and services available at each branch, UB offers low cost basic checking accounts targeted to low-income individuals. UB also offers the Electronic Transfer Account ("ETA") and Electronic Access Account ("EAA"). The ETA account is designed for recipients of Federal government benefits such as Social Security. The EAA account targets the unbanked, particularly Native American Tribal Welfare recipients. The basic checking, ETA, and EAA accounts require no minimum balance, have modest monthly service fees, and allow unlimited ATM access.

UB offers a wide array of alternative delivery systems for delivery of products and services to customers. These alternative delivery systems include online banking, telephone banking, and one ATM at each of its branches. Although these alternative delivery systems are of potential benefit to persons across all income levels, there is no data available to show that these alternative delivery systems increase the accessibility of UB's services to LMI persons or geographies. As a result, significant weight was not placed on the alternative delivery system when drawing conclusions regarding UB's bank performance for each full-scope AA under the Service Test.

### **Community Development Services**

UB's performance in providing CD services in the full-scope AA is good. During the evaluation period, UB employees were involved in 25 CD organizations serving community needs with affordable housing, community economic development, community services, and technical assistance. Employees contributed 1,110 hours toward these organizations in their participation as Board members, financial education, financial literacy training, technical assistance, and fundraising efforts.

### **Conclusions for Area receiving Limited-Scope Review**

The limited scope review had a neutral impact on the state of Washington. The Bellingham, Bremerton, and Mt. Vernon MSAs are consistent with the full scope area and weaker in the Tacoma, Olympia and non-MSA areas in the state.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the areas that received comprehensive examination reviews (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed:</b> Lending Test (excluding CD loans): 1/1/2009 to 12/31/2011, Investment and Service Tests and CD Loans: 4/1/2009 to 3/31/2012	
<b>Products Reviewed:</b> Small loans to business, small loans to farm, home purchase, home improvement, home refinance, CD Loans, CD Services, and CD Investments.	
<b>Financial Institution:</b> Union Bank, NA San Francisco, California	
Assessment Area	Type of Exam
<b><u>California</u></b>	
Fresno MSA	Full-scope
Los Angeles-Long Beach-Glendale MD	Full-scope
Oakland-Fremont-Hayward MD	Full-scope
San Francisco-San Mateo-Redwood City MD	Full-scope
Santa Ana-Anaheim-Irvine MD	Full-scope
Riverside-San Bernardino-Ontario MSA	Full-scope
San Diego-Carlsbad-San Marcos MSA	Full-scope
San Jose-Sunnyvale-Santa Clara MSA	Full-scope
Bakersfield MSA	Limited-scope
El Centro MSA	Limited-scope
Hanford-Corcoran MSA	Limited-scope
Madera MSA	Limited-scope
Merced MSA	Limited-scope
Modesto MSA	Limited-scope
Oxnard-Thousand Oaks Venture MSA	Limited-scope
Redding MSA	Limited-scope
Sacramento-Arden-Arcade-Roseville MSA	Limited-scope
Salinas MSA	Limited-scope
San Luis Obispo-Paso Robles MSA	Limited-scope
Santa Barbara-Santa Maria-Goleta MSA	Limited-scope
Santa Cruz-Watsonville MSA	Limited-scope
Santa Rosa-Petaluma MSA	Limited-scope
Stockton MSA	Limited-scope
Vallejo-Fairfield MSA	Limited-scope
Visalia-Porterville MSA	Limited-scope
Yuba City MSA	Limited-scope
Non-MSA Areas (includes the counties of Inyo, Mono and Tuolumne)	Limited-scope

<p><b><u>New York</u></b> New York MSA</p>	<p>Full-scope</p>
<p><b><u>Oregon</u></b> Portland-Vancouver-Hillsboro, OR-WA MSA</p>	<p>Full-scope</p>
<p>Salem, OR</p>	<p>Limited-scope</p>
<p><b><u>Texas</u></b> Dallas-Plano-Irving, TX MD</p>	<p>Full-scope</p>
<p><b><u>Washington</u></b> Seattle-Bellevue-Everett MD</p>	<p>Full-scope</p>
<p>Bellingham, WA</p>	<p>Limited-scope</p>
<p>Bremerton-Silverdale, WA</p>	<p>Limited-scope</p>
<p>Mount Vernon-Anacortes, WA</p>	<p>Limited-scope</p>
<p>Olympia, WA</p>	<p>Limited-scope</p>
<p>Tacoma, WA</p>	<p>Limited-scope</p>
<p>Washington Non-MSA</p>	<p>Limited-scope</p>

## Appendix B: Summary of State Ratings

<b>RATINGS</b>		<b>BANK NAME: Union Bank, NA</b>		
<b>Overall Bank:</b>	<b>Lending Test Rating*</b>	<b>Investment Test Rating</b>	<b>Service Test Rating</b>	<b>Overall Bank/State Rating</b>
UB	Low Satisfactory	Outstanding	Outstanding	Satisfactory
State:				
California	Low Satisfactory	Outstanding	Outstanding	Satisfactory
New York	Needs to Improve	Outstanding	Needs to Improve	Needs to Improve
Oregon	Low Satisfactory	Outstanding	High Satisfactory	Satisfactory
Texas	Needs to Improve	Outstanding	Needs to Improve	Needs to Improve
Washington	High Satisfactory	High Satisfactory	Outstanding	Satisfactory

(\*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

## Appendix C: Market Profiles for Full-Scope Areas

### State of California

Demographic Information for Full-Scope Area: <b>Fresno MSA</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	158	5.70	29.75	33.54	30.38	0.63
Population by Geography	799,407	4.73	32.88	35.66	26.63	0.11
Owner-Occupied Housing by Geography	142,856	1.60	21.71	35.87	40.82	0.00
Business by Geography	43,795	5.85	25.57	32.88	35.57	0.14
Farms by Geography	3,434	1.08	25.22	45.25	28.42	0.03
Family Distribution by Income Level	188,489	22.80	17.05	18.53	41.63	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	75,107	7.09	43.76	36.21	12.93	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		38,493 52,200 18%	Median Housing Value Unemployment Rate (2000 US Census)	105,378 5.05%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The UB Fresno MSA AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income census tracts. The Fresno MSA, consisting of Fresno County California, is located in the San Joaquin Valley in the central part of the state.

The banking market in the Fresno MSA is very competitive, with one deposit-gathering bank for approximately every 37,000 residents and one insured bank depository office for every 6,000 residents. According to the FDIC's June 30, 2011 Deposit Market Share Report, 25 financial institutions operate 154 offices in the area. Wells Fargo is the market leader with a 22.26% deposit market share, 16 offices and \$2.3 billion in deposits. Bank of America ranks second with a 20.94% share, 23 offices and \$2.2 billion in deposits. The Bank of the West ranks third with a 7.05% share, 8 offices and \$724 million. UB ranks fourth in the market with a 6.24% share, 16 offices and \$641 million.

The 2010 population of Fresno County according to the U.S. Census Bureau was 930,450. The city of Fresno, with a 2010 population of 495,000, is the largest city in the MSA and is the fifth largest city in California. The population of the Fresno MSA has been growing for several decades, and Moody's projects it to continue growing.

Fresno has a diverse population with the proportion of foreign born residents, particularly of Latino and Asian origin, growing for several decades, though the percentage remains lower than in California as a whole. The immigrant residents of Fresno are located throughout the county, but are in larger numbers in the southwestern communities. Many of the immigrants are farm workers or descendants of farm workers with little education. Many live below the poverty level and in housing units that do not comply with local housing code. Many immigrants in Fresno do not use banks for their financial services needs.

Median household income, levels of educational attainment, and housing values in the Fresno area all are lower than in California overall, while the percentage of persons living below the poverty level is significantly higher in Fresno than in California. The homeownership rate in Fresno is slightly lower than the rate for California as a whole. The 2011 HUD estimated median family income in the Fresno MSA was \$54,700.

- Foreign born persons: Fresno – 22%; California – 27%
- Median household income: Fresno – \$46,430; California – \$60,883
- High school graduates age 25 and over: Fresno – 73%; California – 81%
- Bachelor's degree or higher, age 25 and over: Fresno – 20%; California – 30%
- Median value, owner-occupied housing: Fresno – \$257,000; California – \$458,500
- Persons below poverty level: Fresno – 23%; California – 14%
- Homeownership rate: Fresno – 55%; California – 57%

Source: U.S. Census Bureau

Fresno is a large agricultural and food processing center. Other leading industries by percent of total employment are retail trade, education and health services, professional and business services, leisure and hospitality services, and manufacturing. Fresno's central location also is attractive to distribution, warehousing, and transportation operations. Primary employers in the area are the Community Medical Center, State Center Community College District, Kaiser Permanente Medical Center, Pelco, and California State University at Fresno. Unemployment in the area historically has been higher than other areas of the state, a pattern that held through 2011. According to the U.S. Bureau of Labor Statistics, the annual seasonally unadjusted unemployment rate in Fresno at the end of 2011 was 16.5%, as compared to 11.7% for the state California.

Fresno experienced a growth in housing during the early 2000s. According to Moody's, existing home sales prices rose from \$224,200 in 2003 to a high of \$358,300 in 2006. Prices dropped to \$190,000 by the end of 2009. Moody's projected prices to drop as low as \$154,000 in 2011 and then to rebound slightly to \$166,000 in 2012. Fresno's substantial and persistent foreclosure rate is one reason for the steep drop in home prices.

Community development opportunities in the area are available but are not abundant. One Community Development Financial Institution (CDFIs) is located in the MSA, and several regional CDFIs also serve the area, including a statewide bankers' collaborative. The San

Joaquin Valley was designated as an Empowerment Zone in the 1990s, and new businesses have been locating in the area. A large Community Action Agency in Fresno administers many social services programs such as Head Start as well as a small business micro-loan fund.

According to community contacts, local government has been slow to help financial institutions meet community needs, which in turn has helped to make banks slow to invest in community development initiatives.

Community contacts identified the following credit and community development needs:

- Affordable housing
- Micro-lending programs for small businesses
- Capacity building for community based organizations and local government

## State of California

Demographic Information for Full-Scope Area: <b>Los Angeles-Long Beach-Glendale MD</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2,054	8.71	28.29	27.99	34.23	0.78
Population by Geography	9,519,338	8.00	29.44	30.88	31.58	0.10
Owner-Occupied Housing by Geography	1,499,694	1.91	15.46	31.30	51.33	0.00
Business by Geography	731,220	7.11	19.83	26.45	45.76	0.84
Farms by Geography	6,245	3.35	15.16	31.74	49.26	0.50
Family Distribution by Income Level	2,154,311	23.87	16.49	17.40	42.24	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	869,463	13.65	41.46	28.95	15.94	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		46,509 63,000 15%	Median Housing Value Unemployment Rate (2000 US Census)	240,248 3.72%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The UB Los Angeles-Long Beach-Glendale MD AA which consists of Los Angeles County meets regulatory requirements. It does not arbitrarily exclude low- or moderate-income census tracts.

The banking market in Los Angeles County is competitive, with one deposit-gathering bank for approximately every 78,000 residents but one insured depository office for approximately every 5,600 residents. According to the FDIC's June 30, 2011, Deposit Market Share Report, 126 financial institutions operate 1,765 offices in the area. Bank of America is the market leader with a 20.1% deposit market share, 256 offices and \$50.7 billion in deposits. Wells Fargo ranks second with a 14.77% market share, 245 offices and \$37.4 billion in deposits. UB ranks third in the market with a 10.94% deposit market share, 74 offices and \$27.7 billion in deposits. JP Morgan Chase Bank ranks fourth in the market with an 8.79% market share, 229 offices and \$22.3 billion in deposits.

The Los Angeles MD consists of Los Angeles County which has a population of 9.8 million people and forms a large portion of the Los Angeles Metropolitan Statistical Area (MSA). The population of the MSA has grown over the past several decades, but over the past ten years the rate of change has been uneven and has been negative in some years. The Los Angeles area

has an extremely diverse population, with large concentrations of African-American, Latino and Asian residents. The foreign-born population of Los Angeles County, at 35.6%, is significantly higher than the 27.2% rate for California as a whole.

Median household income, levels of educational attainment, and the homeownership rate in the Los Angeles MD are all lower than in California overall, while housing values and the percentage of persons living below the poverty level are significantly higher in the Los Angeles MD than in California overall. The unemployment rate in Los Angeles is comparable to the rates for California as a whole. The 2011 HUD estimated median family income in the Los Angeles MD was \$69,600.

Median household income: Los Angeles MD – \$55,476; California – \$60,883  
 High school graduates, 25 and over: Los Angeles MD – 73.1%; California – 80.7%  
 Bachelor's degree or higher, 25 and over: Los Angeles MD – 29%; California – 30.1%  
 Median value, owner-occupied housing: Los Angeles MD – \$508,800; California – \$458,500  
 Persons below poverty level: Los Angeles MD – 15.7%; California – 13.7%  
 2011 annual unemployment rate: Los Angeles MD – 11.4%; California – 11.7%  
 Homeownership rate: Los Angeles MD – 48.2%; California – 57.4%  
 Sources: U.S. Census Bureau, HUD, U.S. Bureau of Labor Statistics

Moody's reports a decrease of more than 47% in existing home sale prices in the Los Angeles area between 2006 and 2009. Despite the steep decline in values, affordable housing remains a significant need, both in owner-occupied and in rental units. For example, 2008 data shows that 43.4% of renters in low-income tracts and 33.4% in moderate-income tracts pay rent in excess of 30% of their income. In addition, the home ownership rate is much lower in LMI areas than in the Los Angeles MD as a whole – it was 12% in low-income tracts and 27.5% in moderate-income tracts.

Los Angeles County has a very large and diverse economy. If it was compared to countries, it would have the fifteenth largest economy in the world in terms of gross domestic product. According to the 2009 Economic Development Corporation County profile, the county's leading industries include tourism and hospitality, manufacturing, professional and business services, direct international trade, entertainment, and wholesale trade and logistics. Since 2006, the county has experienced a decline in business expansions. The largest employers in the Los Angeles area include the University of California at Los Angeles, Kaiser Permanente, Northrop Grumman Corporation, Boeing Corporation, Kroger Company, the University of Southern California, and Target Corporation.

Information from community contacts with organizations specializing in small business development, economic development and affordable housing identified the following needs:

- Affordable for-sale and rental housing and financing for these types of housing
- Loans of less than \$25,000 for small businesses
- Working capital loans for small businesses
- Support for job training programs
- Equity equivalent investments in non-profit community development financial institutions (CDFI)
- Support for financial education

Opportunities in the Los Angeles area for financial institutions to help meet community credit and community development needs are abundant. Twenty-two CDFIs serve the area, including several federally-regulated and insured depositories and several of the most sophisticated nonprofit housing-related CDFIs in the nation. Many accomplished non-profit organizations develop commercial real estate and affordable housing, provide financial education, prepare LMI persons to become homebuyers, provide assistance to small business owners and provide many social services targeted to LMI populations. In addition, federal, state, and local governments have identified multiple areas for redevelopment with designations such as empowerment and enterprise zones and brownfield redevelopment sites.

## State of California

Demographic Information for Full-Scope Area: <b>Oakland-Fremont-Hayward MD</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	489	10.63	21.06	39.06	29.04	0.20
Population by Geography	2,392,557	8.54	20.25	41.14	30.04	0.03
Owner-Occupied Housing by Geography	524,719	3.49	13.07	43.58	39.86	0.00
Business by Geography	171,667	9.49	15.84	38.96	35.58	0.13
Farms by Geography	2,632	5.24	15.62	38.87	40.27	0.00
Family Distribution by Income Level	586,019	20.97	17.47	21.18	40.38	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	225,249	14.44	29.71	40.42	15.44	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		68,346 90,300 9%	Median Housing Value Unemployment Rate (2000 US Census)	289,834 2.63%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The UB Oakland-Fremont-Hayward MD AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income census tracts.

The Oakland MD consists of Alameda and Contra Costa counties. The banking market in the Oakland MD is very competitive, with one deposit-gathering bank for approximately every 47,000 residents and one insured bank depository office for every 4,900 residents. According to the FDIC's June 30, 2011 Deposit Market Share Report, 54 financial institutions operate 524 offices in the area. Wells Fargo is the market leader with a 28.12% deposit market share, 82 offices and \$16.4 billion in deposits. Bank of America ranks second with a 23.59% market share, 76 offices and \$13.8 billion in deposits. JP Morgan Chase ranks third with an 8.68% market share, 64 offices and \$5.1 billion in deposits. UB ranks 9<sup>th</sup> in the market with a 2.12% market share, 17 offices and \$1.2 billion in deposits. Banks with market shares in Oakland comparable to UB include Fremont Bank with 17 offices and \$1.8 billion in deposits and First Republic Bank with six offices and \$984 million in deposits.

The Oakland-Fremont-Hayward, CA MD consists of Alameda and Contra Costa counties which combined have a population of nearly 2.6 million people. The area's population

increased by more than 1.4% per year from 2005 through the end of the decade. Moody's, however, projects population to grow at 1% per year over the next several years. The Oakland area has a diverse population, with large concentrations of Asian and Latino residents.

Salient strengths of the Oakland economy are its proximity to the city of San Francisco, combined with a lower-cost, underused inventory of industrial and office space. Computer-related businesses and environmental-related manufacturing businesses (e.g., solar panels and electric cars) recently have expanded in the Oakland area with the help of large investments from venture capital firms and the federal government. These companies sought to remain in the Bay Area and took advantage of the lower costs of doing business in Oakland. The Port of Oakland with its well-established and up-to-date infrastructure for transportation and distribution facilities also is a significant source of strength for future growth. These strengths will help to offset recent economic setbacks such as the closing of a large manufacturer that provided nearly 5,000 jobs.

The housing market in Oakland is projected to weaken without government support. Sales and new homebuilding are projected to decline, and the area will be faced with the need to absorb more foreclosed properties. The rate of foreclosures in the Oakland area remains well above the U.S. rate, according to RealtyTrac, which is likely to reduce house prices as banks and other lenders begin to put foreclosed homes on the market. As a result, house prices are projected to fall by more than 10% through the end of 2011 according to the Case-Shiller home price index forecast. The outlook for housing construction is also for near-term weakness with a sustainable recovery not taking hold until 2011 at the earliest.

The level of opportunity for community development activities in the Oakland area is very good. Numerous non-profit community development organizations provide financial education, develop affordable housing and commercial real estate and provide assistance to small businesses. Five CDFIs certified to participate in the programs of the CDFI Fund of the U.S. Treasury Department serve the area directly, and three more regional CDFIs also designate Oakland as part of the area they serve.

A review of community contact information identified the following credit and community development needs in the MSA:

- Low cost bank accounts
- Support for financial education initiatives
- Provide financing to retain the existing inventory of affordable housing units that are threatened with market-rate conversions or whose LIHTC compliance period is expiring
- Debt and equity financing for affordable housing for large families and for households earning 0 to 30% of AMI
- Services and programs to assist the homeless
- Debt and equity financing to increase the supply of affordable supportive housing for special needs populations, such as the homeless
- Support for social service programs integrated with housing targeted to the homeless and to special needs populations

## State of California

Demographic Information for Full-Scope Area: <b>Riverside-San Bernardino-Ontario MSA</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	587	4.60	28.79	41.06	24.87	0.68
Population by Geography	3,254,821	3.53	28.54	41.16	26.73	0.04
Owner-Occupied Housing by Geography	689,493	1.49	21.74	43.33	33.44	0.00
Business by Geography	213,459	3.19	26.39	41.17	29.18	0.07
Farms by Geography	4,509	1.91	25.53	42.16	30.41	0.00
Family Distribution by Income Level	782,412	21.73	17.48	20.23	40.56	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	306,792	5.90	39.74	41.18	13.19	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		47,448 65,000 13%	Median Housing Value Unemployment Rate (2000 US Census)	130,941 3.35%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The Riverside assessment area meets regulatory requirements and does not arbitrarily exclude low- or moderate-income areas.

The banking market in the Riverside MSA is competitive, with one deposit-gathering bank for approximately every 67,000 residents and one insured bank depository office for every 6,900 residents. According to the FDIC's June 30, 2011 Deposit Market Share Report, 62 financial institutions operate 604 offices in the area. Bank of America is the market leader with a 23.11% deposit market share, 96 offices and \$8.5 billion in deposits. Wells Fargo ranks second with a 17.54% market share, 91 offices and \$6.4 billion in deposits. JP Morgan Chase ranks third with a 10.46% market share, 76 offices and \$3.8 billion in deposits. U.S. Bank ranks fourth with a 7.31% market share, 87 offices and \$2.7 billion in deposits. UB ranks fifth in the market with a 4.86% market share, 32 offices and \$1.8 billion in deposits.

The Riverside-San Bernardino-Ontario MSA consists of two California counties – Riverside and San Bernardino – that together have a population of 4.1 million persons, most of whom are clustered in the western end of the counties. The MSA encompasses a very large territory.

It is immediately east of Los Angeles and Orange Counties in southern California and extends to the California state line to the east. In terms of population, it is the 3<sup>rd</sup> largest MSA in California and the 12<sup>th</sup> largest in the U.S. The population of the MSA has been growing over the past decade at an average annual rate of more than 2%, but that pace was declining every year over that same decade. Moody's projects a growth rate of about 1% per year. The cities with the largest populations in the MSA are San Bernardino and Riverside. The City of San Bernardino is among the poorest large cities in the nation, with a high proportion of residents living below the poverty level. In July 2012, the City of San Bernardino declared bankruptcy.

A large network of highways and railroad lines and the low cost of land relative to the wealthier and densely-settled counties west of the MSA have made transportation, warehousing and distribution a key sector of the Riverside-San Bernardino economy. The largest employment sector in the MSA, however, is the government, which provides 20.1% of the jobs in the MSA, as compared to 17.7% in California and 17.2% in the United States. The retail trade provides 13.7% of jobs in the MSA, as compared to 10.8% in California and 11.1% in the U.S., and rounding out the top three employment sectors, education and health services provides 11.7% of jobs in the MSA, as compared to 12.4% in California and 14.7% in the U.S. Large employers in the MSA include the U.S. Marine Corps, Air Ground Combat Center, Loma Linda University, Wal-Mart, Kaiser Permanente, and March Air Reserve Base. Recent approvals for construction of large solar generation plants in the relatively unpopulated eastern end of the MSA will provide more than 1,000 new job opportunities.

The unemployment rate in Riverside-San Bernardino has trended higher than the rate for California and for the nation, especially in recent years. At the end of 2011, the U.S. Department of labor reported it as 13.4% in the MSA, as compared to 11.7% for California. A year earlier, it had been 14.3% in the MSA and 12.4% in the state. Many of the municipalities in Riverside and San Bernardino Counties are bedroom communities for the wealthier and more densely-settled communities in Los Angeles, Orange, and San Diego Counties. Many residents of Riverside and San Bernardino Counties commute long distances for considerable periods of time every day to jobs in other locales further to the south and west.

Housing prices in the MSA escalated rapidly in 2004 and 2005, peaking at more than \$400,000 in 2006. A combination of non-standard lending, over-building and rising unemployment, however, brought to the MSA one of the highest foreclosure rates in the nation as prices declined precipitously – by nearly 35% in 2008 and by another 31% in 2009. Altogether, prices today remain at about 40% of their 2007 peak, which is nearly double the housing price contraction in the U.S. overall. According to Moody's, foreclosure inventories in the MSA are falling but remain more than double the U.S. rate per household, suggesting that prices in the area are likely to fall further. The National Association of Realtors reports somewhat different data but similar trends.

The OCC conducted a listening session with community development organizations and collected information from other community contacts and published reports and identified the following as among the credit and community development needs in the Riverside-San Bernardino-Ontario MSA:

- Support for foreclosure prevention and counseling efforts
- Loan modifications that are consistent with current market conditions and with borrowers' financial capabilities

- Home purchase mortgages using Neighborhood Stabilization Program, FHA, and similar programs
- Investments in CDFIs
- Cash donations to a variety of non-profits (affordable housing, economic development, social services) especially for their operating expenses, and especially without requests for “branding” of the agency’s program receiving support
- Loans to small businesses for all types of purposes

Opportunities are available in the MSA for banks to participate in community development activities to meet the above needs. For example, four community development financial institutions certified to participate in the programs of the CDFI Fund of the U.S. Treasury Department serve Riverside-San Bernardino. Among the CDFIs is a small business micro lender, as well as an active Certified Development Company of the Small Business Administration, which provides long-term, fixed-rate financing for growing small businesses acquiring fixed assets. Two credit unions in the MSA provide retail financial services primarily to LMI persons, and among the affordable housing organizations serving the area are multiple HUD-Approved housing counseling agencies, two community land trusts and an affiliate of NeighborWorks America network.

## State of California

Demographic Information for Full-Scope Area: <b>San Diego-Carlsbad-San Marcos MSA</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	605	7.93	22.48	37.69	31.40	0.50
Population by Geography	2,813,833	7.78	24.46	37.46	30.01	0.30
Owner-Occupied Housing by Geography	551,489	2.30	14.03	41.01	42.66	0.00
Business by Geography	249,283	4.95	21.53	37.07	36.42	0.04
Farms by Geography	4,360	3.53	19.33	40.34	36.77	0.02
Family Distribution by Income Level	669,102	21.02	17.91	20.09	40.98	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	260,483	13.60	34.90	35.56	15.94	0.00
Median Family Income HUD Adjusted Median Family Income for 2008		53,544	72,100	Median Housing Value	229,602	
Households Below Poverty Level		10%		Unemployment Rate (2000 US Census)	2.78%	

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2008 HUD updated MFI

The UB San Diego-Carlsbad-San Marcos MSA AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income areas.

The banking market in the San Diego MSA is very competitive, with one deposit-gathering bank for approximately every 52,000 residents but one insured bank depository office for every 4,800 residents. According to the FDIC's June 30, 2011 Deposit Market Share Report, 59 financial institutions operate 634 offices in the area. Wells Fargo is the market leader with a 22.84% deposit market share, 104 offices and \$13 billion in deposits. Bank of America ranks second with a 17.16% share, 74 offices and \$9.8 billion in deposits. Union Bank ranks third with a 13.91% share, 60 offices and \$7.9 billion.

The San Diego-Carlsbad-San Marcos MSA consists of San Diego County, California, which has a population of 3.1 million people, making it the 17<sup>th</sup> largest MSA in the United States. The county consists of 18 incorporated cities and a number of unincorporated regions. The largest city is the county seat, San Diego, with a population of 1.3 million residents. The population of the area grew by 1% - 1.5% per year from 2007 to 2009. Moody's projects a similar rate of growth in the future.

Mainstays of the San Diego economy are U.S. military spending (more than a dozen U.S. military bases are located in the San Diego area), biotechnology and clean energy research and manufacturing, computer technology engineering and manufacturing, and tourism which includes convention business and a port used by many tour ships. The largest employment sector in San Diego is the government, which provides 18.3% of jobs, as compared to 17.7% in California and 17.2% the U.S. Business and professional services provide 16% of jobs in San Diego, as compared to 14.6% in California and 12.7% the U.S. The leisure and hospitality industry provides 12.6% of jobs in San Diego, as compared to 10.6% in California and 10% in the U.S. Large employers in the San Diego area include: Marine Corps Base Camp Pendleton, Naval Base Coronado, Naval Base San Diego, the University of California at San Diego, and Qualcomm, Inc.

The housing crisis came to San Diego earlier than it did in many other locales in the U.S. Prices in the San Diego area peaked at nearly \$603,000 in 2005 and then declined in subsequent years by more than 40%. The National Association of Realtors reports a small increase in prices in 2010 but then a resumption of the decline in 2011 and they predict a continued decline in 2012. Despite this steep decline in prices, the San Diego metropolitan area is the 16<sup>th</sup> most expensive homeownership market and the 13<sup>th</sup> most expensive rental market in the U.S. according to a first quarter 2012 ranking of 208 metropolitan areas in the U.S. based on census and other data. The rankings were compiled by the Center for Housing Policy of the National Housing Conference.

Information from community contacts identified the following needs:

- Support for foreclosure prevention programs
- Support of various kinds (e.g., donations, financial services expertise, loans) for workforce development initiatives
- Access to basic deposit and transaction accounts
- Cash donations to a variety of non-profits, especially for their operating expenses
- Affordable housing for low-income families and individuals
- Conventional rate mortgage loans for manufactured housing
- Lines of credit to non-profit organizations to even out their cash flow, especially as the budget problems of the state of California have become acute
- Term loans to non-profit organizations for the acquisition and conversion of facilities to the needs of their programs

Banks have an abundance of opportunities available in San Diego for participating in community development activities. For example, five CDFIs certified by the CDFI Fund of the U.S. Treasury Department directly serve the San Diego area. They serve a wide variety of needs, including providing deposit and credit services to consumers and financing for affordable housing and small businesses. Two of these CDFIs are federally-insured depositories, and another is a multi-bank CDC formed by bankers. Other community development organizations in the area include a very active SBA 504 Certified Development Corporation that provides long-term, fixed-rate financing to small businesses in conjunction with banks; two organizations that make micro loans to small businesses; a community land trust; an affiliate of the NeighborWorks Network; a program affiliated with the Local Initiatives Support Corporation, and many other capable, accomplished non-profit organizations that work with financial institutions, local government, foundations and others to meet the credit and community development needs of the area.

## State of California

Demographic Information for Full-Scope Area: <b>San Francisco-San Mateo-Redwood City MD</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	382	7.33	21.47	39.01	31.68	0.52
Population by Geography	1,731,183	7.21	21.80	42.21	28.77	0.00
Owner-Occupied Housing by Geography	335,597	1.54	12.79	45.12	40.55	0.00
Business by Geography	163,434	13.99	17.68	35.59	32.65	0.08
Farms by Geography	2,037	5.89	14.09	45.07	34.95	0.00
Family Distribution by Income Level	381,072	21.33	17.59	19.98	41.11	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	148,300	11.85	28.05	42.49	17.60	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		75,188 99,400 8%	Median Housing Value Unemployment Rate (2000 US Census)	501,526 2.12%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The UB San Francisco-San Mateo-Redwood City MD AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income areas.

The banking market in the San Francisco MD is very competitive, with one deposit-gathering bank for approximately every 52,000 residents but one insured bank depository office for every 4,800 residents. According to the FDIC's June 30, 2011 Deposit Market Share Report, 65 financial institutions operate 538 offices in the area. Bank of America is the market leader with a commanding 45.98% deposit market share, 79 offices and \$86.8 billion in deposits. Wells Fargo ranks second with a 19.1% share, 85 offices and \$36.1 billion in deposits. Citibank ranks third with a 7.66% share, 48 offices and \$14.5 billion. UB ranks seventh with a 2.51% market share, 23 offices and \$4.7 billion.

The San Francisco-San Mateo-Redwood City MD consists of Marin, San Francisco, and San Mateo counties which combined have a population of nearly 1.8 million people. The area's population increased by about 1.2% per year from 2005 through the end of the decade. Moody's, however, projects population to grow less than 1% per year. The San Francisco area

has a diverse population, with particularly large concentrations of Asian and Latino residents. At 29.6%, the foreign-born population of the MD is similar to the 27.2% rate for California as a whole.

Median household income, levels of educational attainment, and housing values in the MD are all significantly higher than in California overall, while the homeownership rate is similar to that of the state overall. The percentage of persons living below the poverty level and the unemployment rate in the MD are notably smaller than in California as a whole. The 2011 HUD estimated median family income in the SF MD was \$69,600.

- Median household income: SF MD – \$76,134; California – \$60,883
- High school graduates, 25 and over: SF MD – 86.9%; California – 80.7%
- Bachelor's degree or higher, 25 and over: SF MD – 42.8%; California – 30.1%
- Median value, owner-occupied housing: SF MD – \$730,602; California – \$458,500
- Persons below poverty level: SF MD – 9.3%; California – 13.7%
- 2011 annual unemployment rate: SF MD – 8.2%; California – 11.7%
- Homeownership rate: SF MD – 57.8%; California – 57.4%

Sources: U.S. Census Bureau, HUD, U.S. Bureau of Labor Statistics

Moody's reports a decrease of 35% in existing home sale prices in the San Francisco area between 2007 and 2009. Despite the steep decline in values, affordable housing remains a significant need, both in owner-occupied and in rental units. For example, the National Low Income Housing Coalition reports that the San Francisco area is the most expensive rental housing market in the United States. To afford at 30% of one's income, the HUD Fair Market Rent for a two-bedroom apartment, a person would have to earn more than \$36 per hour, well out of reach for an LMI person.

The most important industries in the San Francisco region are in computer-related technology, life sciences and finance, the three of which undergird the rest of the region's economy. Large employers in the area include the University of California, Kaiser Permanente, Wells Fargo, Genentech and California Pacific Medical Center. The region's well-educated workforce is a significant advantage for the future, while its high cost of living is a significant weakness. Moody's projects that the growing cluster of computer- and internet-related businesses in the area along with life science businesses will drive the region's growth and will make up for lingering weaknesses in the finance industry, which, while recovering, remains diminished.

A review of community contacts identified the following credit and community development needs in the San Francisco area:

- Affordable housing
- Small business loans
- Financial counseling
- Support of non-profit organizations addressing homeownership preservation
- Support for foreclosure prevention and mitigation
- Financing and other support for the disposition of foreclosed properties
- Support for programs that help create jobs
- Technical assistance to small businesses

Opportunities in the San Francisco area for financial institutions to help meet the above community credit and community development needs are abundant. Twenty-two CDFIs serve the area, including several federally-regulated and insured depositories and several accomplished non-profit housing-related CDFIs. Many accomplished non-profit organizations develop commercial real estate and affordable housing, provide financial education, prepare LMI persons to become homebuyers, provide assistance to small business owners and provide many social services targeted to LMI populations. Among the community development organizations in San Francisco are a community land trust, two affiliates of NeighborWorks America, an affiliate of the Local Initiatives Support Corporation, and several organizations that promote micro business development. In addition, federal, state, and local governments have identified multiple areas for redevelopment with designations such as empowerment and enterprise zones and brownfield redevelopment sites.

## State of California

Demographic Information for Full-Scope Area: <b>San Jose-Sunnyvale-Santa Clara MSA</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	349	4.01	22.64	46.70	26.65	0.00
Population by Geography	1,735,819	3.90	24.42	46.97	24.71	0.00
Owner-Occupied Housing by Geography	349,460	1.13	16.54	47.80	34.53	0.00
Business by Geography	127,315	2.81	22.84	43.44	30.91	0.00
Farms by Geography	2,148	1.82	29.70	43.48	25.00	0.00
Family Distribution by Income Level	412,783	20.54	18.11	21.70	39.66	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	159,536	6.05	32.58	46.36	15.01	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		80,198 103,500 6%	Median Housing Value Unemployment Rate (2000 US Census)	443,769 2.07%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The San Jose-Sunnyvale-Santa Clara MSA is comprised of Santa Clara and San Benito counties. The AA area meets regulatory requirements and does not arbitrarily exclude LMI areas.

This AA is one of the highest per capita income areas in the country with an updated 2008 HUD median family income of \$97,800. The area is home to many successful technology related companies. The population rose from 1,735,819 at the 2000 Census to an estimated 1,826,100 in 2008 according to Moody's Economy.com. Unemployment rose to 7.8% in December, 2008 according to the state Department of Employment Development, and 6% of the households are below the poverty level (2000 US Census).

According to Moody's, San Jose remains the only California metro area that is not in a recession. The MSA is home to the Silicon Valley. The area's economy is tied to the growth and declines of the high tech sector. The leading industries are state and local government, computer systems design and related services, semi-conductor and other electrical component manufacturers and computer and peripheral equipment manufacturers. The major employers

are Cisco Systems, Inc., Stanford University Hospital and Clinics, Linear Accelerator, Stanford University, and Lockheed Martin Corporation.

Housing prices have declined from a high in 2007. As this decline occurs, residential rents have also become more affordable. Affordability is now at the 2004 level. However, foreclosures are anticipated to increase as a result of the declines in employment throughout the area.

In this AA, there are several CDFIs and community development corporations. The primary focus of the organizations is economic development with an emphasis on micro-lending and technical assistance for small businesses. There are two affordable housing CDCs that are challenged by housing values. Banks in the area compete for loan, investment, and service opportunities. UB staff is active in the area's Bank on San Jose program that targets the unbanked community.

## State of California

Demographic Information for Full-Scope Area: <b>Santa Ana-Anaheim-Irvine MD</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	577	3.64	26.86	33.10	36.22	0.17
Population by Geography	2,846,289	4.95	30.96	31.84	32.26	0.00
Owner-Occupied Housing by Geography	574,193	1.25	19.56	33.56	45.63	0.00
Business by Geography	259,114	2.79	27.50	34.30	34.67	0.74
Farms by Geography	3,082	2.73	27.03	33.23	36.86	0.16
Family Distribution by Income Level	673,912	20.69	17.97	20.68	40.65	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	260,573	7.49	42.05	32.12	18.35	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		64,321 87,200 8%	Median Housing Value Unemployment Rate (2000 US Census)		275,476 2.50%	

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The Santa Ana assessment area meets regulatory requirements and does not arbitrarily exclude low- and moderate-income areas.

The banking market in the Santa Ana-Anaheim-Irvine MD is very competitive, with one deposit-gathering bank for approximately every 32,000 residents and one insured bank depository office for every 4,300 residents. According to the FDIC's June 30, 2011 Deposit Market Share Report, 94 financial institutions operate 696 offices in the area. Bank of America is the market leader with a 21.59% deposit market share, 94 offices and \$16.5 billion in deposits. Wells Fargo ranks second with a 20.20% share, 107 offices and \$15.4 billion in deposits. JP Morgan Chase ranks third with an 8.85% share, 73 offices and \$6.7 billion. UB ranks fourth in the market with a 5.98% share, 46 offices and \$4.6 billion.

The Santa Ana-Anaheim-Irvine MD consists of Orange County which has a population of 3.0 million, making it the third most populous county in California, behind Los Angeles County and San Diego County. It is the sixth most populous county in the United States as of 2009. Orange County consists of 34 incorporated cities and a number of unincorporated regions.

Among the incorporated cities in Orange County are Santa Ana, the county seat, and Anaheim, each with more than 325,000 residents.

The economy of Orange County is highly diverse. Main industries include aerospace and electronics manufacturing (especially for U.S. defense procurement), computer-related technology engineering and manufacturing, international trade, financial services and convention and tourism. Household income in the county is among the highest in the nation, which supports a large retailing and local services sector. In addition, a number of large companies have established headquarters offices in Orange County. The business and professional services sector provides a large number of jobs in the county: 17.8%, as compared to 14.4% in California and 12.5% nationally. The manufacturing sector provides 12.6% of jobs in Orange County, as compared to 10.5% in California and 10.9% nationally. The leisure and hospitality services sector provides the third largest number of jobs in the county: 11.3% in Orange, 9.9% in California, and 9.5% in the national as a whole. Large employers in Orange County include Walt Disney Company, the University of California at Irvine, Boeing, St. Joseph Health System, and Albertsons.

Housing prices in the Santa Ana area reached a peak of more than \$600,000 in 2007 and then declined over subsequent years by more than 35%. Despite this steep decline in prices, the Santa Ana metropolitan area is the 5<sup>th</sup> most expensive homeownership market and the 4<sup>th</sup> most expensive rental market in the U.S. according to a first quarter 2012 ranking of 208 metropolitan areas in the U.S. based on census and other data. The rankings were compiled by the Center for Housing Policy of the National Housing Conference.

Information from community contacts identified the following needs:

- Small business financing, especially for businesses in the manufacturing and service sectors
- Support for foreclosure prevention programs, especially those targeted to LMI persons and families
- Housing and supportive services for homeless persons
- Support for endeavors that will increase the supply and the quality of affordable housing
- Support for endeavors that will improve the quality and increase the quantity of neighborhood facilities serving LMI persons and areas

The Santa Ana area has many non-profit and other community development organizations that banks can work with to meet the above credit and community development needs. For example, six organizations certified by the CDFI Fund of the U.S. Treasury Department to participate in its programs directly serve the Santa Ana area. They serve a wide variety of needs, including providing deposit and credit services to consumers and providing financing for affordable housing and small businesses. One of these CDFIs is a federally-insured depository. Other community development organizations in the area include a community land trust, two affiliates of the NeighborWorks Network, a statewide program affiliated with the Local Initiatives Support Corporation, and many other capable, accomplished non-profit organizations that work with financial institutions, local government, foundations, and others to meet the community development needs of the area.

## State of New York

Demographic Information for Full-Scope Area: <b>New York MSA (Partial)</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2,515	13.20	25.29	28.27	30.78	2.47
Population by Geography	9,314,235	14.72	27.97	25.49	31.64	0.18
Owner-Occupied Housing by Geography	1,208,243	2.58	13.53	28.16	55.73	0.00
Business by Geography	603,788	7.62	18.81	20.67	51.79	1.11
Farms by Geography	4,070	3.27	8.92	17.96	69.66	0.20
Family Distribution by Income Level	2,203,975	27.89	15.69	16.62	39.79	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	960,674	25.26	37.68	23.58	13.49	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		49,461 65,600 18%	Median Housing Value Unemployment Rate (2000 US Census)	244,528 4.01%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The New York MSA (partial) assessment area meets regulatory requirements and does not arbitrarily exclude low- or moderate-income areas.

The banking market in the New York MD is competitive, with one deposit-gathering bank for approximately every 67,000 residents and one insured bank depository office for every 3,700 residents. According to the FDIC's June 30, 2011 Deposit Market Share Report, 173 financial institutions operate 3,097 offices in the area. JP Morgan Chase is the market leader with a 38.93% deposit market share, 647 offices and \$333.7 billion in deposits. Bank of New York Mellon ranks second with a 10.78% market share, one office and \$92.4 billion in deposits. UB ranks 168<sup>th</sup> by deposit market and has one newly-opened office and \$2.5 million in deposits.

The New York MSA consists of eleven counties – Bergen, Hudson and Passaic in New Jersey and Bronx, Kings, New York, Putnam, Queens, Richmond, Rockland and Westchester in New York State – which together have a population of 11.5 million people and form a large portion of the New York Metropolitan Statistical Area (NY MSA). The NY MSA has a population of more than 19 million people, making it the largest metropolitan area in the United States. The population of the New York MSA is large enough to constitute nearly 58% of the population of

New York State. The population of the MSA has been growing at a slow pace most years, and Moody's projects a similar pattern for the foreseeable future. The population of the New York area is diverse with significant concentrations of African-American, Latino, and Asian residents. The foreign-born population of the NY MSA, at 28.3%, is higher than the 21.7% foreign-born population of New York State.

Median household income, housing values and the unemployment rate all are notably higher in the NY MSA than in the state overall, while levels of educational attainment are comparable in both places. The percentage of persons living below the poverty level and the homeownership rate both are notably lower in the NY MSA than in New York State. The 2011 HUD estimated median family income in the New York-White Plains-Wayne, NY-NJ MD was \$67,400.

- Median household income: NY MSA – \$63,690; New York State – \$55,603
- High school graduates age 25 and over: NY MSA – 84%; New York State – 84.4%
- Bachelor's degree or higher, age 25 and over: NY MSA – 35.1%; NY State – 32.1%
- Median value, owner-occupied housing: NY MSA – \$484,654; NY State – \$303,900
- Persons below poverty level: NY MSA – 12.2%; New York State – 14.2%
- 2011 annual unemployment rate: NY MSA – 8.8%; New York State – 8.2%
- Homeownership rate: NY MSA – 53.5%; New York State – 55.2%

Moody's reports a decrease of 19% in existing home sale prices in the New York area between 2007 and 2009. Despite this drop in values, affordable housing remains a significant need, both in owner-occupied and in rental units.

The New York area has a diversified mix of businesses, with the headquarters of many national and international corporations. New York City, by its sheer size, dominates the region's economy. Historically, the southern end of Manhattan Island has been dominated by the financial services industry. Industries operating in Midtown Manhattan include advertising, publishing, and garment production. In addition, the retail sector is a major employer along with health and social care. Light manufacturing and wholesale trades provide a significant proportion of employment in Bronx County. Some of the largest employers in the area are New York Presbyterian Healthcare Systems, Citigroup, JP Morgan Chase, Verizon, and Federated Department Stores.

The opportunities for community development participation within the assessment area are numerous. Many community development organizations and government agencies engage in affordable housing and economic development activities and provide a variety of financial and social services targeted to low- and moderate-income persons. Forty-six CDFIs operate in New York City; most are large and offer multiple opportunities for lending, investments, and services. In addition, New York City government has undertaken several initiatives to encourage the development of affordable housing and to promote small business lending.

Information from community contacts with organizations specializing in small business development, economic development and affordable housing identified the following needs:

- Affordable housing for purchase and for rent
- Support for foreclosure relief programs targeting LMI homeowners
- Financial education and counseling

- Non-profit capacity building
- Better education and college access among low- and moderate-income children
- Support for small business development targeted to LMI and immigrant populations
- Donations to support the operations of nonprofit organizations
- Affordable multifamily housing financed with Low-Income Housing Tax Credits
- Assistance for special-needs populations
- Lines of credit for non-profit organizations
- Better access to financial services appropriate to LMI populations

## State of Oregon

Demographic Information for Full-Scope Area: <b>Portland OR (Partial)</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	337	2.08	23.15	49.55	25.22	0.00
Population by Geography	1,572,771	0.94	21.66	52.07	25.34	0.00
Owner-Occupied Housing by Geography	380,798	0.40	15.79	53.99	29.82	0.00
Business by Geography	144,305	3.59	20.46	47.20	28.75	0.00
Farms by Geography	4,760	1.01	10.08	64.60	24.31	0.00
Family Distribution by Income Level	394,911	18.25	19.08	23.20	39.48	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	147,415	1.20	29.31	54.32	15.17	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		55,453 71,200 9%	Median Housing Value Unemployment Rate (2000 US Census)	181,983 3.02%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The UB Portland-Vancouver-Hillsboro MSA AA meets regulatory requirements and does not arbitrarily exclude low- and moderate-income areas.

The banking market in the Portland MSA is very competitive, with one deposit-gathering bank for approximately every 56,000 residents and one insured bank depository office for every 3,900 residents. According to the FDIC's June 30, 2011 Deposit Market Share Report, 40 financial institutions operate 580 offices in the area. Bank of America is the market leader with a 21.14% deposit market share, 62 offices and \$8.6 billion in deposits. U.S. Bank ranks second with a 18.76% market share, 108 offices and \$7.6 billion in deposits. Wells Fargo ranks third with a 15.43% market share, 73 offices and \$6.2 billion in deposits. UB ranks 18<sup>th</sup> in the market with a 0.59% deposit market share, three offices and \$236 million in deposits. Banks with market shares in Portland comparable to UB include Columbia Community Bank with \$252 million in deposits and four offices and Pacific Continental Bank with \$234 million in deposits and five offices.

The Portland MSA consists of seven counties – Clackamas, Columbia, Multnomah, Washington and Yamhill in Oregon and Clark and Skamania in Washington – which together

have a population of 2.2 million people. The population of the area grew at 1.5% - 2% per year through the 2000s, and Moody's projects future growth in the same range.

Portland's economy is anchored by technology manufacturing companies and their exports of semiconductors and computer and electronic parts. The manufacturing sector in Portland provides 11.2% of all jobs in the area, notably more than in the nation as a whole, where it constitutes 9.1% of employment. Nevertheless, the Portland area has a diversified economy with substantial employment in the professional and business services sector and in the education and health services sectors. Large employers in the Portland area include Intel, Fred Meyer, Inc., Safeway, Oregon Health & Science University, and Providence Health Systems. The area has a highly skilled workforce – 33% of Portland-area residents have a college degree, which is notably higher than the U.S. average of just less than 28%. The skilled workforce, an attractive environment, and inexpensive electrical power from hydroelectric dams all are strengths on which Portland can build in the future.

Home prices in Portland declined less than in many other areas of the country during the economic recession. Between their peak in 2007 and their low point in 2009, sales prices of existing single-family homes in Portland dropped by 17%. Meanwhile foreclosures, which increased slowly in Portland, may hamper recovery in the region's housing market. The area's foreclosure rate is similar to that of the nation, resulting primarily from unemployment and the poor economy overall.

Information from community contacts identified the following needs in the Portland area:

- Cash donations, financial expertise and volunteers for financial education programs, especially programs geared to young people
- Debt and equity financing for permanent housing and support services for the homeless
- Support for job training programs
- Micro loans of less than \$25,000 for small businesses
- Debt and equity financing for affordable housing for several specific populations – persons with disabilities, senior citizens, low and very low income households and Native Americans

A good number of opportunities are available in the Portland area for financial institutions to meet the above needs. Capable, accomplished non-profit organizations work with financial institutions, local government, foundations and other organizations to meet the community development needs of the area. For example, 11 CDFIs certified by the CDFI Fund of the U.S. Treasury Department are located in Portland. They serve a wide variety of needs, including providing deposit and credit services to consumers, and financing for affordable housing and small businesses. Several are federally-insured depositories.

## State of Texas

Demographic Information for Full-Scope Area: <b>Dallas-Plano-Irving MD</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	689	9.14	29.61	31.79	28.88	0.58
Population by Geography	3,451,226	7.60	27.39	34.04	30.98	0.00
Owner-Occupied Housing by Geography	733,873	2.57	20.21	36.31	40.91	0.00
Business by Geography	332,676	3.78	21.08	33.55	40.58	1.02
Farms by Geography	6,807	1.91	17.10	45.13	35.52	0.34
Family Distribution by Income Level	866,920	21.32	18.00	20.39	40.30	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	340,820	13.13	39.16	33.89	13.82	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		56,313 68,900 10%	Median Housing Value Unemployment Rate (2000 US Census)	120,250 2.53%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The UB Dallas-Plano-Irving, TX MD AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income census tracts.

The banking market in the Dallas MD is extremely competitive, with one deposit-gathering bank for approximately every 29,000 residents and one insured bank depository office for every 3,600 residents. According to the FDIC's June 30, 2011 Deposit Market Share Report, 147 financial institutions operate 1,179 offices in the area. Bank of America is the market leader with a 31.7% deposit market share, 159 offices, and \$52.7 billion in deposits. JP Morgan Chase ranks second with a 19.62% market share, 255 offices and \$32.7 billion in deposits. UB ranks fortieth in the market with a 0.19% deposit market share, one office and \$266 million in deposits. Banks with market shares in Dallas comparable to UB include Pointbank with \$293 million in deposits and nine offices and Benchmark Bank with \$261 million in deposits and two offices.

The Dallas MD consists of eight Texas counties – Collin, Dallas, Delta, Denton, Ellis, Hunt, Kaufman and Rockwall – which together have a population of 4.3 million people and form a large portion of the Dallas MSA. The Dallas MSA has a population of more than 6 million,

making it the fourth largest metropolitan area in the United States. The population of the MSA has been growing at more than 20% per decade for several decades, and Moody's projects it to continue growing for the foreseeable future. The population of the Dallas area is diverse with significant concentrations of African-American and Latino residents. The foreign-born population of the Dallas MSA, at 17.8%, is slightly higher than the 16.1% foreign-born population of Texas.

Median household income, levels of educational attainment, and housing values in the Dallas MSA are all higher than in Texas overall, while the percentage of persons living below the poverty level is significantly lower in the Dallas MSA than in Texas as a whole. The unemployment and homeownership rates in the Dallas MSA are slightly lower than those rates for Texas in general. The 2011 HUD estimated median family income in The Dallas-Plano-Irving MD was \$69,600.

- Median household income: Dallas MSA – \$56,629; Texas – \$49,646
- High school graduates age 25 and over: Dallas MSA – 81.6%; Texas – 80.0%
- Bachelor's degree or higher, age 25 and over: Dallas MSA – 29.9%; Texas – 25.8%
- Median value, owner-occupied housing: Dallas MSA – \$150,446; Texas – \$123,500
- Persons below poverty level: Dallas MSA – 12.7%; Texas – 16.8%
- 2011 annual unemployment rate: Dallas MSA – 7.8%; Texas – 7.9%
- Homeownership rate: Dallas MSA – 63.6%; Texas – 64.8%

Sources: U.S. Census Bureau, HUD, U.S. Bureau of Labor Statistics

Although the prolonged economic contraction of the past five years has increased unemployment and decreased economic activity in the region, the Dallas area has a growing and diversified economic base. Important industries include professional and business services, which provide 16 % of area employment. Government provides 13%; education and health services provide 12%; leisure and hospitality services provide 9.5%; and financial services and manufacturing provide 9% each. Large employers include Wal-Mart Stores, Carlson Restaurants Worldwide, Bank of America, Baylor Health Care System, Texas Health Resources, AT&T and Verizon. Moody's projects continued growth for the Dallas area, though at a slower rate than in the past.

Geographically, the northern portions of the MD are expanding with many communities occupying what was once farmland. Development includes housing, office, commercial, and retail properties. The areas south and east of downtown Dallas have benefited less from the long-run economic boom in the MSA. An area of approximately 30 square miles, separated from north Dallas by Interstate 30, is home to a large low- and moderate-income population, with a per capita income that averages \$5,000 less than that of its neighbors to the north. For-profit developers dominate the northern part of the MSA, while non-profits do most of the development in the low- and moderate-income areas.

Information from community contacts identified the following needs:

- Affordable housing financing, especially in the southern part of the city of Dallas
- Down payment and closing cost assistance for low-income first-time homebuyers
- Financial education for low-income first-time homebuyers
- Equity for small business owners

- Small business loans in amounts of less than \$25,000

Numerous opportunities are available in the Dallas area for financial institutions to help meet community credit and community development needs. Several CDFIs serve the area, and a number of effective non-profit organizations develop affordable housing, prepare prospective LMI home buyers, provide assistance to small business owners and provide many social services targeted to LMI populations. Local governments, most notably the City of Dallas, have a range of programs including a housing trust fund to assist in meeting the affordable housing and small business needs of the area.

**State of Washington**

Demographic Information for Full-Scope Area: <b>Seattle-Bellevue-Everett MD</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	506	2.17	20.75	52.96	24.11	0.00
Population by Geography	2,343,058	1.93	21.89	52.39	23.79	0.00
Owner-Occupied Housing by Geography	577,775	0.49	15.58	55.45	28.48	0.00
Business by Geography	196,599	2.42	23.07	47.99	26.53	0.00
Farms by Geography	4,348	1.01	16.58	58.49	23.92	0.00
Family Distribution by Income Level	582,505	18.50	18.70	24.54	38.26	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	216,658	2.61	31.49	51.85	14.06	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		63,951 85,600 8%	Median Housing Value Unemployment Rate (2000 US Census)	228,785 2.54%		

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2010 HUD updated MFI

The Seattle-Bellevue-Everett MD AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income census tracts.

The banking market in the Seattle MD is very competitive, with one deposit-gathering bank for approximately every 40,000 residents and one insured bank depository office for every 2,800 residents. According to the FDIC’s June 30, 2011 Deposit Market Share Report, 58 financial institutions operate 729 offices in the area. Bank of America is the market leader with a 29.12% deposit market share, 117 offices and \$18 billion in deposits. Wells Fargo ranks second with a 12.59% share, 80 offices and \$7.8 billion in deposits. U.S. Bank ranks third with an 11.29% share, 66 offices and \$7 billion. UB ranks seventh in the market with a 2.65% share, 27 offices and \$1.6 billion in deposits.

The Seattle-Bellevue-Everett MD consists of two Washington counties – King and Snohomish – which together have a population of 2.6 million people. The population of the area grew by 1% - 1.5% per year from 2003 to 2009. Moody’s projects a similar growth rate in the future.

The core of Seattle's economy is software publishing and commercial aircraft manufacturing. Seattle also is an important port on the west coast, making shipping and distribution another strength of the economy. Manufacturing activity provides 11.1% of employment in the Seattle area, professional and business services provides 14.1%, and education and health services provides 11.7%. Large employers in the Seattle area include Boeing, Microsoft, the University of Washington, Wal-Mart, and Providence Health & Services. The Seattle area has a highly trained, well-educated labor force – 91% of residents have graduated from high school, as compared to 85% for the U.S. as a whole, and 36% of Seattle residents have a college degree, as compared to 28% for the nation.

Seattle's foreclosure rate has been below the average for the nation, but has been rising. Households in the area borrowed against their homes at an above-average rate when home prices were rising, but Seattle housing prices peaked in 2007 and began falling after that. In 2010, Moody's projected sales prices of existing homes in the Seattle area to continue declining from their height in 2007, for a total decline of 21% and then not to increase until 2012. In July 2011 the median family home price was \$400,000. Despite the decline in prices, housing in Seattle remains expensive. In a first quarter 2012 ranking of 208 metropolitan areas in the U.S. based on the affordability of homeownership, Seattle ranked 23<sup>rd</sup>, putting it among the most expensive markets in the country. Seattle placed 38<sup>th</sup> among the same metro areas based on the affordability of rental housing – somewhat more affordable than for homeownership, but still in the top 20% of expensive rental markets. The rankings were compiled by the Center for Housing Policy of the National Housing Conference.

Information from community contacts identified the following needs:

- Debt and equity investments in affordable housing, especially housing that includes supportive services for homeless persons
- Support for initiatives that use of affordable housing as a catalyst to spur economic development in distressed neighborhoods
- Support for programs that provide sustainable homeownership for low income households through a variety of means
- Investments in organizations that seek to increase economic development opportunities for small and minority owned businesses
- Debt and equity financing for initiatives that maintain the existing supply of affordable rental housing
- Gap financing for economic development projects

Many opportunities are available in the Seattle area for financial institutions to meet the above needs. For example, 9 CDFIs certified by the CDFI Fund of the U.S. Treasury Department directly serve the Seattle area. They serve a wide variety of needs, including providing deposit and credit services to consumers and financing for affordable housing and small businesses. Several of these CDFIs are federally-insured depositories. Other community development organizations in the area include a community land trust, two affiliates of the NeighborWorks Network, a statewide program affiliated with the Local Initiatives Support Corporation, and many other capable, accomplished non-profit organizations that work with financial institutions, local government, foundations and others to meet the community development needs of the area.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the

percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

**Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

**Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

**Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

**Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

**Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.

**Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.

- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.
- Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: CALIFORNIA												
Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011												
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Fresno CA	2.41	125	21,850	1,514	97,407	97	6,475	13	121,405	1,749	247,137	1.41
Los Angeles CA	29.62	7,335	7,606,819	13,901	961,867	70	3,141	212	430,270	21,518	9,002,097	38.75
Oakland CA	4.30	1,118	956,174	1,916	211,548	34	3,387	55	344,258	3,123	1,515,367	5.15
Riverside-San Bernardino CA	6.30	693	331,644	3,779	220,270	71	3,463	33	218,316	4,576	773,693	5.28
San Diego CA	18.65	2,115	1,754,832	11,048	704,465	220	7,373	165	317,810	13,548	2,784,480	17.24
San Francisco CA	7.66	3,237	3,244,451	2,222	274,956	25	1,948	77	220,622	5,561	3,741,977	8.45
San Jose CA	3.93	1,232	1,175,608	1,586	154,461	25	3,148	15	21,947	2,858	1,355,164	4.15
Santa Ana-Anaheim CA	15.67	2,038	2,022,972	9,191	613,946	87	5,793	65	362,704	11,381	3,005,415	11.03
<b>Limited Review:</b>												
Bakersfield CA	1.04	114	16,584	591	35,045	43	3,313	10	71,214	758	126,156	1.21
El Centro CA	0.26	13	1,079	155	18,647	16	1,379	2	257	186	21,362	0.77
Hanford-Corcoran CA	0.30	25	2,770	156	5,523	36	6,696	1	500	218	15,489	0.21
Madera CA	0.27	16	1,701	142	4,086	39	5,612	0	0	197	11,399	0.12
Merced CA	0.14	7	1,451	36	2,143	59	10,737	1	1,740	103	16,071	0.02

\* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from April 01, 2009 to March 31, 2012.

\*\*\* Deposit Data as of June 30, 2011(Allocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: CALIFORNIA												
Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011												
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Limited Review:</b>												
Modesto CA	0.57	20	3,236	231	24,976	160	31,689	1	175	412	60,076	0.28
Oxnard-Ventura CA	1.54	313	262,457	774	44,734	24	1,155	6	2,699	1,117	311,045	0.84
Redding CA	0.17	9	1,817	100	5,409	11	1,267	7	68,454	127	76,947	0.10
Sacramento CA	2.27	475	162,238	1,092	98,685	50	8,014	29	95,488	1,646	364,425	1.43
Salinas CA	0.81	135	105,026	429	17,960	18	1,553	6	34,296	588	158,835	0.53
San Luis Obispo CA	0.31	81	56,243	133	6,999	7	573	1	89	222	63,904	0.29
Santa Barbara CA	0.86	400	463,686	197	11,885	17	792	14	133,075	628	609,438	0.37
Santa Cruz CA	0.51	102	51,157	240	17,392	24	3,134	1	17,000	367	88,683	0.42
Santa Rosa CA	0.40	123	111,537	143	22,960	6	180	19	89,948	291	224,625	0.22
Stockton CA	0.63	34	12,981	277	22,763	132	27,163	11	119,591	454	182,498	0.45
Vallejo CA	0.17	36	8,230	80	5,822	5	1,700	1	1,029	122	16,781	0.11
Visalia-Porterville CA	0.69	69	8,711	363	15,233	65	4,193	3	27	500	28,164	0.54
Yuba City CA	0.19	8	930	60	3,160	67	13,707	0	0	135	17,797	0.23
Inyo-Mono-Tuolumne Non-MSA CA	0.35	31	17,938	194	8,819	10	740	17	56,198	252	83,695	0.38

\* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from April 01, 2009 to March 31, 2012.

\*\*\* Deposit Data as of June 30, 2011(Allocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE												Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Fresno CA	40	0.76	1.60	2.50	21.71	22.50	35.87	30.00	40.82	45.00	0.07	0.83	0.11	0.02	0.07					
Los Angeles CA	1,927	36.38	1.91	1.82	15.46	8.67	31.30	9.65	51.33	79.87	0.62	0.21	0.17	0.13	1.23					
Oakland CA	245	4.63	3.49	2.45	13.07	8.98	43.58	14.29	39.86	74.29	0.17	0.06	0.09	0.04	0.38					
Riverside-San Bernardino CA	297	5.61	1.49	0.67	21.74	20.54	43.33	33.67	33.44	45.12	0.11	0.24	0.11	0.07	0.16					
San Diego CA	517	9.76	2.30	3.87	14.03	7.54	41.01	19.15	42.66	69.44	0.33	0.36	0.17	0.13	0.57					
San Francisco CA	706	13.33	1.54	4.39	12.79	11.19	45.12	23.37	40.55	61.05	1.33	1.18	1.14	0.66	2.17					
San Jose CA	360	6.80	1.13	2.50	16.54	15.00	47.80	19.44	34.53	63.06	0.55	0.52	0.53	0.21	1.17					
Santa Ana-Anaheim CA	502	9.48	1.25	0.20	19.56	10.36	33.56	14.34	45.63	75.10	0.48	0.00	0.31	0.24	0.75					
<b>Limited Review:</b>																				
Bakersfield CA	43	0.81	2.10	2.33	23.06	41.86	33.51	27.91	41.33	27.91	0.08	1.11	0.35	0.07	0.01					
El Centro CA	4	0.08	0.00	0.00	23.53	25.00	42.36	0.00	34.11	75.00	0.04	0.00	0.00	0.00	0.08					
Hanford-Corcoran CA	9	0.17	0.00	0.00	22.35	44.44	39.08	33.33	38.57	22.22	0.35	0.00	1.69	0.00	0.22					
Madera CA	9	0.17	0.00	0.00	11.37	11.11	52.17	66.67	36.46	22.22	0.10	0.00	0.00	0.08	0.19					
Merced CA	5	0.09	0.00	0.00	17.13	20.00	50.94	80.00	31.94	0.00	0.07	0.00	0.20	0.11	0.00					

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE												Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Limited Review:</b>																				
Modesto CA	5	0.09	1.12	0.00	14.63	0.00	53.88	40.00	30.36	60.00	0.00	0.00	0.00	0.00	0.00					
Oxnard-Ventura CA	77	1.45	1.20	0.00	15.46	2.60	46.06	36.36	37.29	61.04	0.16	0.00	0.00	0.13	0.33					
Redding CA	0	0.00	0.00	0.00	12.78	0.00	70.92	0.00	16.30	0.00	0.00	0.00	0.00	0.00	0.00					
Sacramento CA	287	5.42	3.32	6.27	18.33	30.66	42.14	45.64	36.21	17.42	0.41	0.67	0.92	0.48	0.13					
Salinas CA	39	0.74	0.00	0.00	13.83	7.69	45.09	20.51	41.08	71.79	0.22	0.00	0.00	0.00	0.69					
San Luis Obispo CA	24	0.45	0.00	0.00	10.27	20.83	75.43	58.33	14.31	20.83	0.09	0.00	0.00	0.07	0.27					
Santa Barbara CA	74	1.40	0.97	0.00	17.42	8.11	39.94	12.16	41.68	79.73	0.41	0.00	0.00	0.00	1.38					
Santa Cruz CA	28	0.53	0.00	0.00	20.21	32.14	40.44	28.57	39.35	39.29	0.15	0.00	0.15	0.20	0.11					
Santa Rosa CA	25	0.47	0.00	0.00	9.17	16.00	71.27	72.00	19.56	12.00	0.13	0.00	0.39	0.08	0.17					
Stockton CA	15	0.28	1.80	0.00	19.48	26.67	39.28	20.00	39.43	53.33	0.01	0.00	0.00	0.00	0.01					
Vallejo CA	20	0.38	0.52	0.00	15.69	15.00	50.32	45.00	33.48	40.00	0.04	0.00	0.00	0.05	0.03					
Visalia-Porterville CA	26	0.49	0.00	0.00	22.02	11.54	38.85	42.31	39.13	46.15	0.13	0.00	0.13	0.13	0.12					
Yuba City CA	4	0.08	0.00	0.00	17.49	50.00	52.57	0.00	29.94	50.00	0.10	0.00	0.15	0.00	0.26					
Inyo-Mono-Tuolumne Non-MSA CA	9	0.17	0.00	0.00	7.27	0.00	68.87	22.22	23.86	77.78	0.18	0.00	0.00	0.00	0.56					

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Fresno CA	1	0.25	1.60	0.00	21.71	0.00	35.87	0.00	40.82	100.00	0.00	0.00	0.00	0.00	0.00	
Los Angeles CA	104	26.13	1.91	0.96	15.46	13.46	31.30	21.15	51.33	64.42	0.43	0.00	0.59	0.32	0.46	
Oakland CA	20	5.03	3.49	0.00	13.07	5.00	43.58	15.00	39.86	80.00	0.24	0.00	0.00	0.13	0.35	
Riverside-San Bernardino CA	15	3.77	1.49	0.00	21.74	20.00	43.33	46.67	33.44	33.33	0.21	0.00	0.37	0.28	0.11	
San Diego CA	59	14.82	2.30	3.39	14.03	13.56	41.01	40.68	42.66	42.37	1.03	2.13	1.29	1.43	0.67	
San Francisco CA	57	14.32	1.54	1.75	12.79	7.02	45.12	24.56	40.55	66.67	1.19	0.00	0.47	0.89	1.75	
San Jose CA	25	6.28	1.13	0.00	16.54	20.00	47.80	16.00	34.53	64.00	0.34	0.00	0.00	0.00	0.76	
Santa Ana-Anaheim CA	59	14.82	1.25	0.00	19.56	6.78	33.56	18.64	45.63	74.58	0.61	0.00	0.31	0.53	0.73	
<b>Limited Review:</b>																
Bakersfield CA	9	2.26	2.10	0.00	23.06	55.56	33.51	11.11	41.33	33.33	0.38	0.00	0.00	0.00	0.68	
El Centro CA	0	0.00	0.00	0.00	23.53	0.00	42.36	0.00	34.11	0.00	0.00	0.00	0.00	0.00	0.00	
Hanford-Corcoran CA	2	0.50	0.00	0.00	22.35	0.00	39.08	50.00	38.57	50.00	0.00	0.00	0.00	0.00	0.00	
Madera CA	0	0.00	0.00	0.00	11.37	0.00	52.17	0.00	36.46	0.00	0.00	0.00	0.00	0.00	0.00	
Merced CA	0	0.00	0.00	0.00	17.13	0.00	50.94	0.00	31.94	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Limited Review:</b>																
Modesto CA	3	0.75	1.12	0.00	14.63	0.00	53.88	33.33	30.36	66.67	0.56	0.00	0.00	0.96	0.00	
Oxnard-Ventura CA	6	1.51	1.20	0.00	15.46	16.67	46.06	50.00	37.29	33.33	0.45	0.00	1.47	0.38	0.30	
Redding CA	1	0.25	0.00	0.00	12.78	0.00	70.92	0.00	16.30	100.00	0.00	0.00	0.00	0.00	0.00	
Sacramento CA	9	2.26	3.32	0.00	18.33	22.22	42.14	11.11	36.21	66.67	0.11	0.00	0.00	0.00	0.22	
Salinas CA	4	1.01	0.00	0.00	13.83	0.00	45.09	50.00	41.08	50.00	0.67	0.00	0.00	1.49	0.00	
San Luis Obispo CA	2	0.50	0.00	0.00	10.27	50.00	75.43	50.00	14.31	0.00	0.00	0.00	0.00	0.00	0.00	
Santa Barbara CA	6	1.51	0.97	0.00	17.42	33.33	39.94	0.00	41.68	66.67	0.72	0.00	0.00	0.00	1.50	
Santa Cruz CA	5	1.26	0.00	0.00	20.21	20.00	40.44	0.00	39.35	80.00	0.50	0.00	0.00	0.00	1.16	
Santa Rosa CA	6	1.51	0.00	0.00	9.17	16.67	71.27	83.33	19.56	0.00	0.47	0.00	4.17	0.33	0.00	
Stockton CA	2	0.50	1.80	0.00	19.48	0.00	39.28	50.00	39.43	50.00	0.00	0.00	0.00	0.00	0.00	
Vallejo CA	0	0.00	0.52	0.00	15.69	0.00	50.32	0.00	33.48	0.00	0.00	0.00	0.00	0.00	0.00	
Visalia-Porterville CA	1	0.25	0.00	0.00	22.02	0.00	38.85	0.00	39.13	100.00	0.00	0.00	0.00	0.00	0.00	
Yuba City CA	0	0.00	0.00	0.00	17.49	0.00	52.57	0.00	29.94	0.00	0.00	0.00	0.00	0.00	0.00	
Inyo-Mono-Tuolumne Non-MSA CA	2	0.50	0.00	0.00	7.27	0.00	68.87	100.00	23.86	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Fresno CA	84	0.62	1.60	1.19	21.71	26.19	35.87	25.00	40.82	47.62	0.30	0.00	1.42	0.41	0.16	
Los Angeles CA	5,028	37.10	1.91	0.78	15.46	9.13	31.30	10.84	51.33	79.26	0.65	0.20	0.44	0.25	0.83	
Oakland CA	772	5.70	3.49	0.91	13.07	2.85	43.58	7.12	39.86	89.12	0.24	0.34	0.14	0.06	0.35	
Riverside-San Bernardino CA	379	2.80	1.49	0.00	21.74	19.79	43.33	30.08	33.44	50.13	0.16	0.00	0.42	0.14	0.12	
San Diego CA	1,461	10.78	2.30	1.16	14.03	6.91	41.01	17.45	42.66	74.47	0.46	0.48	0.58	0.22	0.57	
San Francisco CA	2,382	17.58	1.54	2.69	12.79	8.73	45.12	21.12	40.55	67.46	1.06	0.34	0.49	0.48	1.71	
San Jose CA	817	6.03	1.13	0.49	16.54	4.90	47.80	20.07	34.53	74.54	0.26	0.38	0.06	0.10	0.48	
Santa Ana-Anaheim CA	1,436	10.60	1.25	0.14	19.56	9.12	33.56	13.51	45.63	77.23	0.41	0.24	0.45	0.21	0.50	
<b>Limited Review:</b>																
Bakersfield CA	61	0.45	2.10	0.00	23.06	39.34	33.51	32.79	41.33	27.87	0.15	0.00	1.53	0.06	0.04	
El Centro CA	9	0.07	0.00	0.00	23.53	33.33	42.36	22.22	34.11	44.44	0.28	0.00	1.54	0.00	0.23	
Hanford-Corcoran CA	14	0.10	0.00	0.00	22.35	35.71	39.08	28.57	38.57	35.71	0.47	0.00	2.88	0.25	0.26	
Madera CA	7	0.05	0.00	0.00	11.37	14.29	52.17	71.43	36.46	14.29	0.23	0.00	2.04	0.15	0.16	
Merced CA	2	0.01	0.00	0.00	17.13	0.00	50.94	100.00	31.94	0.00	0.07	0.00	0.00	0.16	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Limited Review:</b>																
Modesto CA	12	0.09	1.12	0.00	14.63	8.33	53.88	16.67	30.36	75.00	0.03	0.00	0.23	0.00	0.04	
Oxnard-Ventura CA	222	1.64	1.20	0.00	15.46	3.15	46.06	27.03	37.29	69.82	0.25	0.00	0.15	0.21	0.29	
Redding CA	7	0.05	0.00	0.00	12.78	0.00	70.92	57.14	16.30	42.86	0.06	0.00	0.00	0.09	0.00	
Sacramento CA	173	1.28	3.32	5.20	18.33	8.67	42.14	40.46	36.21	45.66	0.09	0.25	0.12	0.11	0.07	
Salinas CA	87	0.64	0.00	0.00	13.83	6.90	45.09	18.39	41.08	74.71	0.28	0.00	0.00	0.13	0.41	
San Luis Obispo CA	47	0.35	0.00	0.00	10.27	17.02	75.43	61.70	14.31	21.28	0.19	0.00	0.26	0.18	0.19	
Santa Barbara CA	317	2.34	0.97	0.63	17.42	5.68	39.94	13.88	41.68	79.81	0.88	1.54	0.20	0.41	1.36	
Santa Cruz CA	64	0.47	0.00	0.00	20.21	45.31	40.44	29.69	39.35	25.00	0.11	0.00	0.43	0.03	0.09	
Santa Rosa CA	79	0.58	0.00	0.00	9.17	1.27	71.27	86.08	19.56	12.66	0.16	0.00	0.10	0.20	0.05	
Stockton CA	15	0.11	1.80	0.00	19.48	6.67	39.28	33.33	39.43	60.00	0.08	0.00	0.22	0.13	0.04	
Vallejo CA	12	0.09	0.52	0.00	15.69	16.67	50.32	33.33	33.48	50.00	0.04	0.00	0.00	0.00	0.09	
Visalia-Porterville CA	41	0.30	0.00	0.00	22.02	21.95	38.85	43.90	39.13	34.15	0.36	0.00	0.73	0.46	0.25	
Yuba City CA	4	0.03	0.00	0.00	17.49	0.00	52.57	100.00	29.94	0.00	0.05	0.00	0.00	0.10	0.00	
Inyo-Mono-Tuolumne Non-MSA CA	20	0.15	0.00	0.00	7.27	15.00	68.87	20.00	23.86	65.00	0.20	0.00	0.00	0.08	0.44	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans					
<b>Full Review:</b>															
Fresno CA	0	0.00	6.51	0.00	38.38	0.00	39.03	0.00	16.08	0.00	0.00	0.00	0.00	0.00	0.00
Los Angeles CA	276	42.01	12.96	7.61	31.74	30.43	28.34	37.68	26.96	24.28	2.48	1.63	2.62	2.63	2.55
Oakland CA	81	12.33	13.31	23.46	27.95	48.15	45.36	20.99	13.38	7.41	14.95	23.88	15.90	10.46	12.50
Riverside-San Bernardino CA	2	0.30	7.73	50.00	38.68	50.00	37.84	0.00	15.76	0.00	0.00	0.00	0.00	0.00	0.00
San Diego CA	78	11.87	11.77	20.51	32.61	42.31	37.33	30.77	18.29	6.41	4.48	6.02	4.49	3.97	2.94
San Francisco CA	92	14.00	19.98	6.52	23.42	30.43	31.54	47.83	25.05	15.22	9.49	6.25	11.00	12.90	4.64
San Jose CA	30	4.57	6.94	13.33	26.10	50.00	53.65	30.00	13.30	6.67	9.01	8.82	12.00	6.67	8.70
Santa Ana-Anaheim CA	41	6.24	6.27	7.32	41.07	60.98	33.61	21.95	19.05	9.76	3.49	2.94	3.03	5.95	0.00
<b>Limited Review:</b>															
Bakersfield CA	1	0.15	5.58	0.00	33.58	100.00	31.60	0.00	29.24	0.00	0.00	0.00	0.00	0.00	0.00
El Centro CA	0	0.00	0.00	0.00	38.97	0.00	27.45	0.00	33.58	0.00	0.00	0.00	0.00	0.00	0.00
Hanford-Corcoran CA	0	0.00	0.00	0.00	30.00	0.00	38.19	0.00	31.80	0.00	0.00	0.00	0.00	0.00	0.00
Madera CA	0	0.00	0.00	0.00	47.62	0.00	39.87	0.00	12.50	0.00	0.00	0.00	0.00	0.00	0.00
Merced CA	0	0.00	0.00	0.00	39.39	0.00	42.53	0.00	18.09	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY															Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Limited Review:</b>																								
Modesto CA	0	0.00	3.38	0.00	26.24	0.00	49.18	0.00	21.20	0.00	0.00	0.00	0.00	0.00	0.00									
Oxnard-Ventura CA	8	1.22	3.57	0.00	34.60	50.00	47.43	37.50	14.41	12.50	2.78	0.00	4.35	0.00	0.00									
Redding CA	1	0.15	0.00	0.00	44.43	0.00	47.48	100.00	8.09	0.00	14.29	0.00	0.00	16.67	0.00									
Sacramento CA	6	0.91	10.57	33.33	36.09	33.33	35.54	33.33	17.80	0.00	2.26	4.35	3.33	2.94	0.00									
Salinas CA	5	0.76	0.00	0.00	28.29	40.00	58.50	40.00	13.21	20.00	16.67	0.00	40.00	6.67	25.00									
San Luis Obispo CA	8	1.22	0.00	0.00	34.31	25.00	64.12	75.00	1.56	0.00	25.00	0.00	0.00	25.00	0.00									
Santa Barbara CA	3	0.46	12.99	33.33	41.94	33.33	28.08	33.33	16.99	0.00	5.88	0.00	12.50	8.33	0.00									
Santa Cruz CA	5	0.76	0.00	0.00	43.78	80.00	44.77	20.00	11.45	0.00	22.22	0.00	33.33	12.50	0.00									
Santa Rosa CA	13	1.98	0.00	0.00	29.86	15.38	65.54	84.62	4.60	0.00	14.55	0.00	6.25	18.42	0.00									
Stockton CA	2	0.30	22.11	0.00	26.33	100.00	37.30	0.00	14.27	0.00	0.00	0.00	0.00	0.00	0.00									
Vallejo CA	4	0.61	6.21	25.00	35.41	25.00	37.98	50.00	20.40	0.00	22.22	100.00	16.67	20.00	0.00									
Visalia-Porterville CA	1	0.15	0.00	0.00	40.02	0.00	30.92	0.00	29.06	100.00	8.33	0.00	0.00	0.00	25.00									
Yuba City CA	0	0.00	0.00	0.00	49.32	0.00	37.49	0.00	13.19	0.00	0.00	0.00	0.00	0.00	0.00									
Inyo-Mono-Tuolumne Non-MSA CA	0	0.00	0.00	0.00	8.86	0.00	23.52	0.00	67.63	0.00	0.00	0.00	0.00	0.00	0.00									

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans						
<b>Full Review:</b>																
Fresno CA	1,514	3.01	5.85	5.09	25.57	21.33	32.88	30.65	35.57	42.93	4.46	4.48	4.68	4.39	4.91	
Los Angeles CA	13,735	27.32	7.11	6.01	19.83	15.26	26.45	24.54	45.76	54.20	2.31	2.71	2.19	2.26	2.39	
Oakland CA	1,916	3.81	9.49	11.43	15.84	13.73	38.96	32.05	35.58	42.80	1.27	2.50	1.70	1.19	1.12	
Riverside-San Bernardino CA	3,779	7.52	3.19	2.62	26.39	27.44	41.17	40.06	29.18	29.88	2.68	2.87	3.51	2.95	2.25	
San Diego CA	11,048	21.98	4.51	3.36	19.89	20.79	36.99	38.24	38.56	37.61	5.83	5.82	7.76	6.66	4.97	
San Francisco CA	2,219	4.41	13.99	18.75	17.68	21.77	35.59	30.10	32.65	29.38	1.44	2.21	1.82	1.35	1.25	
San Jose CA	1,586	3.15	2.81	4.10	22.84	23.83	43.44	43.44	30.91	28.63	1.26	2.38	1.61	1.30	1.04	
Santa Ana-Anaheim CA	9,081	18.06	2.79	2.73	27.50	24.61	34.30	36.82	34.67	35.83	3.86	4.78	3.93	4.48	3.49	
<b>Limited Review:</b>																
Bakersfield CA	591	1.18	2.51	1.52	26.57	27.07	28.75	18.10	42.16	53.30	2.04	2.48	2.45	1.57	2.36	
El Centro CA	155	0.31	0.00	0.00	33.17	25.81	37.71	47.74	29.12	26.45	3.48	0.00	3.86	4.83	2.89	
Hanford-Corcoran CA	156	0.31	0.00	0.00	36.45	25.00	31.12	41.67	32.28	33.33	5.04	0.00	4.73	6.61	4.71	
Madera CA	142	0.28	0.00	0.00	14.62	25.35	51.99	45.07	33.39	29.58	1.96	0.00	5.63	1.39	2.24	
Merced CA	36	0.07	0.00	0.00	28.13	33.33	46.71	41.67	25.16	25.00	0.68	0.00	1.55	0.46	0.55	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Limited Review:</b>																				
Modesto CA	231	0.46	7.09	12.99	15.40	7.36	50.88	43.72	26.63	35.93	1.37	3.25	0.74	1.23	1.81					
Oxnard-Ventura CA	774	1.54	3.54	1.16	17.20	10.98	49.37	51.16	29.89	36.69	1.60	0.74	0.90	1.85	1.73					
Redding CA	100	0.20	0.00	0.00	23.51	34.00	63.56	56.00	12.94	10.00	0.67	0.00	1.38	0.56	0.50					
Sacramento CA	1,092	2.17	6.39	5.49	20.50	16.85	38.59	45.70	34.52	31.96	0.96	0.93	1.02	1.35	0.76					
Salinas CA	429	0.85	0.00	0.00	19.94	23.08	44.71	40.56	35.35	36.36	2.72	0.00	3.92	3.26	2.58					
San Luis Obispo CA	133	0.26	0.00	0.00	19.70	18.05	66.81	67.67	13.49	14.29	0.80	0.00	0.54	0.96	0.69					
Santa Barbara CA	197	0.39	2.60	4.57	33.53	27.41	33.37	54.31	30.50	13.71	0.82	2.88	0.73	1.56	0.29					
Santa Cruz CA	240	0.48	0.00	0.00	21.51	22.50	46.57	57.50	31.92	20.00	1.20	0.00	1.51	1.75	0.54					
Santa Rosa CA	143	0.28	0.00	0.00	15.10	13.99	69.91	69.93	14.99	16.08	0.79	0.00	1.57	0.81	0.53					
Stockton CA	277	0.55	8.15	13.36	20.80	17.33	36.19	26.35	34.87	42.96	1.36	2.58	1.27	1.24	1.52					
Vallejo CA	80	0.16	2.56	0.00	23.28	25.00	45.46	42.50	28.66	32.50	0.73	0.00	1.13	0.61	0.80					
Visalia-Porterville CA	363	0.72	0.00	0.00	28.67	24.24	34.88	37.74	36.42	38.02	2.69	0.00	2.90	2.93	2.81					
Yuba City CA	60	0.12	0.00	0.00	31.47	30.00	44.27	40.00	24.25	30.00	1.21	0.00	1.77	1.05	1.42					
Inyo-Mono-Tuolumne Non-MSA CA	194	0.39	0.00	0.00	12.42	24.23	68.24	23.20	19.33	52.58	3.71	0.00	14.05	1.57	10.48					

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Fresno CA	97	6.85	1.08	0.00	25.22	23.71	45.25	44.33	28.42	31.96	5.43	0.00	6.19	4.27	8.46	
Los Angeles CA	70	4.94	3.35	4.29	15.16	21.43	31.74	27.14	49.26	47.14	3.52	6.67	5.19	3.51	3.24	
Oakland CA	34	2.40	5.24	2.94	15.62	5.88	38.87	20.59	40.27	70.59	2.75	0.00	16.67	0.00	3.16	
Riverside-San Bernardino CA	71	5.01	1.91	0.00	25.53	23.94	42.16	49.30	30.41	26.76	7.14	0.00	9.52	10.42	4.55	
San Diego CA	220	15.53	3.43	2.27	17.63	22.27	41.30	34.55	37.62	40.91	19.75	0.00	39.29	18.49	21.43	
San Francisco CA	25	1.76	5.89	4.00	14.09	20.00	45.07	44.00	34.95	32.00	4.58	0.00	0.00	8.77	3.39	
San Jose CA	25	1.76	1.82	0.00	29.70	48.00	43.48	28.00	25.00	24.00	3.38	0.00	7.32	1.79	2.63	
Santa Ana-Anaheim CA	86	6.07	2.73	3.49	27.03	29.07	33.23	30.23	36.86	37.21	12.64	0.00	10.53	10.91	17.33	
<b>Limited Review:</b>																
Bakersfield CA	43	3.03	1.49	2.33	33.24	34.88	34.12	37.21	31.15	25.58	3.91	0.00	4.17	7.35	2.38	
El Centro CA	16	1.13	0.00	0.00	16.29	0.00	47.10	43.75	36.61	56.25	3.30	0.00	0.00	2.44	5.71	
Hanford-Corcoran CA	36	2.54	0.00	0.00	17.17	5.56	63.22	83.33	19.45	11.11	6.40	0.00	8.33	8.75	0.00	
Madera CA	39	2.75	0.00	0.00	1.95	0.00	81.06	84.62	16.99	15.38	7.14	0.00	0.00	7.69	9.09	
Merced CA	59	4.16	0.00	0.00	13.31	6.78	73.90	76.27	12.79	16.95	7.67	0.00	5.56	8.30	6.67	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Limited Review:</b>																
Modesto CA	160	11.29	1.24	1.88	12.58	12.50	63.65	62.50	22.53	23.13	13.55	12.50	15.56	14.23	13.41	
Oxnard-Ventura CA	24	1.69	3.81	4.17	21.94	16.67	54.33	62.50	19.91	16.67	5.70	33.33	16.67	4.88	2.56	
Redding CA	11	0.78	0.00	0.00	14.50	9.09	71.56	81.82	13.93	9.09	5.41	0.00	0.00	7.14	0.00	
Sacramento CA	50	3.53	3.11	8.00	17.77	18.00	47.69	44.00	31.44	30.00	2.59	40.00	3.28	1.88	2.56	
Salinas CA	18	1.27	0.00	0.00	18.07	5.56	51.71	77.78	30.21	16.67	4.22	0.00	0.00	7.46	5.71	
San Luis Obispo CA	7	0.49	0.00	0.00	11.43	0.00	74.11	71.43	14.46	28.57	1.21	0.00	0.00	1.71	0.00	
Santa Barbara CA	17	1.20	1.95	0.00	21.63	11.76	33.15	52.94	43.27	35.29	2.80	0.00	0.00	2.17	5.77	
Santa Cruz CA	24	1.69	0.00	0.00	22.07	58.33	41.13	33.33	36.79	8.33	7.14	0.00	17.39	3.33	5.26	
Santa Rosa CA	6	0.42	0.00	0.00	5.34	0.00	81.63	100.00	13.03	0.00	1.77	0.00	0.00	2.34	0.00	
Stockton CA	132	9.32	1.19	0.00	9.76	3.03	53.05	50.76	36.01	46.21	9.56	0.00	3.70	9.57	11.24	
Vallejo CA	5	0.35	0.75	0.00	12.41	0.00	56.80	100.00	30.04	0.00	1.82	0.00	0.00	2.63	0.00	
Visalia-Porterville CA	65	4.59	0.00	0.00	24.36	23.08	43.26	50.77	32.38	26.15	4.84	0.00	1.92	7.95	3.79	
Yuba City CA	67	4.73	0.00	0.00	6.30	0.00	62.98	44.78	30.72	55.22	12.77	0.00	0.00	8.74	21.43	
Inyo-Mono-Tuolumne Non-MSA CA	10	0.71	0.00	0.00	9.56	0.00	73.71	50.00	16.73	50.00	10.00	0.00	0.00	5.88	40.00	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Fresno CA	40	0.76	22.80	12.50	17.05	20.00	18.53	12.50	41.63	55.00	0.07	0.12	0.04	0.06	0.08	
Los Angeles CA	1,927	36.38	23.87	1.66	16.49	6.45	17.40	4.06	42.24	87.83	0.69	0.08	0.13	0.05	1.18	
Oakland CA	245	4.63	20.97	2.88	17.47	11.93	21.18	3.29	40.38	81.89	0.19	0.03	0.13	0.00	0.36	
Riverside-San Bernardino CA	297	5.61	21.73	6.76	17.48	12.50	20.23	8.78	40.56	71.96	0.12	0.13	0.06	0.05	0.21	
San Diego CA	517	9.76	21.02	4.47	17.91	13.23	20.09	3.89	40.98	78.40	0.36	0.57	0.35	0.03	0.54	
San Francisco CA	706	13.33	21.33	1.29	17.59	3.87	19.98	5.44	41.11	89.40	1.45	0.52	0.21	0.27	2.18	
San Jose CA	360	6.80	20.54	1.95	18.11	9.75	21.70	10.03	39.66	78.27	0.61	0.36	0.42	0.25	0.93	
Santa Ana-Anaheim CA	502	9.48	20.69	1.40	17.97	9.80	20.68	5.40	40.65	83.40	0.53	0.28	0.38	0.06	0.89	
<b>Limited Review:</b>																
Bakersfield CA	43	0.81	23.46	9.52	16.67	30.95	18.13	23.81	41.75	35.71	0.09	0.00	0.11	0.12	0.08	
El Centro CA	4	0.08	23.24	0.00	17.60	50.00	17.11	25.00	42.05	25.00	0.04	0.00	0.19	0.00	0.00	
Hanford-Corcoran CA	9	0.17	20.55	11.11	18.31	33.33	19.92	22.22	41.22	33.33	0.37	0.89	0.53	0.00	0.47	
Madera CA	9	0.17	22.09	11.11	16.65	11.11	21.11	22.22	40.14	55.56	0.11	0.00	0.00	0.00	0.31	
Merced CA	5	0.09	20.72	20.00	18.32	40.00	19.88	0.00	41.08	40.00	0.08	0.25	0.10	0.00	0.08	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.6% of loans originated and purchased by bank.

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Limited Review:</b>																
Modesto CA	5	0.09	21.74	20.00	17.27	0.00	20.71	0.00	40.28	80.00	0.00	0.00	0.00	0.00	0.00	
Oxnard-Ventura CA	77	1.45	19.55	5.19	18.43	6.49	22.09	6.49	39.92	81.82	0.18	0.21	0.05	0.04	0.34	
Redding CA	0	0.00	20.36	0.00	18.02	0.00	21.24	0.00	40.38	0.00	0.00	0.00	0.00	0.00	0.00	
Sacramento CA	287	5.42	20.59	52.80	18.32	29.37	21.00	4.55	40.09	13.29	0.44	2.03	0.61	0.02	0.09	
Salinas CA	39	0.74	19.70	7.69	18.38	12.82	21.52	5.13	40.40	74.36	0.24	0.00	0.10	0.08	0.46	
San Luis Obispo CA	24	0.45	18.57	0.00	18.88	4.17	22.65	16.67	39.90	79.17	0.09	0.00	0.00	0.00	0.17	
Santa Barbara CA	74	1.40	20.00	4.11	18.61	0.00	20.45	0.00	40.95	95.89	0.42	0.00	0.00	0.00	0.84	
Santa Cruz CA	28	0.53	19.96	7.14	17.98	10.71	21.23	7.14	40.83	75.00	0.17	0.00	0.47	0.00	0.16	
Santa Rosa CA	25	0.47	17.73	0.00	18.87	5.26	24.32	15.79	39.08	78.95	0.07	0.00	0.00	0.06	0.12	
Stockton CA	15	0.28	22.77	26.67	16.48	13.33	19.80	6.67	40.95	53.33	0.01	0.00	0.00	0.00	0.02	
Vallejo CA	20	0.38	19.26	10.00	18.51	30.00	23.45	5.00	38.79	55.00	0.04	0.12	0.05	0.00	0.04	
Visalia-Porterville CA	26	0.49	22.23	11.54	17.27	19.23	19.30	15.38	41.20	53.85	0.13	0.48	0.08	0.00	0.19	
Yuba City CA	4	0.08	20.84	0.00	18.18	25.00	20.53	75.00	40.46	0.00	0.11	0.00	0.00	0.37	0.00	
Inyo-Mono-Tuolumne Non-MSA CA	9	0.17	17.46	0.00	17.52	0.00	21.14	11.11	43.87	88.89	0.20	0.00	0.00	0.00	0.31	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.6% of loans originated and purchased by bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families**	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Fresno CA	1	0.25	22.80	0.00	17.05	0.00	18.53	0.00	41.63	100.00	0.00	0.00	0.00	0.00	0.00	
Los Angeles CA	104	26.13	23.87	5.83	16.49	16.50	17.40	8.74	42.24	68.93	0.46	1.13	0.50	0.09	0.53	
Oakland CA	20	5.03	20.97	5.26	17.47	10.53	21.18	5.26	40.38	78.95	0.20	0.00	0.00	0.00	0.39	
Riverside-San Bernardino CA	15	3.77	21.73	20.00	17.48	33.33	20.23	13.33	40.56	33.33	0.23	0.00	0.66	0.44	0.00	
San Diego CA	59	14.82	21.02	28.81	17.91	32.20	20.09	5.08	40.98	33.90	1.10	8.33	2.44	0.00	0.50	
San Francisco CA	57	14.32	21.33	1.79	17.59	7.14	19.98	10.71	41.11	80.36	1.18	0.00	0.35	0.00	2.26	
San Jose CA	25	6.28	20.54	24.00	18.11	16.00	21.70	12.00	39.66	48.00	0.35	0.00	0.90	0.00	0.42	
Santa Ana-Anaheim CA	59	14.82	20.69	3.39	17.97	20.34	20.68	22.03	40.65	54.24	0.64	0.00	1.09	0.61	0.59	
<b>Limited Review:</b>																
Bakersfield CA	9	2.26	23.46	11.11	16.67	33.33	18.13	22.22	41.75	33.33	0.42	0.00	0.00	0.00	0.79	
El Centro CA	0	0.00	23.24	0.00	17.60	0.00	17.11	0.00	42.05	0.00	0.00	0.00	0.00	0.00	0.00	
Hanford-Corcoran CA	2	0.50	20.55	0.00	18.31	50.00	19.92	50.00	41.22	0.00	0.00	0.00	0.00	0.00	0.00	
Madera CA	0	0.00	22.09	0.00	16.65	0.00	21.11	0.00	40.14	0.00	0.00	0.00	0.00	0.00	0.00	
Merced CA	0	0.00	20.72	0.00	18.32	0.00	19.88	0.00	41.08	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 1.0% of loans originated and purchased by bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Limited Review:</b>																
Modesto CA	3	0.75	21.74	0.00	17.27	33.33	20.71	0.00	40.28	66.67	0.67	0.00	5.00	0.00	0.00	
Oxnard-Ventura CA	6	1.51	19.55	33.33	18.43	16.67	22.09	0.00	39.92	50.00	0.47	4.76	0.00	0.00	0.34	
Redding CA	1	0.25	20.36	0.00	18.02	100.00	21.24	0.00	40.38	0.00	0.00	0.00	0.00	0.00	0.00	
Sacramento CA	9	2.26	20.59	11.11	18.32	33.33	21.00	11.11	40.09	44.44	0.12	0.00	0.35	0.00	0.12	
Salinas CA	4	1.01	19.70	0.00	18.38	0.00	21.52	50.00	40.40	50.00	0.72	0.00	0.00	4.35	0.00	
San Luis Obispo CA	2	0.50	18.57	0.00	18.88	0.00	22.65	50.00	39.90	50.00	0.00	0.00	0.00	0.00	0.00	
Santa Barbara CA	6	1.51	20.00	16.67	18.61	16.67	20.45	0.00	40.95	66.67	0.79	0.00	0.00	0.00	1.35	
Santa Cruz CA	5	1.26	19.96	0.00	17.98	40.00	21.23	20.00	40.83	40.00	0.52	0.00	0.00	0.00	1.05	
Santa Rosa CA	6	1.51	17.73	0.00	18.87	0.00	24.32	0.00	39.08	100.00	0.25	0.00	0.00	0.00	0.54	
Stockton CA	2	0.50	22.77	0.00	16.48	100.00	19.80	0.00	40.95	0.00	0.00	0.00	0.00	0.00	0.00	
Vallejo CA	0	0.00	19.26	0.00	18.51	0.00	23.45	0.00	38.79	0.00	0.00	0.00	0.00	0.00	0.00	
Visalia-Porterville CA	1	0.25	22.23	0.00	17.27	0.00	19.30	100.00	41.20	0.00	0.00	0.00	0.00	0.00	0.00	
Yuba City CA	0	0.00	20.84	0.00	18.18	0.00	20.53	0.00	40.46	0.00	0.00	0.00	0.00	0.00	0.00	
Inyo-Mono-Tuolumne Non-MSA CA	2	0.50	17.46	0.00	17.52	0.00	21.14	100.00	43.87	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 1.0% of loans originated and purchased by bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Fresno CA	84	0.62	22.80	23.81	17.05	30.95	18.53	16.67	41.63	28.57	0.37	3.94	1.73	0.34	0.07	
Los Angeles CA	5,028	37.10	23.87	2.88	16.49	10.11	17.40	4.60	42.24	82.41	0.78	0.51	0.70	0.13	0.94	
Oakland CA	772	5.70	20.97	1.43	17.47	6.77	21.18	5.08	40.38	86.72	0.28	0.06	0.22	0.03	0.38	
Riverside-San Bernardino CA	379	2.80	21.73	8.52	17.48	15.38	20.23	7.69	40.56	68.41	0.21	0.54	0.26	0.07	0.23	
San Diego CA	1,461	10.78	21.02	5.91	17.91	11.20	20.09	6.32	40.98	76.58	0.55	0.94	0.65	0.12	0.64	
San Francisco CA	2,382	17.58	21.33	1.90	17.59	5.57	19.98	5.99	41.11	86.54	1.19	0.15	0.12	0.20	1.74	
San Jose CA	817	6.03	20.54	1.85	18.11	7.38	21.70	4.92	39.66	85.85	0.29	0.19	0.09	0.05	0.42	
Santa Ana-Anaheim CA	1,436	10.60	20.69	4.40	17.97	10.61	20.68	6.08	40.65	78.91	0.48	0.81	0.59	0.09	0.60	
<b>Limited Review:</b>																
Bakersfield CA	61	0.45	23.46	13.11	16.67	39.34	18.13	19.67	41.75	27.87	0.21	0.69	0.77	0.55	0.03	
El Centro CA	9	0.07	23.24	11.11	17.60	22.22	17.11	22.22	42.05	44.44	0.40	0.00	1.96	1.43	0.00	
Hanford-Corcoran CA	14	0.10	20.55	7.14	18.31	35.71	19.92	28.57	41.22	28.57	0.62	0.00	1.65	0.58	0.48	
Madera CA	7	0.05	22.09	14.29	16.65	42.86	21.11	42.86	40.14	0.00	0.30	2.13	0.88	0.46	0.00	
Merced CA	2	0.01	20.72	0.00	18.32	100.00	19.88	0.00	41.08	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.4% of loans originated and purchased by bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Limited Review:</b>																
Modesto CA	12	0.09	21.74	16.67	17.27	33.33	20.71	0.00	40.28	50.00	0.05	0.37	0.17	0.00	0.00	
Oxnard-Ventura CA	222	1.64	19.55	4.52	18.43	14.48	22.09	4.52	39.92	76.47	0.29	0.27	0.58	0.03	0.34	
Redding CA	7	0.05	20.36	0.00	18.02	57.14	21.24	14.29	40.38	28.57	0.07	0.00	0.27	0.00	0.06	
Sacramento CA	173	1.28	20.59	14.45	18.32	23.70	21.00	6.94	40.09	54.91	0.11	0.76	0.23	0.02	0.07	
Salinas CA	87	0.64	19.70	5.75	18.38	17.24	21.52	4.60	40.40	72.41	0.34	0.53	0.26	0.13	0.39	
San Luis Obispo CA	47	0.35	18.57	2.13	18.88	21.28	22.65	6.38	39.90	70.21	0.22	0.31	0.57	0.00	0.24	
Santa Barbara CA	317	2.34	20.00	0.95	18.61	5.68	20.45	4.10	40.95	89.27	1.06	0.72	0.80	0.07	1.39	
Santa Cruz CA	64	0.47	19.96	9.38	17.98	25.00	21.23	32.81	40.83	32.81	0.13	0.30	0.25	0.13	0.10	
Santa Rosa CA	79	0.58	17.73	0.00	18.87	6.41	24.32	3.85	39.08	89.74	0.19	0.00	0.10	0.03	0.31	
Stockton CA	15	0.11	22.77	6.67	16.48	26.67	19.80	6.67	40.95	60.00	0.11	0.36	0.38	0.00	0.06	
Vallejo CA	12	0.09	19.26	8.33	18.51	50.00	23.45	16.67	38.79	25.00	0.06	0.00	0.11	0.00	0.08	
Visalia-Porterville CA	41	0.30	22.23	4.88	17.27	29.27	19.30	19.51	41.20	46.34	0.47	1.71	0.91	0.21	0.38	
Yuba City CA	4	0.03	20.84	0.00	18.18	50.00	20.53	25.00	40.46	25.00	0.07	0.00	0.51	0.00	0.00	
Inyo-Mono-Tuolumne Non-MSA CA	20	0.15	17.46	0.00	17.52	15.00	21.14	5.00	43.87	80.00	0.24	0.00	0.00	0.00	0.34	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.4% of loans originated and purchased by bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: CALIFORNIA			Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Fresno CA	1,514	3.00	76.49	58.92	86.53	9.97	3.50	4.46	6.19
Los Angeles CA	13,901	27.50	77.84	52.48	87.86	6.99	5.15	2.31	3.17
Oakland CA	1,916	3.79	78.86	52.51	76.41	12.63	10.96	1.27	1.40
Riverside-San Bernardino CA	3,779	7.48	79.25	53.93	89.31	7.04	3.65	2.68	3.29
San Diego CA	11,048	21.86	77.87	53.68	88.35	7.61	4.04	5.83	7.05
San Francisco CA	2,222	4.40	77.83	50.32	74.57	13.14	12.29	1.44	1.47
San Jose CA	1,586	3.14	77.64	54.35	78.75	12.55	8.70	1.26	1.57
Santa Ana-Anaheim CA	9,191	18.18	78.12	52.94	87.68	8.14	4.18	3.86	4.67
<b>Limited Review:</b>									
Bakersfield CA	591	1.17	78.60	58.54	88.32	9.31	2.37	2.04	2.99
El Centro CA	155	0.31	70.74	49.03	80.65	7.74	11.61	3.48	4.11
Hanford-Corcoran CA	156	0.31	74.97	60.26	95.51	3.21	1.28	5.04	6.22
Madera CA	142	0.28	80.17	53.52	98.59	1.41	0.00	1.96	3.09
Merced CA	36	0.07	76.18	61.11	91.67	2.78	5.56	0.68	0.98

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2010).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 20.21% of small loans to businesses originated and purchased by the bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES									
Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Limited Review:</b>									
Modesto CA	231	0.46	78.64	56.71	70.56	17.75	11.69	1.37	1.79
Oxnard-Ventura CA	774	1.53	79.71	54.65	90.05	6.07	3.88	1.60	1.99
Redding CA	100	0.20	80.34	72.00	91.00	7.00	2.00	0.67	1.10
Sacramento CA	1,092	2.16	76.43	56.87	80.77	10.90	8.33	0.96	1.04
Salinas CA	429	0.85	77.69	63.17	94.87	3.03	2.10	2.72	3.95
San Luis Obispo CA	133	0.26	81.83	61.65	90.98	7.52	1.50	0.80	1.06
Santa Barbara CA	197	0.39	78.14	57.87	91.37	4.57	4.06	0.82	0.99
Santa Cruz CA	240	0.47	82.80	59.58	82.08	12.50	5.42	1.20	1.56
Santa Rosa CA	143	0.28	80.62	58.04	61.54	15.38	23.08	0.79	0.93
Stockton CA	277	0.55	76.89	61.01	85.92	6.50	7.58	1.36	1.90
Vallejo CA	80	0.16	80.55	67.50	87.50	5.00	7.50	0.73	1.00
Visalia-Porterville CA	363	0.72	77.18	63.36	93.11	5.51	1.38	2.69	4.20
Yuba City CA	60	0.12	78.10	56.67	90.00	6.67	3.33	1.21	1.12
Inyo-Mono-Tuolumne Non-MSA CA	194	0.38	78.40	60.82	89.69	9.79	0.52	3.71	4.28

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2010).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 20.21% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: CALIFORNIA			Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Fresno CA	97	6.84	88.91	52.58	82.47	12.37	5.15	5.43	3.79
Los Angeles CA	70	4.94	93.77	52.86	92.86	7.14	0.00	3.52	3.38
Oakland CA	34	2.40	93.50	44.12	70.59	20.59	8.82	2.75	0.77
Riverside-San Bernardino CA	71	5.01	91.93	49.30	90.14	8.45	1.41	7.14	6.62
San Diego CA	220	15.51	93.17	61.36	98.18	1.82	0.00	19.75	18.48
San Francisco CA	25	1.76	93.37	60.00	76.00	20.00	4.00	4.58	1.03
San Jose CA	25	1.76	91.76	60.00	72.00	16.00	12.00	3.38	3.16
Santa Ana-Anaheim CA	87	6.14	91.60	48.28	82.76	16.09	1.15	12.64	14.68
<b>Limited Review:</b>									
Bakersfield CA	43	3.03	87.01	51.16	86.05	9.30	4.65	3.91	3.23
El Centro CA	16	1.13	81.03	31.25	81.25	18.75	0.00	3.30	0.00
Hanford-Corcoran CA	36	2.54	88.15	33.33	47.22	22.22	30.56	6.40	4.62
Madera CA	39	2.75	89.83	43.59	71.79	5.13	23.08	7.14	3.92
Merced CA	59	4.16	90.59	47.46	49.15	23.73	27.12	7.67	8.72

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2010).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 13.47% of small loans to farms originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: CALIFORNIA			Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Limited Review:</b>									
Modesto CA	160	11.28	92.34	60.00	33.13	40.00	26.88	13.55	16.10
Oxnard-Ventura CA	24	1.69	88.32	50.00	91.67	8.33	0.00	5.70	4.76
Redding CA	11	0.78	95.04	54.55	63.64	27.27	9.09	5.41	8.70
Sacramento CA	50	3.53	93.87	62.00	46.00	30.00	24.00	2.59	2.43
Salinas CA	18	1.27	80.54	44.44	72.22	27.78	0.00	4.22	2.60
San Luis Obispo CA	7	0.49	95.41	14.29	57.14	42.86	0.00	1.21	0.00
Santa Barbara CA	17	1.20	89.73	52.94	82.35	17.65	0.00	2.80	1.27
Santa Cruz CA	24	1.69	91.07	37.50	62.50	12.50	25.00	7.14	2.56
Santa Rosa CA	6	0.42	93.23	83.33	83.33	16.67	0.00	1.77	3.17
Stockton CA	132	9.31	90.69	71.21	37.12	32.58	30.30	9.56	12.30
Vallejo CA	5	0.35	95.22	100.00	20.00	0.00	80.00	1.82	3.13
Visalia-Porterville CA	65	4.58	87.30	58.46	86.15	12.31	1.54	4.84	4.72
Yuba City CA	67	4.72	92.27	80.60	37.31	35.82	26.87	12.77	13.85
Inyo-Mono-Tuolumne Non-MSA CA	10	0.71	95.62	90.00	80.00	20.00	0.00	10.00	16.67

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2010).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 13.47% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: CALIFORNIA									
Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011									
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Fresno CA	3	914	66	460	69	1,374	0.19	0	0
Los Angeles CA	137	28,545	679	152,002	816	180,547	25.09	17	732
Oakland CA	23	29,999	230	55,673	253	85,672	11.91	2	96
Riverside-San Bernardino CA	43	37,497	103	28,523	146	66,020	9.18	6	431
San Diego CA	34	5,215	388	35,576	422	40,792	5.67	0	0
San Francisco CA	26	11,966	446	81,442	472	93,408	12.98	2	138
San Jose CA	17	5,271	71	5,699	88	10,969	1.52	0	0
Santa Ana-Anaheim CA	76	16,281	121	49,524	197	65,805	9.15	4	208
<b>Limited Review:</b>									
Bakersfield CA	2	2,321	18	10,895	20	13,216	1.84	1	6
El Centro CA	1	3	11	34	12	38	0.01	0	0
Hanford-Corcoran CA	1	666	5	11	6	677	0.09	0	0
Madera CA	0	0	4	15	4	15	0.00	0	0
Merced CA	0	0	3	18	3	18	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: CALIFORNIA									
Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011									
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Limited Review:</b>									
Modesto CA	0	0	12	43	12	43	0.01	0	0
Oxnard-Ventura CA	4	3,213	29	25,504	33	28,717	3.99	2	1,978
Redding CA	1	338	7	275	8	613	0.09	0	0
Sacramento CA	25	12,964	89	27,185	114	40,149	5.58	0	0
Salinas CA	4	1,479	18	11,464	22	12,944	1.80	0	0
San Luis Obispo CA	1	2,947	10	357	11	3,304	0.46	0	0
Santa Barbara CA	1	146	37	858	38	1,004	0.14	2	400
Santa Cruz CA	1	178	13	18,796	14	18,974	2.64	0	0
Santa Rosa CA	4	11,797	10	375	14	12,172	1.69	0	0
Stockton CA	5	2,081	13	11,034	18	13,115	1.82	0	0
Vallejo CA	4	11,525	10	2,196	14	13,721	1.91	0	0
Visalia-Porterville CA	2	8,587	12	286	14	8,873	1.23	0	0
Yuba City CA	1	5,793	6	1,517	7	7,310	1.02	0	0
Inyo-Mono-Tuolumne Non-MSA CA	0	0	16	36	16	36	0.00	0	0

\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Fresno CA	1.41	15	4.34	6.67	33.33	20.00	40.00	1	1	0	0	1	-1	4.73	32.88	35.66	26.63
Los Angeles CA	38.75	74	21.39	8.11	17.57	20.27	54.05	5	1	0	1	2	1	8.00	29.44	30.88	31.58
Oakland CA	5.15	17	4.91	23.53	17.65	17.65	41.18	0	0	0	0	0	0	8.54	20.25	41.14	30.04
Riverside-San Bernardino CA	5.28	31	8.96	9.68	35.48	35.48	19.35	0	2	-1	-1	0	0	3.53	28.54	41.16	26.73
San Diego CA	17.24	59	17.05	11.86	22.03	32.20	33.90	0	1	0	0	0	-1	7.78	24.46	37.46	30.01
San Francisco CA	8.45	23	6.65	21.74	8.70	26.09	43.48	3	0	0	1	0	2	7.21	21.80	42.21	28.77
San Jose CA	4.15	16	4.62	12.50	31.25	37.50	18.75	3	0	1	1	0	1	3.90	24.42	46.97	24.71
Santa Ana-Anaheim CA	11.03	44	12.72	0.00	18.18	34.09	47.73	4	0	0	0	0	4	4.95	30.96	31.84	32.26
<b>Limited Review:</b>																	
Bakersfield CA	1.21	9	2.60	0.00	22.22	11.11	66.67	0	0	0	0	0	0	4.40	32.14	31.74	30.06
El Centro CA	0.77	3	0.87	0.00	33.33	33.33	33.33	0	0	0	0	0	0	0.00	25.50	47.45	27.05
Hanford-Corcoran CA	0.21	2	0.58	0.00	50.00	0.00	50.00	0	0	0	0	0	0	0.00	35.42	35.84	23.81
Madera CA	0.12	2	0.58	0.00	50.00	50.00	0.00	0	0	0	0	0	0	0.00	21.87	54.77	23.36
Merced CA	0.02	1	0.29	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	26.44	50.04	23.52

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Limited Review:</b>																	
Modesto CA	0.28	2	0.58	0.00	50.00	0.00	50.00	0	2	0	0	-2	0	2.66	21.22	52.77	23.35
Oxnard-Ventura CA	0.84	6	1.73	16.67	16.67	33.33	33.33	0	0	0	0	0	0	3.86	23.98	44.41	27.75
Redding CA	0.10	1	0.29	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	18.51	66.24	15.25
Sacramento CA	1.43	10	2.89	0.00	30.00	40.00	30.00	0	0	0	0	0	0	6.61	25.18	38.80	29.41
Salinas CA	0.53	5	1.45	0.00	20.00	0.00	80.00	0	1	0	0	-1	0	0.00	26.32	48.43	25.25
San Luis Obispo CA	0.29	2	0.58	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	16.72	69.48	13.79
Santa Barbara CA	0.37	3	0.87	0.00	33.33	66.67	0.00	0	0	0	0	0	0	6.08	31.57	33.18	29.18
Santa Cruz CA	0.42	3	0.87	33.33	0.00	66.67	0.00	0	0	0	0	0	0	0.00	31.25	39.43	29.32
Santa Rosa CA	0.22	1	0.29	0.00	0.00	0.00	100.00	1	1	0	0	0	0	0.00	14.38	69.79	15.83
Stockton CA	0.45	6	1.73	16.67	33.33	33.33	16.67	0	1	0	0	-1	0	5.88	25.65	38.34	30.13
Vallejo CA	0.11	1	0.29	0.00	0.00	0.00	100.00	0	0	0	0	0	0	1.55	22.77	47.80	27.02
Visalia-Porterville CA	0.54	6	1.73	0.00	16.67	0.00	83.33	0	0	0	0	0	0	0.00	32.31	38.64	28.80
Yuba City CA	0.23	1	0.29	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	25.62	51.20	23.18
Inyo-Mono-Tuolumne Non-MSA CA	0.38	3	0.87	0.00	0.00	66.67	33.33	0	0	0	0	0	0	0.00	8.96	68.06	22.98

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: NEW YORK												
Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012												
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
New York (Partial)	100.00	0	0	6	1,057	0	0	1	10,000	7	1,157	100.00

\* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from April 01, 2009 to March 31, 2012.

\*\*\* Deposit Data as of June 30, 2011 (Allocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: NEW YORK				Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
New York (Partial)	0	0.00	2.58	0.00	13.53	0.00	28.16	0.00	55.73	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: NEW YORK				Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
New York (Partial)	0	0.00	2.58	0.00	13.53	0.00	28.16	0.00	55.73	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: NEW YORK				Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
New York (Partial)	0	0.00	2.58	0.00	13.53	0.00	28.16	0.00	55.73	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY															
Geography: NEW YORK															
Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012															
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
New York (Partial)	0	0.00	19.20	0.00	29.91	0.00	19.70	0.00	31.19	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: NEW YORK				Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Business S***	% BANK Loans	% of Business S***	% BANK Loans	% of Business S***	% BANK Loans	% of Business S***	% BANK Loans						
<b>Full Review:</b>																
New York (Partial)	6	100.00	7.62	0.00	18.81	0.00	20.67	16.67	51.79	83.33	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: NEW YORK					Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
New York (Partial)	0	0.00	3.27	0.00	8.92	0.00	17.96	0.00	69.66	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: NEW YORK					Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012									
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
New York (Partial-Commercial Only)	0	0.00	27.89	0.00	15.69	0.00	16.62	0.00	39.79	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: NEW YORK				Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012					Market Share*				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****					
<b>Full Review:</b>															
New York (Partial)	0	0.00	27.89	0.00	15.69	0.00	16.62	0.00	39.79	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: NEW YORK				Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families** *	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
New York (Partial)	0	0.00	27.89	0.00	15.69	0.00	16.62	0.00	39.79	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: NEW YORK			Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
New York (Partial)	6	100.00	75.69	50.00	83.33	0.00	16.67	0.00	0.00

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2010).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 33.33% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: NEW YORK			Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
New York (Partial)	0	0.00	95.38	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2010).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
		Geography: NEW YORK				Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
New York (Partial)	7	442	0	0	7	442	100	0	0

\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: NEW YORK				Evaluation Period: JUNE 30, 2011 TO MARCH 31, 2012									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
New York (Partial-Commercial Only)	100.00	1	100.00	0.00	0.00	0.00	100.00	1	0	0	0	0	1	14.72	27.97	25.49	31.64

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: OREGON												
Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011												
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Portland OR (Partial)	79.58	112	83,010	239	76,857	2	114	29	4,266	382	164,247	78.11
<b>Limited Review:</b>												
Salem OR	20.42	13	8,589	53	11,791	0	0	32	2,116	98	22,496	21.89

\* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from April 01, 2009 to March 31, 2012.

\*\*\* Deposit Data as of June 30, 2011(Allocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: OREGON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011						Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Portland OR (Partial)	25	89.29	0.40	0.00	15.79	16.00	53.99	28.00	29.82	56.00	0.04	0.00	0.02	0.03	0.08	
<b>Limited Review:</b>																
Salem OR	3	10.71	0.09	0.00	14.36	33.33	59.70	33.33	25.85	33.33	0.07	0.00	0.19	0.04	0.08	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: OREGON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Portland OR (Partial)	7	100.00	0.40	0.00	15.79	0.00	53.99	42.86	29.82	57.14	0.14	0.00	0.00	0.28	0.00
<b>Limited Review:</b>															
Salem OR	0	0.00	0.09	0.00	14.36	0.00	59.70	0.00	25.85	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: OREGON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
<b>Full Review:</b>																
Portland OR (Partial)	48	94.12	0.40	0.00	15.79	18.75	53.99	12.50	29.82	68.75	0.02	0.00	0.01	0.00	0.03	
<b>Limited Review:</b>																
Salem OR	3	5.88	0.09	0.00	14.36	0.00	59.70	66.67	25.85	33.33	0.01	0.00	0.00	0.00	0.03	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: OREGON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011						Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****						
<b>Full Review:</b>																
Portland OR (Partial)	32	82.05	2.45	3.13	34.64	40.63	42.41	50.00	20.50	6.25	3.66	0.00	2.27	6.58	0.00	
<b>Limited Review:</b>																
Salem OR	7	17.95	0.46	0.00	40.27	85.71	41.61	14.29	17.66	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: OREGON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans						
<b>Full Review:</b>																
Portland OR (Partial)	239	81.85	3.59	11.72	20.46	20.08	47.20	35.15	28.75	33.05	0.40	0.83	0.46	0.32	0.49	
<b>Limited Review:</b>																
Salem OR	53	18.15	0.27	0.00	22.09	26.42	57.30	43.40	20.34	30.19	0.97	0.00	1.42	0.85	1.26	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: OREGON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Portland OR (Partial)	2	100.00	1.01	0.00	10.08	0.00	64.60	100.00	24.31	0.00	0.28	0.00	0.00	0.44	0.00	
<b>Limited Review:</b>																
Salem OR	0	0.00	0.10	0.00	7.82	0.00	73.51	0.00	18.56	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: OREGON					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Portland OR (Partial)	25	89.29	18.25	5.00	19.08	0.00	23.20	10.00	39.48	85.00	0.03	0.00	0.00	0.00	0.07	
<b>Limited Review:</b>																
Salem OR	3	10.71	18.49	0.00	18.97	0.00	23.62	0.00	38.92	100.00	0.03	0.00	0.00	0.00	0.08	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 25.0% of loans originated and purchased by bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: OREGON					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Portland OR (Partial)	7	100.00	18.25	0.00	19.08	0.00	23.20	0.00	39.48	100.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Salem OR	0	0.00	18.49	0.00	18.97	0.00	23.62	0.00	38.92	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 28.6% of loans originated and purchased by bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: OREGON					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans	% Families***	% BANK Loans	% Families***	% BANK Loans	% Families***	% BANK Loans						
<b>Full Review:</b>																
Portland OR (Partial)	48	94.12	18.25	0.00	19.08	2.13	23.20	2.13	39.48	95.74	0.02	0.00	0.01	0.00	0.03	
<b>Limited Review:</b>																
Salem OR	3	5.88	18.49	33.33	18.97	33.33	23.62	0.00	38.92	33.33	0.01	0.00	0.08	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: OREGON			Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Portland OR (Partial)	239	81.85	78.83	28.87	33.89	24.27	41.84	0.40	0.20
<b>Limited Review:</b>									
Salem OR	53	18.15	78.47	32.08	47.17	24.53	28.30	0.97	0.56

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2010).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 40.41% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: OREGON			Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Portland OR (Partial)	2	100.00	94.79	0.00	50.00	50.00	0.00	0.28	0.00
<b>Limited Review:</b>									
Salem OR	0	0.00	92.70	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2010).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 100.0% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
			Geography: OREGON		Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Portland OR (Partial)	2	279	18	7,725	20	8,004	99.82	1	6
<b>Limited Review:</b>									
Salem OR	0	0	4	14	4	14	0.18	0	0

\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: OREGON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Portland OR (Partial)	78.11	3	75.00	33.33	33.33	0.00	33.33	0	0	0	0	0	0	0.94	21.66	52.07	25.34
<b>Limited Review:</b>																	
Salem OR	21.89	1	25.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.98	21.38	56.75	20.89

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: TEXAS												
Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011												
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Dallas TX (Commercial Only)	100.00	0	0	5	1,953	0	0	1	20,000	6	21,953	100.00

\* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from April 01, 2009 to March 31, 2012.

\*\*\* Deposit Data as of June 30, 2011(Allocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: TEXAS				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Dallas TX (Commercial Only)	0	0.00	2.57	0.00	20.21	0.00	36.31	0.00	40.91	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: TEXAS				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Dallas TX (Commercial Only)	0	0.00	2.57	0.00	20.21	0.00	36.31	0.00	40.91	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: TEXAS				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Dallas TX (Commercial Only)	0	0.00	2.57	0.00	20.21	0.00	36.31	0.00	40.91	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY															
Geography: TEXAS															
Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011															
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Dallas TX (Commercial Only)	0	0.00	14.32	0.00	30.42	0.00	33.46	0.00	21.80	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: TEXAS				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Business S***	% BANK Loans	% of Business S***	% BANK Loans	% of Business S***	% BANK Loans	% of Business S***	% BANK Loans						
<b>Full Review:</b>																
Dallas TX (Commercial Only)	5	100.00	3.78	0.00	21.08	80.00	33.55	0.00	40.58	20.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: TEXAS					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Dallas TX (Commercial Only)	0	0.00	1.91	0.00	17.10	0.00	45.13	0.00	35.52	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: TEXAS				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****					
<b>Full Review:</b>															
Dallas TX (Commercial Only)	0	0.00	21.32	0.00	18.00	0.00	20.39	0.00	40.30	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: TEXAS					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Dallas TX (Commercial Only)	0	0.00	21.32	0.00	18.00	0.00	20.39	0.00	40.30	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: TEXAS					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Dallas TX (Commercial Only)	0	0.00	21.32	0.00	18.00	0.00	20.39	0.00	40.30	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: TEXAS			Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Dallas TX (Commercial Only)	5	100.00	78.17	20.00	40.00	20.00	40.00	0.00	0.00

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2010).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 20.00% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: TEXAS			Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Dallas TX (Commercial Only)	0	0.00	95.71	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2010).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
			Geography: TEXAS		Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Dallas TX (Commercial Only)	7	1,791	10	208	17	1,999	100.00	0	0

\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: TEXAS				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Dallas TX (Commercial Only)	100.00	1	100.00	0.00	0.00	0.00	100.00	1	0	0	0	0	1	7.60	27.39	34.04	30.98

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: WASHINGTON												
Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011												
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Seattle WA	70.19	927	567,608	1,802	362,718	40	6,834	94	111,393	2,863	1,048,553	76.69
<b>Limited Review:</b>												
Bellingham WA	4.27	43	21,611	101	21,408	23	2,883	7	138	174	46,040	1.95
Bremerton WA	5.76	43	36,876	191	30,553	0	0	1	1,368	235	68,797	4.93
Mt Vernon WA	2.67	27	10,945	54	8,909	27	6,059	1	10	109	25,923	0.92
Olympia WA	0.66	9	3,836	14	2,523	0	0	4	2,125	27	8,484	2.15
Tacoma WA	11.30	153	84,730	292	60,723	1	326	15	1,933	461	147,712	8.44
Clallam-Jefferson Non-MSA WA	5.15	25	10,068	181	30,758	4	161	0	0	210	40,987	4.92

\* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from April 01, 2009 to March 31, 2012.

\*\*\* Deposit Data as of June 30, 2011 (Allocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: WASHINGTON					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011									
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Seattle WA	447	75.25	0.49	0.45	15.58	17.00	55.45	58.61	28.48	23.94	0.82	0.54	0.78	0.97	0.55	
<b>Limited Review:</b>																
Bellingham WA	20	3.37	0.00	0.00	8.83	0.00	71.28	95.00	19.90	5.00	0.62	0.00	0.00	0.84	0.15	
Bremerton WA	13	2.19	1.75	0.00	9.31	7.69	69.62	61.54	19.32	30.77	0.28	0.00	0.23	0.28	0.32	
Mt Vernon WA	12	2.02	0.00	0.00	9.11	0.00	71.16	83.33	19.73	16.67	0.69	0.00	0.00	0.80	0.43	
Olympia WA	5	0.84	0.00	0.00	12.34	0.00	68.09	100.00	19.57	0.00	0.11	0.00	0.00	0.15	0.00	
Tacoma WA	87	14.65	0.50	0.00	10.96	60.92	63.09	25.29	25.46	13.79	0.62	0.00	3.79	0.23	0.28	
Clallam-Jefferson Non-MSA WA	10	1.68	0.00	0.00	4.22	0.00	84.62	100.00	11.16	0.00	0.70	0.00	0.00	0.83	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****					
<b>Full Review:</b>															
Seattle WA	63	65.63	0.49	0.00	15.58	9.52	55.45	65.08	28.48	25.40	2.65	0.00	2.37	3.30	1.63
<b>Limited Review:</b>															
Bellingham WA	3	3.13	0.00	0.00	8.83	0.00	71.28	33.33	19.90	66.67	1.12	0.00	0.00	0.55	3.23
Bremerton WA	7	7.29	1.75	0.00	9.31	0.00	69.62	85.71	19.32	14.29	1.73	0.00	0.00	2.64	0.00
Mt Vernon WA	4	4.17	0.00	0.00	9.11	0.00	71.16	50.00	19.73	50.00	2.88	0.00	0.00	2.22	4.88
Olympia WA	0	0.00	0.00	0.00	12.34	0.00	68.09	0.00	19.57	0.00	0.00	0.00	0.00	0.00	0.00
Tacoma WA	13	13.54	0.50	0.00	10.96	7.69	63.09	84.62	25.46	7.69	1.92	0.00	1.79	2.54	0.53
Clallam-Jefferson Non-MSA WA	6	6.25	0.00	0.00	4.22	0.00	84.62	100.00	11.16	0.00	6.82	0.00	0.00	7.89	0.00

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
<b>Full Review:</b>																
Seattle WA	331	78.07	0.49	0.30	15.58	16.92	55.45	41.69	28.48	41.09	0.13	0.18	0.24	0.11	0.11	
<b>Limited Review:</b>																
Bellingham WA	15	3.54	0.00	0.00	8.83	20.00	71.28	66.67	19.90	13.33	0.14	0.00	0.45	0.15	0.00	
Bremerton WA	21	4.95	1.75	0.00	9.31	0.00	69.62	76.19	19.32	23.81	0.15	0.00	0.00	0.16	0.15	
Mt Vernon WA	9	2.12	0.00	0.00	9.11	0.00	71.16	66.67	19.73	33.33	0.18	0.00	0.00	0.18	0.22	
Olympia WA	4	0.94	0.00	0.00	12.34	0.00	68.09	25.00	19.57	75.00	0.02	0.00	0.00	0.02	0.04	
Tacoma WA	37	8.73	0.50	0.00	10.96	29.73	63.09	51.35	25.46	18.92	0.12	0.00	0.68	0.10	0.07	
Clallam-Jefferson Non-MSA WA	7	1.65	0.00	0.00	4.22	0.00	84.62	71.43	11.16	28.57	0.26	0.00	0.00	0.27	0.23	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: WASHINGTON					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
Seattle WA	86	76.11	3.72	6.98	36.96	40.70	43.29	38.37	16.04	13.95	20.19	42.86	24.24	17.95	13.21	
<b>Limited Review:</b>																
Bellingham WA	5	4.42	0.00	0.00	27.18	40.00	62.25	60.00	10.58	0.00	21.05	0.00	12.50	37.50	0.00	
Bremerton WA	2	1.77	9.25	50.00	28.01	0.00	54.98	50.00	7.76	0.00	15.38	100.00	0.00	11.11	0.00	
Mt Vernon WA	2	1.77	0.00	0.00	13.16	0.00	84.67	100.00	2.16	0.00	18.18	0.00	0.00	25.00	0.00	
Olympia WA	0	0.00	0.00	0.00	31.69	0.00	66.41	0.00	1.90	0.00	0.00	0.00	0.00	0.00	0.00	
Tacoma WA	16	14.16	8.47	31.25	29.99	6.25	52.41	50.00	9.13	12.50	20.59	30.00	6.67	21.62	33.33	
Clallam-Jefferson Non-MSA WA	2	1.77	0.00	0.00	15.83	100.00	83.02	0.00	1.15	0.00	50.00	0.00	100.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans						
<b>Full Review:</b>																
Seattle WA	1,802	68.39	2.42	2.77	23.07	25.03	47.99	49.50	26.53	22.70	6.00	10.12	8.17	6.36	4.39	
<b>Limited Review:</b>																
Bellingham WA	101	3.83	0.00	0.00	12.27	4.95	74.51	84.16	13.22	10.89	3.70	0.00	4.28	4.14	2.04	
Bremerton WA	191	7.25	3.29	0.52	10.98	1.57	62.87	59.16	22.85	38.74	6.86	0.00	0.79	7.53	9.57	
Mt Vernon WA	54	2.05	0.00	0.00	17.87	14.81	66.04	59.26	16.09	25.93	4.74	0.00	4.52	4.88	5.85	
Olympia WA	14	0.53	0.00	0.00	21.44	14.29	64.29	64.29	14.27	21.43	0.52	0.00	0.21	0.75	0.20	
Tacoma WA	292	11.08	1.73	0.00	20.62	14.38	55.54	57.53	22.11	28.08	3.96	0.00	3.69	4.71	3.57	
Clallam-Jefferson Non-MSA WA	181	6.87	0.00	0.00	8.78	5.52	83.25	86.74	7.96	7.73	12.67	0.00	15.45	13.83	9.46	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Seattle WA	40	42.11	1.01	0.00	16.58	5.00	58.49	95.00	23.92	0.00	16.60	0.00	8.00	25.00	0.00	
<b>Limited Review:</b>																
Bellingham WA	23	24.21	0.00	0.00	5.06	0.00	89.07	100.00	5.87	0.00	14.29	0.00	0.00	16.30	0.00	
Bremerton WA	0	0.00	0.92	0.00	5.34	0.00	67.22	0.00	26.52	0.00	0.00	0.00	0.00	0.00	0.00	
Mt Vernon WA	27	28.42	0.00	0.00	7.94	0.00	60.90	44.44	31.16	55.56	30.95	0.00	0.00	27.27	41.18	
Olympia WA	0	0.00	0.00	0.00	17.80	0.00	65.85	0.00	16.35	0.00	0.00	0.00	0.00	0.00	0.00	
Tacoma WA	1	1.05	1.03	0.00	12.48	100.00	62.00	0.00	24.48	0.00	1.79	0.00	50.00	0.00	0.00	
Clallam-Jefferson Non-MSA WA	4	4.21	0.00	0.00	3.87	0.00	87.65	100.00	8.47	0.00	25.00	0.00	0.00	28.57	0.00	

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2010).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: WASHINGTON					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Seattle WA	447	75.25	18.50	9.42	18.70	19.57	24.54	10.14	38.26	60.87	0.09	0.03	0.03	0.02	0.20	
<b>Limited Review:</b>																
Bellingham WA	20	3.37	18.16	66.67	18.66	0.00	23.94	0.00	39.24	33.33	0.08	0.71	0.00	0.00	0.11	
Bremerton WA	13	2.19	17.45	0.00	19.02	0.00	24.52	0.00	39.02	100.00	0.00	0.00	0.00	0.00	0.00	
Mt Vernon WA	12	2.02	18.11	0.00	18.93	0.00	23.36	0.00	39.60	100.00	0.07	0.00	0.00	0.00	0.19	
Olympia WA	5	0.84	17.26	0.00	18.90	0.00	25.85	0.00	37.98	100.00	0.02	0.00	0.00	0.00	0.08	
Tacoma WA	87	14.65	18.66	11.11	18.89	44.44	23.23	0.00	39.22	44.44	0.03	0.12	0.00	0.00	0.06	
Clallam-Jefferson Non-MSA WA	10	1.68	17.29	0.00	17.60	20.00	23.47	0.00	41.64	80.00	0.22	0.00	0.00	0.00	0.48	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 73.1% of loans originated and purchased by bank.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: WASHINGTON					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Seattle WA	63	65.63	18.50	0.00	18.70	25.00	24.54	25.00	38.26	50.00	0.10	0.00	0.00	0.00	0.23	
<b>Limited Review:</b>																
Bellingham WA	3	3.13	18.16	0.00	18.66	0.00	23.94	0.00	39.24	0.00	0.00	0.00	0.00	0.00	0.00	
Bremerton WA	7	7.29	17.45	0.00	19.02	0.00	24.52	100.00	39.02	0.00	0.00	0.00	0.00	0.00	0.00	
Mt Vernon WA	4	4.17	18.11	0.00	18.93	0.00	23.36	0.00	39.60	0.00	0.00	0.00	0.00	0.00	0.00	
Olympia WA	0	0.00	17.26	0.00	18.90	0.00	25.85	0.00	37.98	0.00	0.00	0.00	0.00	0.00	0.00	
Tacoma WA	13	13.54	18.66	0.00	18.89	0.00	23.23	0.00	39.22	0.00	0.00	0.00	0.00	0.00	0.00	
Clallam-Jefferson Non-MSA WA	6	6.25	17.29	0.00	17.60	0.00	23.47	0.00	41.64	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 90.6% of loans originated and purchased by bank.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: WASHINGTON					Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Seattle WA	331	78.07	18.50	8.33	18.70	15.00	24.54	7.50	38.26	69.17	0.05	0.00	0.01	0.01	0.09	
<b>Limited Review:</b>																
Bellingham WA	15	3.54	18.16	0.00	18.66	16.67	23.94	16.67	39.24	66.67	0.03	0.00	0.00	0.06	0.03	
Bremerton WA	21	4.95	17.45	7.69	19.02	23.08	24.52	0.00	39.02	69.23	0.07	0.00	0.00	0.00	0.15	
Mt Vernon WA	9	2.12	18.11	0.00	18.93	50.00	23.36	50.00	39.60	0.00	0.00	0.00	0.00	0.00	0.00	
Olympia WA	4	0.94	17.26	50.00	18.90	0.00	25.85	50.00	37.98	0.00	0.00	0.00	0.00	0.00	0.00	
Tacoma WA	37	8.73	18.66	0.00	18.89	36.36	23.23	9.09	39.22	54.55	0.02	0.00	0.07	0.00	0.02	
Clallam-Jefferson Non-MSA WA	7	1.65	17.29	25.00	17.60	25.00	23.47	0.00	41.64	50.00	0.16	1.35	0.38	0.00	0.10	

\* Based on 2010 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 34.4% of loans originated and purchased by bank.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: WASHINGTON			Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Seattle WA	1,802	68.39	78.27	44.01	51.89	20.87	27.25	6.00	3.88
<b>Limited Review:</b>									
Bellingham WA	101	3.83	80.82	40.59	47.52	24.75	27.72	3.70	3.15
Bremerton WA	191	7.25	81.24	57.59	60.21	23.04	16.75	6.86	7.75
Mt Vernon WA	54	2.05	78.87	55.56	59.26	18.52	22.22	4.74	4.11
Olympia WA	14	0.53	79.63	64.29	64.29	7.14	28.57	0.52	0.82
Tacoma WA	292	11.08	80.56	54.79	53.08	21.23	25.68	3.96	3.85
Clallam-Jefferson Non-MSA WA	181	6.87	84.44	68.51	61.33	14.92	23.76	12.67	15.33

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2010).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 25.77% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: WASHINGTON			Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Seattle WA	40	42.11	94.85	62.50	45.00	25.00	30.00	16.60	16.00
<b>Limited Review:</b>									
Bellingham WA	23	24.21	95.40	65.22	65.22	13.04	21.74	14.29	16.87
Bremerton WA	0	0.00	97.42	0.00	0.00	0.00	0.00	0.00	0.00
Mt Vernon WA	27	28.42	92.46	25.93	29.63	29.63	40.74	30.95	12.50
Olympia WA	0	0.00	95.22	0.00	0.00	0.00	0.00	0.00	0.00
Tacoma WA	1	1.05	94.91	0.00	0.00	0.00	100.00	1.79	0.00
Clallam-Jefferson Non-MSA WA	4	4.21	97.58	100.00	100.00	0.00	0.00	25.00	30.77

\* Based on 2010 Peer Small Business Data -- US

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&amp;B - 2010).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 13.68% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Seattle WA	0	0	87	20,975	87	20,975	67.44	1	125
<b>Limited Review:</b>									
Bellingham WA	0	0	4	5	4	5	0.02	0	0
Bremerton WA	0	0	0	0	0	0	0.00	0	0
Mt Vernon WA	0	0	0	0	0	0	0.00	0	0
Olympia WA	0	0	2	4,157	2	4,157	13.37	0	0
Tacoma WA	0	0	11	5,966	11	5,966	19.18	0	0
Clallam-Jefferson Non-MSA WA	0	0	0	0	0	0	0.00	0	0

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\* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2009 TO DECEMBER 31, 2011									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Seattle WA	76.69	28	58.33	3.57	39.29	42.86	14.29	0	0	0	0	0	0	1.93	21.89	52.39	23.79
<b>Limited Review:</b>																	
Bellingham WA	1.95	3	6.25	33.33	0.00	33.33	33.33	0	0	0	0	0	0	0.00	13.44	70.37	16.19
Bremerton WA	4.93	4	8.33	0.00	25.00	50.00	25.00	0	0	0	0	0	0	3.15	16.39	63.80	16.66
Mt Vernon WA	0.92	1	2.08	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	9.71	74.25	16.04
Olympia WA	2.15	1	2.08	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	15.50	68.02	16.48
Tacoma WA	8.44	8	16.67	0.00	12.50	75.00	12.50	0	0	0	0	0	0	2.73	18.13	58.48	20.44
Clallam-Jefferson Non-MSA WA	4.92	3	6.25	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	5.48	84.98	9.54