

# **PUBLIC DISCLOSURE**

**December 2, 2002**

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**Bank of Santa Clara  
RSSD #231961**

**1995 El Camino Real  
Santa Clara, California 95050**

**Federal Reserve Bank of San Francisco  
101 Market Street  
San Francisco, California 94105**

*NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.*

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## INSTITUTION'S RATING

**INSTITUTION'S CRA RATING:**  
 Bank of Santa Clara is rated Satisfactory

*The following table shows the performance level of Bank of Santa Clara with respect to the lending, investment, and service tests.*

<b>PERFORMANCE LEVELS</b>	<b>BANK OF SANTA CLARA</b>		
	<b>PERFORMANCE TESTS</b>		
	<b>LENDING TEST*</b>	<b>INVESTMENT TEST</b>	<b>SERVICE TEST</b>
OUTSTANDING			
HIGH SATISFACTORY	<b>X</b>	<b>X</b>	
LOW SATISFACTORY			<b>X</b>
NEEDS TO IMPROVE			
SUBSTANTIAL NONCOMPLIANCE			

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

The major factors supporting the institution's rating include:

- A substantial majority of loans made within the assessment area;
- An excellent level of small business lending in low- and moderate-income tracts;
- A relatively high level of community development loans that help fulfill assessment area needs;
- A significant level of community development investments and grants which exhibit good responsiveness to credit and community development needs; and,
- An adequate level of community development services.

# INSTITUTION

## DESCRIPTION OF INSTITUTION

Bank of Santa Clara (BSC) is a \$601 million community bank headquartered in Santa Clara, California that opened for business in 1973. Greater Bay Bancorp, a multi-bank holding company headquartered in Palo Alto with \$8.6 billion in consolidated assets as of June 2002, acquired the bank on July 21, 2000. As of June 30, 2002, BSC comprised seven percent of consolidated assets. The branch network includes eight offices located in the cities of Milpitas, Santa Clara, San Jose, and Sunnyvale. The bank has neither opened nor closed any offices since the previous examination.

The bank's target market is small businesses, with an emphasis on entities with sales revenue between \$1 and \$2 million. As such, its major loan products are business loans, commercial credit lines, commercial real estate and construction loans, SBA loans, and equipment facilities. The bank also offers consumer loans, residential construction loans, and purchase money mortgages. However, most non-commercial loans are extended on an accommodation basis to business customers. The composition of the loan portfolio as disclosed in its September 30, 2002, Consolidated Reports of Condition and Income (Call Report) is presented below:

LOAN TYPE	DOLLAR AMOUNT (‘000s)	PERCENT OF VALUE
Commercial/Industrial & Non-Farm Non-Residential Real Estate	\$181,619	78.0%
Construction & Land Development	\$6,049	2.6%
Secured by 1-4 Family Residential Real Estate	\$9,325	4.0%
Consumer Loans & Credit Cards	\$34,498	14.8%
Multifamily Residential Real Estate	\$1,038	0.5%
All Other	\$314	0.1%
<b>Total (Gross)</b>	<b>\$232,843</b>	<b>100%</b>

There are no legal or financial impediments that would inhibit the bank's ability to meet the credit needs of its communities, consistent with its business strategy, size and resources, as well as the local economic climate. Bank of Santa Clara received a satisfactory rating at its previous CRA examination conducted by the Federal Reserve Bank of San Francisco on December 4, 2000.

## DESCRIPTION OF ASSESSMENT AREA

The bank's one assessment area consists of the entire county of Santa Clara. This county also is the San Jose PMSA. The assessment area contains the following cities: Campbell, Cupertino, Gilroy, Los Altos, Los Gatos, Menlo Park, Milpitas, Morgan Hill, Mountain View, Palo Alto, Santa Clara, Saratoga, and Sunnyvale. San Jose is the largest city in the county with a

population of approximately 895,000.<sup>1</sup> Consisting of 385 contiguous census tracts, the county is home to one of the country's largest technology centers known as Silicon Valley. The table below depicts the income level distribution of these tracts as well as other demographic data obtained from the 1990 U.S. Census and 2002 Dun & Bradstreet Data.

EXHIBIT 1								
ASSESSMENT AREA DEMOGRAPHICS								
SANTA CLARA COUNTY								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	11	2.9	10,909	3.0	2,331	21.4	68,174	18.7
Moderate-income	59	15.3	68,673	18.9	7,015	10.2	68,080	18.7
Middle-income	159	41.3	202,231	55.5	7,536	3.7	87,398	24.0
Upper-income	70	18.2	82,494	22.6	1,192	1.4	140,655	38.6
Tract not reported	86	22.3	0	-	0	-	0	-
<b>Total AA</b>	<b>385</b>	<b>100</b>	<b>364,307</b>	<b>100</b>	<b>18,074</b>	<b>5.0</b>	<b>364,307</b>	<b>100</b>
Income Categories	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	17,011	4,400	1.41	25.9	11,893	69.9	718	4.2
Moderate-income	112,294	42,383	13.8	37.7	65,162	58.0	4,749	4.2
Middle-income	302,523	175,669	57.2	58.1	115,517	38.2	11,337	3.7
Upper-income	108,412	84,872	27.6	78.3	20,284	18.7	3,256	3.0
Tract not reported	0	0			0		0	
<b>Total AA</b>	<b>540,240</b>	<b>307,324</b>	<b>100</b>	<b>56.9</b>	<b>212,856</b>	<b>39.4</b>	<b>20,060</b>	<b>3.7</b>
Income Categories	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or Equal to \$1 Million		Greater than \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	6,742	6.1	4,310	5.9	868	9.9	1,564	5.4
Moderate-income	24,823	22.5	16,725	23.0	2,320	26.5	5,778	20.0
Middle-income	55,282	50.0	37,407	51.3	4,486	51.3	13,389	46.4
Upper-income	23,399	21.2	14,314	19.6	1,024	11.7	8,061	27.9
Tract not reported	266	0.2	147	0.2	51	0.6	68	0.3
<b>Total AA</b>	<b>110,512</b>	<b>100</b>	<b>72,903</b>	<b>100</b>	<b>8,749</b>	<b>100</b>	<b>28,860</b>	<b>100</b>
<b>Percentage of Total Businesses:</b>		<b>66.0</b>		<b>7.9</b>		<b>26.1</b>		

Situated south of the San Francisco Bay, Santa Clara County is part of one of the state's busiest urban areas - the San Francisco Bay Area. Santa Clara County shares borders with Santa Cruz and San Mateo to the west, Stanislaus and Merced to the east, San Benito to the south, and Alameda to the north. According to 2000 Census Data, the county's population is over

<sup>1</sup> Source: California Employment Development Department - Snapshots, Santa Clara County; (accessed November 14, 2002); available from <http://www.calmis.ca.gov/file/COsnaps/santcSNAP.pdf>

1.6 million, an increase of 12.4 percent from the 1990 census. Additionally, Santa Clara is the fifth-highest populated county in the state and the largest of the nine Bay Area counties.<sup>2</sup>

The county's banking environment is highly competitive with 58 banks operating branches. BSC has an approximate one percent share of Santa Clara County deposits and ranks 18<sup>th</sup> among these financial institutions. The top three market share holders control 44 percent of all deposits.<sup>3</sup> In total, 322 banking offices in this county combine for over \$37 billion in deposits.

The assessment area's economic base is fueled primarily by technology-related service and manufacturing industries. Despite recent setbacks in late 2001 and most of 2002, these industries constitute 35.8 and 23.6 percent of the workforce, respectively.<sup>4</sup> According to Dun & Bradstreet, approximately 66 percent of the assessment area's over 110,000 businesses are defined as small businesses with \$1 million or less in gross annual revenues.

A regional and national economic slowdown initiated a sharp reduction in technology-related capital spending and an increase in unemployment in the area. After sharp increases in the late 1990s and early 2000, the county unemployment rate began to climb rapidly. During 2000, the unemployment rate dropped down to a low of 1.3 percent before rising to 6.3 percent at the end of 2001 and jumping up to 7.7 percent at the beginning of 2002.<sup>5</sup> By the mid- to late 2002, the unemployment rate appeared to stabilize at almost eight percent which was significantly above the state average of 6.2 percent.<sup>6</sup>

The lack of affordable housing continues to be one of the most critical needs in the Bay Area and is particularly serious in the Santa Clara County suburbs near the Silicon Valley. California, particularly the Bay Area, remains one of the least affordable housing markets in the United States. San Jose is one of the least affordable housing markets in the country. One key reason for the housing affordability issue is that the entire Bay Area region has historically created new jobs at over five times the rate it has created new housing. This phenomenon results in housing shortages that drive up rental costs and housing prices. The current recession has begun to ease the housing issue with rents and housing prices starting to decline. However, the core dynamics continue to exist, and housing will continue to be a problem in the Bay Area for the foreseeable future.

As detailed above, the current economic slowdown has caused job losses and unemployment to rise significantly. Given the preponderance of small businesses in the market, credit for small businesses remains a major need. While demand for such loans was high during much of the

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<sup>2</sup> Source: California Employment Development Department – Snapshots, Santa Clara County; (accessed November 14, 2002); available from <http://www.calmis.ca.gov/file/COsnaps/santcSNAP.pdf>

<sup>3</sup> Source: Federal Deposit Insurance Corporation, Institution Directory, *Summary of Deposits*, June 2001 (accessed November 14, 2002); available from <http://www3.fdic.gov/idasp/main.asp>.

<sup>4</sup> Source: California Employment Development Department; *Current industry employment*, August 2002 (accessed November 14, 2002); available from [http://www.calmis.ca.gov/file/indcur/sanj\\$pr.txt](http://www.calmis.ca.gov/file/indcur/sanj$pr.txt)

<sup>5</sup> Source: California Employment Development Department; Annual Average Unemployment Rates (accessed November 14, 2002); available from [http://www.calmis.ca.gov/file/lfhist/sanj\\$hlf.txt](http://www.calmis.ca.gov/file/lfhist/sanj$hlf.txt)

<sup>6</sup> Source: California Employment Development Department Annual Average Unemployment Rates (accessed November 14, 2002); available from <http://www.calmis.ca.gov/htmlfile/subject/lftable.htm>

review period, credit standards are tightening at the same time that there is lower business investment and revenues and ultimately lower loan demand in some cases. Nevertheless, community representatives emphasize the need for small dollar loans and technical assistance for small businesses and affordable housing programs and loans. In addition, there was an indicated need for community development services for low- and moderate-income individuals.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

### SCOPE OF EXAMINATION

This examination covered the period between October 1, 2000, and June 30, 2002, for all three tests. Due to the bank's commercial lending focus, small business loans were the basis of the lending test evaluation. Although the bank extended home mortgage loans, the limited amount did not allow for meaningful conclusions about the geographic distribution or borrower profile. Therefore, they were not considered in this performance evaluation. Table 1 in Appendix B contains loan volume figures.<sup>7</sup>

### LENDING TEST

Overall performance under the lending test is high satisfactory. The factors supporting this rating include an excellent penetration of low- and moderate-income census tracts, a substantial majority of loans originated within the assessment area, and a relatively high level of community development loans.

#### Lending Activity

Lending levels are adequate. Total lending activity, which averaged 66 percent of total deposits, fell to 62 percent at the end of the review period. Total lending for the period included 311 small business loans. Internal and external market factors such as the closing of the bank's SBA department and a regional economical slowdown partially explain the somewhat limited lending activity. Refer to Table 1 for loan volume data within the assessment area.

#### Assessment Area Concentration

As illustrated in Exhibit 2 below, a substantial majority of BSC's loans were extended within the bank's assessment area.

EXHIBIT 2								
LENDING INSIDE AND OUTSIDE THE ASSESSMENT AREA								
OCTOBER 1, 2000 - JUNE 30, 2002								
LOAN TYPE	Inside				Outside			
	#	%	\$ ('000s)	%	#	%	\$ ('000s)	%
Total Small Business	291	93.6	53,608	96.2	20	6.4	2,117	3.8

<sup>7</sup> All tables referenced in this document can be found in Appendix B - Core CRA Tables



## **Lending Distribution by Geography**

The geographic distribution of small business loans is excellent. The performance in low-income tracts is strong as lending in these areas is double the percentage of businesses and the percentage of lending by the aggregate market. Additionally, BSC's market share of small business loans in low-income tracts is double its share as a whole for these loans. Also, lending activity in moderate-income tracts is significantly above its overall share, the percentage of businesses, and aggregate market performance. Refer to Table 2 for additional details.

## **Lending Distribution by Business Revenue**

The level of loans extended to small businesses is adequate. As shown in table 3 approximately 36 percent of all small business loans were made to small businesses. Although this falls well below 2002 Dun and Bradstreet data that indicates 66 percent of all businesses in the assessment area generate less than \$1 million in gross annual revenue, it is line with the aggregate lending data. Additionally, the bank's market share of loans to small businesses is similar to, although slightly below, its market share of all small business loans.

## **Community Development Lending**

BSC extended a good amount of community development loans in the assessment area. The total amount of qualifying loans is \$13.8 million. Of this amount, \$10.5 million was extended to help revitalize the WTA Campbell Technology Park, which is in a moderate-income tract. The revitalization of this technology park will help draw more businesses to the area, thus creating more jobs. Community contacts indicated that both of these loan types were unmet needs in the assessment area. Additionally, an organization whose primary mission involves meeting the needs of small businesses in the area received a community development loan for almost \$600,000. Loans also were extended to organizations that provide social services to low- and moderate-income individuals, another need in the area according to community representatives.

## **INVESTMENT TEST**

Performance under the investment test is high satisfactory. Community development investment and grant activity consisted of \$4.1 million in new activity, \$288,000 in prior investments remaining on the bank's books, and \$890,000 in unfunded commitments. The majority of the new investments consisted of mortgage-backed securities collateralized by mortgages held by low- and moderate-income individuals, addressing the stated need for affordable housing.

The remaining investments consisted of:

- \$478,000 was extended through Lenders for Community Development (LCD). The bank participated in three of LCD's pools; two for affordable housing and one for micro-business loans.

- \$500,000 was extended to the BA Smart Growth fund which helps finance various projects in redevelopment and low- and moderate-income areas in the Bay Area;
- \$500,000 was extended to Neighborhood Housing Services which addresses affordable housing needs in the area; and,
- \$300,000 to the California Environmental Redevelopment Fund (CERF) designed to finance the cleanup of contaminated sites throughout the state, including low- and moderate income areas.

Additional information regarding the bank's qualified investments can be found in Table 4.

## **SERVICE TEST**

Overall performance under the service test is low satisfactory. Retail banking services are adequate, while only a limited level of community development services were provided during the review period.

### **Retail Banking Services**

BSC's delivery systems are adequate and generally accessible to all portions of the assessment area. The primary delivery system is the branch network. As shown in Table 5, of the eight branches, three (38 percent) are located in moderate-income census tracts with the remaining five in middle- and upper-income census tracts. All of the branches have automated teller machines (ATMs) that provide 24-hour access. Additionally, the bank's customers have access to over 30 affiliate branches and 23 ATMs operating throughout the Bay Area, with nine of these branches in the assessment area. Finally, additional retail services are provided through Internet and telephone banking.

### **Community Development Services**

BSC provided an adequate level of community development services during the review period. Four organizations received services from three employees totaling 261 hours. The majority of these hours (165) went to organizations providing social services to low- and moderate-income families.

## **COMPLIANCE WITH FAIR LENDING LAWS AND REGULATIONS**

BSC is in compliance with all substantive provisions of the anti-discrimination laws and regulations. No substantive fair lending violations were noted during this examination.

## APPENDIX A

### GLOSSARY OF TERMS

**Aggregate lending:** The number of loans originated and purchased by all lenders subject to reporting requirements as a percentage of the aggregate number of loans originated and purchased by all lenders in the MSA/assessment area.

**Block numbering area (“BNA”):** Statistical subdivisions of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. BNAs do not cross county lines.

**Census tract:** Small subdivisions of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. They 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 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,

**Consumer loan:** A loan 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 of loans: motor vehicle, credit card, home equity, other secured loan, and other unsecured loan.

**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, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

**Geography:** A census tract or a block numbering area delineated by the U.S. 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).

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

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

**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.

**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, branch distribution).

**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 lenders in the MSA/assessment area.

**Metropolitan area:** Any primary metropolitan statistical area (“PMSA”), metropolitan statistical area (“MSA”), or consolidated metropolitan area (“CMSA”), as defined by the Office of Management and Budget, with a population of 250 thousand or more, and any other area designated as such by the appropriate federal financial supervisory agency.

**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.

**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.

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

**Optional loans:** Includes any unreported category of loans for which the institution collects and maintains data for consideration during a CRA examination. Also includes 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.

**Small loans to business:** A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

**Small loans to farms:** 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 thousand or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

**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.

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

## **CRA APPENDIX B**

### **CORE CRA TABLES**

Page B-1	Table 1	Lending Volume
Page B-2	Tables 2 & 2a	Geographic Distribution of Small Loans to Businesses
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**INSTITUTION ID: BANK OF SANTA CLARA**

**Table 1. Lending Volume**

LENDING VOLUME												U.S. TERRITORY: CALIFORNIA				Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2002			
MA/Assessment Area	% 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>																			
Santa Clara County	100.00	4	300	291	53,608	0	0	7	13,808	302	67,716	100.00							

\* Loan Data for the sample period of October 1, 2000, to June 30, 2002. Rated area refers to either the state or multi-state MA rating area.

\*\* Deposit Data as of June 30, 2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**INSTITUTION ID: BANK OF SANTA CLARA**

**Table 2. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES		U.S. TERRITORY: CALIFORNIA						Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2002							
MA/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>Full Review:</b>															
Santa Clara County	291	100.00	6.10	11.00	22.46	33.33	50.02	45.70	21.17	9.97	0.41	0.85	0.65	0.37	0.19

**Table 2a. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES		U.S. TERRITORY: CALIFORNIA						Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2002							
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*				
	#	% of Total**	% of Businesses***	% Bank Loans	% of Businesses***	% Bank Loans	% of Businesses***	% Bank Loans	% of Businesses***	% Bank Loans	Low	Mod	Mid	Upp	
<b>Full Review:</b>															
Santa Clara County	291	100.00	6.10	11.00	22.46	33.33	50.02	45.70	21.17	9.97	5.89	24.32	51.97	17.83	

\* Based on 2001 Peer Small Business Data: WE Region.

\*\* 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 & Bradstreet (2002).



**INSTITUTION ID: BANK OF SANTA CLARA**

**Table 3. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		U.S. TERRITORY: CALIFORNIA			Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2002				
MA/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>									
Santa Clara County	291	100.00	65.97	36.08	56.70	21.65	21.65	0.41	0.39

**Table 3a. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		U.S. TERRITORY: CALIFORNIA			Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2002				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses with Revenues of \$1 Million or Less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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>									
Santa Clara County	291	100.00	65.97	36.08	56.70	21.65	21.65	43,916	16,122

\* Based on 2001 Peer Small Business Data: WE Region.

\*\* 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 - 2002).

\*\*\*\* 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 2.24% of small loans to businesses originated and purchased by the bank.

**INSTITUTION ID: BANK OF SANTA CLARA**

**Table 4. Qualified Investments**

QUALIFIED INVESTMENTS		U.S. TERRITORY: CALIFORNIA				Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2002			
MA/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>									
Santa Clara County	2	288	14	4,066	16	4,354	100	3	890

\* 'Prior Period Investments' means investments made in a previous evaluation 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.

**INSTITUTION ID: BANK OF SANTA CLARA**

**Table 5. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				U.S. TERRITORY: CALIFORNIA				Evaluation Period: OCTOBER 1, 2000 TO JUNE 30, 2002									
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>																	
Santa Clara County	100.00	8	100.00	0.00	37.50	50.00	12.50	0	0	0	0	0	0	3.91	21.23	54.69	20.18