



PUBLIC DISCLOSURE

MARCH 16, 2009

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**FIRST COMMUNITY BANK
RSSD# 236751**

**7900 JEFFERSON, N.E.
ALBUQUERQUE, NEW MEXICO 87106**

**Federal Reserve Bank of Kansas City
1 Memorial Drive
Kansas City, Missouri 64198**

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 RATING

INSTITUTION'S CRA RATING: First Community Bank (FCB) is rated "**Outstanding**"

The following table indicates the performance level of FCB with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	FIRST COMMUNITY BANK		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

Major factors supporting the institution's rating include:

- Excellent responsiveness to assessment area (AA) credit needs;
- Good geographic distribution of loans in the bank's AAs;
- Good distribution of loans among individuals of different income levels and businesses of different sizes;
- An excellent level of community development lending;
- An excellent level of qualified community development investments;
- A high level of qualified community development services; and,
- Accessible delivery systems to geographies and individuals of different income levels.

INSTITUTION

DESCRIPTION OF INSTITUTION

FCB is a wholly-owned subsidiary of First State Bancorporation with offices in New Mexico, Colorado, and Arizona. Although FCB is chartered in Taos, New Mexico, it is headquartered in Albuquerque, New Mexico. FCB has a branching network involving 11 counties in New Mexico, 11 counties in Colorado, and one county in Arizona. FCB operates 36 branches in New Mexico, 20 branches in Colorado, and four branches in Arizona. Since the last evaluation, FCB closed its two offices located in Salt Lake City, Utah.

FCB is a full-service bank offering a wide range of credit products within all of its AAs. As of December 31, 2008, FCB's total assets equaled \$3.4 billion representing a 20.5 percent increase since the last examination. The December 31, 2008 Consolidated Report of Condition and Income indicates FCB's primary business focus is commercial lending followed by residential real estate lending. Commercial loans represented 86.7 percent of the bank's total loan portfolio while residential real estate loans represented 10.4 percent. However, the percentage of residential real estate loans in the bank's loan mix understates the true volume of this product line, as 76.3 percent of the originated loans reported on the bank's 2006, 2007, and 2008 Home Mortgage Disclosure Act (HMDA) Loan Application Registers (LARs) were sold in the secondary market.

FCB's delineated AAs comply with the requirements of the Community Reinvestment Act (CRA). Under the CRA, a financial institution's performance is evaluated within the context of each AA it has delineated and within each state in which it operates a branch. Each state is assigned a separate rating, and an overall rating is assigned for the bank. FCB has delineated the 12 AAs listed below. All census tracts and counties within the designated Metropolitan Statistical Areas (MSAs) are based on 2000 U.S. Census data and 2004 MSA designations.

1. STATE OF NEW MEXICO:

- MSA 10740 (Albuquerque, New Mexico), consisting of the entire Bernalillo, Sandoval, Tarrant, and Valencia Counties
- MSA 42140 (Santa Fe, New Mexico), consisting of the entire Santa Fe County
- MSA 29740 (Las Cruces, New Mexico), consisting of the entire Dona Ana County
- Taos County, consisting of the entire Taos County
- Curry/Roosevelt Counties, consisting of the entire Curry and Roosevelt Counties
- Cibola/McKinley Counties, consisting of the entire Cibola and McKinley Counties

2. STATE OF COLORADO:

- MSA 17820 (Colorado Springs, Colorado), consisting of the entire El Paso and Teller Counties
- MSA 19740 (Denver – Aurora, Colorado), consisting of the entire Adams, Arapahoe, Broomfield, Denver, Douglas, and Jefferson Counties
- MSA 14500 (Boulder, Colorado), consisting of the entire Boulder County

- MSA 22660 (Fort Collins – Loveland, Colorado), consisting of the entire Larimer County
- MSA 24540 (Greeley, Colorado), consisting of six census tracts in the southwest corner of Weld County

3. STATE OF ARIZONA:

- MSA 38060 (Phoenix, Arizona), consisting of the entire Maricopa County

FCB has no financial or legal impediments that would prevent it from fulfilling its responsibilities under the CRA. The bank received an outstanding rating at the previous CRA examination dated January 16, 2007.

SCOPE OF EXAMINATION

FCB's CRA performance was reviewed using the Federal Financial Institutions Examination Council's Interagency CRA Procedures for Large Institutions. Loan products evaluated included all residential real estate loans reported on the HMDA LAR, including home purchase, refinance, and home improvement loans; all small business loans reported under the CRA reporting requirements for large institutions; and all loans meeting the definition of "community development" under the CRA and its supplementary guidance. Full reviews were performed for the following AAs: Albuquerque, Santa Fe, Colorado Springs, Denver, Boulder, and Phoenix. All other AAs received a limited review. With the closure of the bank's two offices in Utah on October 31, 2008, a Utah AA was not separately evaluated. However, the loans originated from this AA were considered in the bank's lending activity and AA concentration. Likewise, community development activities from the Utah market were considered in the overall rating of the bank. Examiners verified the integrity of HMDA and CRA loan data FCB reported in 2006, 2007, and 2008; all were found to have acceptable data integrity.

The evaluation period for HMDA-related and small business loans covers the bank's CRA performance from January 1, 2006 through December 31, 2008. Service test criteria, community development loans and qualified community development investments, grants, and donations were reviewed for the period between January 17, 2007 and March 16, 2009. The review included a comparison of FCB's lending performance to the 2006 and 2007 aggregate lending performance of all other financial institutions that report HMDA and CRA loan data within the bank's AAs (referred to as aggregate data). The tables in Appendix D contain only 2007 bank and aggregate data. The 2006 and 2008 bank data were analyzed and included in the analysis as performance context but are not included in the Appendix D tables. Bank data for 2006 was not analyzed during the previous evaluation due to the timing of the review and submission of the bank data.

For the evaluation of the geographic distribution of loans, geographies were classified on the basis of 2000 Census data. Performance was rated based on FCB's penetration in all geographies, particularly LMI geographies. For the evaluation of borrower characteristics, borrower income levels were based on 2007 estimated median family income (MFI) from the

U.S. Department of Housing and Urban Development. Performance was rated based on penetration to all individual income categories, particularly LMI individuals.

Only loans inside the AAs were analyzed with respect to geographic and borrower distribution. To reach a conclusion about FCB's overall performance regarding geographic and borrower characteristics in each AA, examiners gave greater weight to certain loan products. The comparison of a product's volume with total lending volume in each AA determined the weight of a product's performance in the overall conclusion.

Multifamily and small farm loan volumes were not considered for analysis as FCB reported only 32 multifamily and 210 small farm loans for the evaluation period. These two products represented only 1.9 percent of reported loan activity. Multifamily loans supporting housing in LMI areas were considered for the community development loan portion of the lending test.

FCB's performance in the state of New Mexico, particularly the Albuquerque MSA, received greater weight in determining the overall rating based on the concentration of loans, deposits, and branch locations in that area. The state of New Mexico contained 71.5 percent of FCB's deposits and 70.3 percent of its HMDA-related and small business loans reviewed for this evaluation, based on number of originations.

Interviews with members of the communities within FCB's AAs were conducted during the examination to ascertain the credit needs of the communities, the availability of community development opportunities, and local economic conditions. Additional community contacts previously conducted in the bank's AAs by the Federal Reserve Bank of Kansas City and other regulatory agencies were also referenced.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

FCB's record of meeting the credit needs of its AAs through its lending activities is considered outstanding based on excellent performance in the New Mexico, Colorado, and Arizona State AAs. While the lending analysis reflected either excellent or good performance, the high level of community development lending was significant to FCB's overall performance rating.

The Appendix D tables list data used to evaluate the bank's lending test performance in its various AAs. Lending volume is depicted in Table 1, geographic distribution in Tables 2-5, and borrower distribution in Tables 6-9.

Lending Activity:

Based on a review of FCB's loan products and information gathered from bank management and community contacts, the bank's lending activity reflects good responsiveness to retail credit needs in its AAs. This conclusion was based on good lending activity in all three states,

with the New Mexico performance given the greatest weight to the analysis. Exhibit 1 shows the breakdown of the loans originated by the bank during the evaluation period.

EXHIBIT 1 SUMMARY OF LENDING ACTIVITY				
Loan Type	#	%	\$('000s)	%
HMDA home purchase	3,551	59.9	656,569	61.7
HMDA refinancings	1,859	31.4	366,373	34.4
HMDA home improvement	485	8.2	18,306	1.7
HMDA multifamily	32	0.5	23,866	2.2
Total HMDA-related	5,927	40.1	1,065,114	43.4
Total Small Business	8,654	58.5	1,373,667	55.9
Total Small Farm	210	1.4	17,921	0.7
TOTAL LOANS	14,791	100.0	2,456,702	100.0

AA Concentration:

Exhibit 2 shows FCB originated a substantial majority of its loans, 94.1 percent, within its AAs. Only loans made within the bank's AAs are considered for the remaining lending analysis. Furthermore, the analysis and future tables will focus on the number of originations as opposed to dollar volume, as this better represents the number of affected applicants.

EXHIBIT 2 LENDING INSIDE AND OUTSIDE THE ASSESSMENT AREA								
	Inside				Outside			
	#	%	\$('000s)	%	#	%	\$('000s)	%
HMDA home purchase	3,253	91.6	602,175	91.7	298	8.4	54,394	8.3
HMDA refinancings	1,741	93.7	339,022	92.5	118	6.3	27,351	7.5
HMDA home	465	95.9	17,987	98.3	20	4.1	319	1.7
HMDA multifamily	30	93.8	21,485	90.0	2	6.2	2,381	10.0
Total HMDA-related	5,489	92.6	980,669	92.1	438	7.4	84,445	7.9
Total Small Business	8,269	95.6	1,280,121	93.2	385	4.4	93,546	6.8
Total Small Farm	158	75.2	13,190	73.6	52	24.8	4,731	26.4
TOTAL LOANS	13,916	94.1	2,273,980	92.6	875	5.9	182,722	7.4

Note: Loans originated within the bank's previous AA of Salt Lake County, Utah through October 31, 2008, are considered in this table as inside the bank's AA.

Geographic and Borrower Distribution:

The overall geographic distribution of HMDA-related and small business loans reflects good penetration throughout all geographies of all rated AAs. While the greatest weight for this conclusion was based on the bank’s New Mexico performance, the good penetration of small business and real estate loans in LMI geographies in Colorado, combined with the excellent penetration in the Arizona market, enhanced the overall rating. Geographic distribution is discussed in more detail within each AA.

The overall distribution of lending to borrowers of different income levels and to businesses of different revenue sizes is good based on FCB’s combined performance from the years 2006, 2007, and 2008. It is noted that for all AAs, the bank’s small business loan performance was significantly above the aggregate data. Real estate loan performance is good and compares favorably to the aggregate data. A more detailed analysis of the borrower income distribution is provided within the analysis of each AA.

Community Development Lending:

FCB’s overall community development lending performance is excellent and is given significant weight in the assessment of the overall lending test rating. FCB originated 51 community development loans totaling \$73.2 million, with a majority of its efforts focused on its primary market of New Mexico that had 62.7 percent of the total number of community development loans. FCB is considered a leader in providing community development loans in their primary market of New Mexico. The bank also maintains a high volume of community development loans in the Colorado market. Table 1 in Appendix D summarizes the number and dollar volume of community development lending within each AA.

FCB’s community development lending is responsive to the needs of the communities it serves. Numerous redevelopment areas within downtown cores, as well as area neighborhoods, were identified by local governments in each of the states in which the bank operates, signifying a need for revitalization and stabilization of LMI geographies and for affordable housing. As reflected in the table to the right, FCB originated a majority of its community development loans for revitalization efforts and affordable housing, many of which benefitted these redevelopment areas and further supported the bank’s performance in meeting AA needs.

Community Development Lending		
Purpose	#	\$('000s)
Affordable Housing	12	4,649
Revitalize and Stabilize	23	64,925
Community Services	12	3,040
Economic Development	4	546
Totals	51	73,160

Although the bank did not offer complex community development lending, it demonstrates flexibility in its underwriting practices. The following are programs available throughout the bank’s market areas and were considered in evaluating the bank’s flexible lending practices to address the credit needs of its AAs.

- Small Business Administration (SBA) – FCB is a certified and preferred SBA lender. From January 17, 2007 to March 13, 2009, the bank originated 185 SBA loans totaling \$51.8 million. FCB was also recognized by the New Mexico District Office of the SBA for being the number one SBA lender for the State of New Mexico in 2008.
- Secondary Market Lending – FCB is an active lender of placing home mortgage loans in the secondary market. The bank originated 1,752 loans totaling \$307 million in 2006; 1,537 loans for \$304 million in 2007; and 1,234 loans for \$241 million in 2008.
- Federal Housing Act (FHA) and Veterans Administration (VA) Lending – Included in the secondary market loan volumes are FHA and VA loans. From January 1, 2006 through December 31, 2008, the bank originated 1,070 FHA/VA loans for \$183 million.

With regard to innovative products and FCB’s responsiveness to the credit needs of the more economically disadvantaged individuals, the bank implemented loan guarantee programs with the Pojaque and Tesuque Pueblos. These programs provide a source of personal loans for tribal members who do not qualify for traditional banking credit. During the evaluation period, FCB originated 83 loans for \$330,461. The bank also continues to offer loan products in partnership with the following entities: Region III Housing Authority, New Mexico Mortgage Finance Authority, New Mexico Technical Assistance Program, Colorado Housing and Finance Authority, and the El Paso County Single-Family Mortgage Bond Program.

INVESTMENT TEST

FCB’s overall investment test performance is rated outstanding and represents an increase from the prior examination. While the level of qualified investments in the Colorado and Arizona markets was adequate and poor, respectively, the overall rating was weighted toward the New Mexico rating as this is where the bank conducted a majority of its deposit taking and lending activities. The level of qualified investments in New Mexico was significant and the overall level represented a 449.7 percent increase from the prior evaluation.

As reflected in the table to the right, FCB had \$44 million in total qualified investments, compared to \$7.8 million at the previous evaluation. All debt/equity investments were in the bank’s primary market of New Mexico and predominantly consisted of school bonds. FCB also donated \$222,000 to 28 different organizations throughout its AAs that have community development purposes.

Community Development Investments				
Purpose	Debt/Equity Investments		Grants & Donations	
	#	\$('000s)	#	\$('000s)
Affordable Housing	0	0	4	7
Revitalize and Stabilize	55	42,445	2	21
Community Services	0	0	11	28
Economic Development	2	1,419	11	166
Totals	57	43,864	28	222

While FCB does not offer many complex or innovative investments, the investment portfolio includes an equity equivalent investment, a capital product for community development financial institutions and their investors, as well as an investment in a community development venture capital fund. These investments benefit the larger statewide area of New Mexico that includes the bank's AAs. While FCB has a high level of qualified community development investment dollars, it was noted that the majority of the dollar amount consists of school bonds concentrated in the New Mexico AAs. The bonds benefited schools where the majority of students participate in the free and reduced lunch program.

FCB exhibits an excellent responsiveness to community development needs within its primary market by investing an additional \$36.1 million since the previous evaluation. FCB also occasionally uses innovative investments to support community development initiatives.

SERVICE TEST

FCB's overall rating under the service test is high satisfactory and represents a decrease from the outstanding rating at the prior examination. The overall rating is based on FCB's good performance in the New Mexico AA. Twenty-six of 30 (86.7 percent) services were in the New Mexico markets. While this activity shows a good commitment in that market, the Colorado and Arizona markets had a low level of services, but represent a larger portion of the bank's lending and deposit bases as compared to the previous evaluation.

FCB's banking offices are accessible to all portions of its AAs, including LMI geographies. FCB operates 60 full-service branch offices with 17 offices (28.3 percent) located in LMI geographies. The bank also operates 82 automated teller machines (ATMs) with 25 (30.5 percent) located in LMI geographies. Business hours and products do not vary throughout the bank's branches in a way that inconveniences certain portions of the AAs, particularly LMI geographies or LMI individuals.

FCB opened two new branch offices in New Mexico since the last evaluation, while five offices were closed in New Mexico during the same time period. Five of the seven branch closings in New Mexico were associated with branch overlap from two previously acquired and merged financial institutions. FCB also opened three new branch offices in Colorado since the last evaluation. Three offices were also closed in Colorado that were also associated with branch overlaps from a previously acquired and merged financial institution. FCB opened three branch offices in Arizona and closed one branch office, although this office was actually relocated to one of the new branch offices. FCB also provides Spanish-speaking personnel at all New Mexico and Arizona locations, as well as three locations in Colorado.

FCB provides a relatively high level of community development services in the New Mexico market. As the table to the right indicates, a majority of the community development services benefitted either community services or economic development. FCB also organized Community Advisory Boards for its Albuquerque, Santa Fe, Las Cruces, Cibola/McKinley Counties, Colorado Springs, and Denver markets. These advisory boards are comprised of FCB board of director (board) members, bank officers, and community leaders. The boards are used to seek input regarding FCB's performance in customer service, financial, marketing/donations, and community development while also assessing the area needs. Additional details of the service test performance are discussed under each AA of this evaluation.

Community Development Services	
Purpose	#
Affordable Housing	6
Revitalize and Stabilize	2
Community Services	11
Economic Development	11
Totals	30

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

An evaluation of FCB's fair lending activities was conducted during the examination to determine compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity Act and the FHA. No apparent signs of discrimination were identified and FCB was not engaged in any illegal credit practices inconsistent with helping to meet community credit needs.

STATE OF NEW MEXICO

CRA RATING FOR NEW MEXICO: “OUTSTANDING”

The lending test is rated: Outstanding

The investment test is rated: Outstanding

The service test is rated: High Satisfactory

Major factors supporting the rating include:

- Excellent responsiveness to AA credit needs;
- Good geographic distribution of loans in the bank’s AAs;
- Good distribution of loans among individuals of different income levels and to businesses of different revenue sizes;
- An excellent level of community development lending;
- A excellent level of qualified investments;
- A high level of qualified community development services; and,
- Accessible delivery systems to geographies and individuals of different income levels.

SCOPE OF EXAMINATION

The scope of the examination for the state of New Mexico was consistent with the overall scope for the entire institution, including evaluations under the lending, investment, and service tests. A full-scope review was conducted for the Albuquerque MSA and Santa Fe MSA AAs with a limited review being conducted for the Las Cruces MSA and the Taos, Curry/Roosevelt, and Cibola/McKinley County AAs.

Overall lending activity was greatest in the Albuquerque and Santa Fe MSA AAs, which accounted for 87.9 percent of FCB’s total lending volume in the state. Together, these areas also had a majority of the bank’s deposits, branches, population, LMI tracts, owner-occupied housing units, and business establishments in the state. Accordingly, the state of New Mexico rating was based predominantly on FCB’s performance within these AAs.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN NEW MEXICO

FCB operates 60.0 percent of its branches, which held 71.5 percent of all bank deposits, within its New Mexico markets. New Mexico had approximately 70.3 percent of the total HMDA-related and small business lending originated during the evaluation period. According to the Federal Deposit Insurance Corporation (FDIC) Market Share Report as of June 30, 2008, FCB’s deposit market share was 8.4 percent, and the bank ranked third among 65 financial institutions in the state. FCB operates 36 full-service branch locations in New Mexico and faces strong competition from several community and regional financial institutions.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW MEXICO

FCB's CRA performance in the New Mexico AAs, particularly the Albuquerque MSA, received the greatest weight in the assessment of the bank's overall CRA performance.

LENDING TEST

FCB's performance with respect to the lending test in the state is rated outstanding. FCB's overall level of lending demonstrates an excellent responsiveness to area credit needs. FCB's geographic distribution of lending based on income level of census tract and the distribution of lending based on borrower income level and business revenue size are all considered good. FCB's overall lending rating remains outstanding with an excellent level of community development loans originated within the Albuquerque MSA and those that benefited the entire state. A more in-depth discussion of performance in each AA is contained in other sections of this report. The data used to evaluate the bank's performance in the AAs appears in the Appendix D tables.

Lending Activity:

Overall, FCB's lending activity in the state is considered strong. FCB's lending activity reflects a good responsiveness to retail credit needs of the AA in relation to the bank's capacity and performance context issues. FCB originated 9,474 HMDA-related and small business loans within its New Mexico AAs during the evaluation period.

Geographic and Borrower Distribution:

FCB's overall geographic distribution of HMDA-related and small business loans reflects good penetration throughout all the AAs. In the full review and limited review of the AAs, FCB's performance was lagging the demographic data; however, the bank's HMDA performance was similar to other HMDA reporters and small business lending performance consistently exceeded that of the other CRA reporters. A review of the Taos AA was not feasible as all tracts within Taos County are middle-income.

FCB's distribution of HMDA-related loans and small business loans reflects good penetration among borrowers of different income levels and businesses of different revenue sizes. This conclusion was based on FCB's performance in all AAs. While FCB's HMDA loan distribution was less than the demographic data, its distribution was similar to the aggregate performance. FCB's small business performance was also below demographic data but was significantly above aggregate data in all AAs.

Community Development Lending:

FCB's community development lending performance is excellent with loan commitments in the New Mexico AAs, including statewide, totaling \$24.2 million. A majority of the lending is in the

Albuquerque AA where 22 community development loans totaling \$18.9 million were originated. FCB is considered a leader in community development lending within its AAs.

Numerous redevelopment areas within downtown cores as well as area neighborhoods were identified by local governments, signifying a need for revitalization and stabilization of LMI geographies and for affordable housing. As indicated in the table to the right, a majority of FCB's community development lending is for activities that either revitalized or stabilized LMI geographies or provided affordable housing. Statewide community development lending totaled \$2.6 million and included six loans to various organizations that promote economic development activities.

New Mexico Community Development Lending		
Purpose	#	\$('000s)
Affordable Housing	11	4,549
Revitalize and Stabilize	7	16,116
Community Services	12	3,040
Economic Development	2	446
Totals	32	24,151

FCB also offers other innovative and flexible loan products to help meet the credit needs of LMI individuals. As stated earlier, FCB was recognized by the New Mexico District Office of the SBA for being the number one SBA lender for the State of New Mexico in 2008. FCB also continues to offer guaranteed loan programs in connection with the Pojaque and Tesuque Pueblos. These programs provide a source of personal loans for tribal members who do not qualify for traditional banking credit. During the evaluation period, FCB originated 83 loans under these programs for \$330,461.

INVESTMENT TEST

The state of New Mexico investment test rating is outstanding and represents an increase from the prior evaluation. The bank's investment activity within the rated areas is considered significant and represents a 451.5 percent increase from the prior examination. While the investment level in the Santa Fe MSA was adequate, the New Mexico rating was influenced by the Albuquerque MSA rating which was excellent. In addition, investment activity in the four limited review AAs was consistent with the overall outstanding rating of the state.

At this examination, qualified investments in the state totaled \$44 million. As reflected in the table to the right, a majority of the equity investments were to revitalize or stabilize communities. The 55 equity investments were in school bonds that benefited schools with a majority of students participating in the free or reduced lunch programs. In addition to the school bonds, two statewide equity investments totaling \$1.4 million directed to economic development were also identified.

New Mexico Community Development Investments				
Purpose	Debt/Equity Investments		Grants & Donations	
	#	\$('000s)	#	\$('000s)
Affordable Housing	0	0	4	7
Revitalize and Stabilize	55	42,445	1	5
Community Services	0	0	11	28
Economic Development	2	1,419	7	125
Totals	57	43,864	23	165

A majority of the grant activity was directed to community service and economic development activities. Of the 23 grants listed in the table, FCB had four grants totaling \$61,000 that benefited the entire state. Examples of the larger statewide grants are listed below:

- FCB donated \$41,500 to a community development organization that stimulates economic growth by offering loans and training to self-employed individuals or other small businesses who have limited access to traditional business credit.
- FCB donated \$15,350 to a community development organization that facilitates the start-up and growth of women and minority-owned businesses in New Mexico. The organization’s target market is low-income, unemployed, and/or underemployed women and minorities.

While FCB does not offer many complex or innovative investments, the bank exhibits excellent responsiveness to community development needs within the state and occasionally used innovative investments to support community development initiatives.

SERVICE TEST

FCB’s performance under the service test is rated high satisfactory and represents a decrease from the outstanding rating at the prior examination. The rating is based on FCB’s excellent performance in the Albuquerque MSA, but is also affected by its adequate performance throughout the other five AAs in the state. This conclusion was based on the readily accessible delivery systems, the effect of branch openings and closings, and the level of qualified community development services. Nine of FCB’s 36 banking offices (25 percent) and 16 of the bank’s 53 ATMs (30.2 percent) in the state are located in LMI geographies. All banking offices are reasonably accessible to all portions of the AAs. The wide array of services offered and business hours do not vary in a way that inconveniences certain portions of the AAs or LMI individuals.

FCB is considered a leader in providing community development services in the Albuquerque MSA and provided an adequate level of services in the Santa Fe MSA. As the table to the right indicates, a majority of the community development services supported community services and economic development. Nine of the services were in the Albuquerque MSA; one was in the Santa Fe MSA; and seven were in the other limited review AAs. The remaining nine services targeted the entire state and supported community services and economic development. The statewide services included but were not limited to the following:

New Mexico Community Development Services	
Purpose	#
Affordable Housing	5
Revitalize and Stabilize	1
Community Services	10
Economic Development	10
Totals	26

- ACCION – A bank officer serves on the board, is chairman of the loan review committee, and provides loan administration training to the ACCION loan officers. FCB

also provides lock box services for loan payments. ACCION is a micro-lending program targeted to the self-employed and other small businesses that may not qualify for traditional credit.

- New Mexico Tribal Homeownership Coalition – A bank officer is a member of the coalition and provides technical financial assistance regarding the structure of traditional bank lending processes and how they can be implemented by New Mexico tribes and Pueblos. The coalition is dedicated to increasing housing opportunities for tribal and Pueblo members through advocacy, technical and financial assistance, and the implementation of affordable housing programs on Indian lands. The coalition is a resource for tribes and Pueblos interested in developing homeownership programs on their reservations.

FCB continues to facilitate Community Advisory Boards in the Albuquerque, Santa Fe, Las Cruces, and Cibola/McKinley AAs. These advisory boards are comprised of FCB board members, bank officers, and community leaders. FCB uses these boards to seek input regarding its performance in meeting customer service, financial, marketing/donations, and community development needs.

**METROPOLITAN AREA
(Full Review)**

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MSA 10740 (ALBUQUERQUE, NEW MEXICO)

The bank has designated the entire Albuquerque MSA, consisting of Bernalillo, Sandoval, Torrance, and Valencia Counties as an AA. FCB operates 20 full-service branch offices in the Albuquerque MSA, comprising 55.5 percent of the bank's offices in the state and 33.3 percent of all banking offices. The branch offices held \$1.3 billion in deposits or 69.8 percent of the FCB's total branch deposits in the state, as of June 30, 2008. According to the FDIC Market Share Report of the same date, FCB's deposit market share for the Albuquerque MSA was 13.1 percent and the bank ranked third among 23 financial institutions in the area.

DESCRIPTION OF BANK'S ASSESSMENT AREA

Labor, Employment, and Economic Characteristics

Government and service industries were the MSAs economic foundation. In 2007, the government sector had the MSAs largest number of jobs (20.1 percent), followed by professional and business services (16.2 percent), educational and health services (12.4 percent), retail trade (11.3 percent), and leisure and hospitality services (10 percent). Among the MSAs largest employers were Kirtland Air Force Base, the University of New Mexico, Sandia National Laboratories research facility, Presbyterian Healthcare Services, UNM Hospital, Lovelace Medical Center, and Intel Corporation.

The MSAs labor market has been relatively tight. The February 2009 unemployment is 6 percent. This level of unemployment is slightly above the statewide unemployment rate of 5.4 percent, but much lower than the national figure (8.1 percent). The government sector, including Sandia National Laboratories and Kirtland Air Force Base, provide a degree of stability to the economy through cyclical downturns. The housing sector has been a drag on the MSA economy in 2008, as there has been a flat rate of residential real estate construction starts, relatively unaffordable housing inventory, and rigid borrowing standards.

Income Characteristics

The 2000 MSA median family income (MFI) equaled \$45,738. This figure increased to \$58,000 for 2008. The AA concentrations of low-, moderate-, middle-, and upper-income families mirrored the statewide figures. While the concentration of families living in poverty (10.5 percent) was lower than the statewide figure of 14.5 percent, there is a relatively high concentration of families living in poverty and unemployed persons in the LMI tracts. In 2000, families living in poverty in the LMI tracts equaled 39 percent and 19.7 percent, respectively, compared to 8.5 percent and 3.3 percent in the middle- and upper-income tracts, respectively.

Housing Characteristics

Housing characteristics in the LMI tracts may also affect credit demand. There are higher vacancy rates in these tracts, which may suggest housing deterioration; owner-occupancy rates were lower than in the middle- and upper-income tracts. MSA housing stock had slightly higher concentrations of single-family and owner-occupied housing units than statewide; the MSA also contained a much larger concentration of multifamily units. In 2000, the MSA vacancy rate was substantially lower than in the state as a whole, equaling 8.1 percent versus 13.2 percent of housing units. However, this may be due to a higher level of second/vacation homes in the rural and mountainous areas of the state.

The median age of housing stock was 24 years old in 2000, mirroring the statewide figure of 23 years. However, the MSA's median housing value (\$117,517) was 24.2 percent higher than the statewide median housing value (\$94,600). Overall, housing in the MSA and the state is not very affordable. The housing affordability ratio equaled only 33.1 percent for the MSA and 36.1 percent statewide. The housing affordability ratio is calculated by dividing the median household income by the median housing value. A lower ratio reflects less affordable housing.

EXHIBIT 3 ALBUQUERQUE MSA ASSESSMENT AREA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	8	4.1	4,173	2.2	1,629	39.0	39,335	21.0
Moderate-income	52	26.7	48,759	26.0	9,627	19.7	33,093	17.6
Middle-income	76	39.0	76,112	40.6	6,437	8.5	39,384	21.0
Upper-income	54	27.6	58,464	31.2	1,942	3.3	75,696	40.4
Unknown-income	5	2.6	0	0.0	0	0.0	0	0.0
Total AA	195	100.0	187,508	100.0	19,635	10.5	187,508	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	7,972	2,654	1.4	33.3	3,854	48.3	1,464	18.4
Moderate-income	83,084	44,388	23.2	53.4	29,724	35.8	8,972	10.8
Middle-income	127,614	79,914	41.8	62.6	38,184	29.9	9,516	7.5
Upper-income	87,170	64,003	33.6	73.4	18,331	21.0	4,836	5.5
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	305,840	190,959	100.0	62.4	90,093	29.5	24,788	8.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	635	1.9	575	1.9	49	2.0	11	1.5
Moderate-income	8,220	24.9	7,102	23.9	899	35.8	219	29.9
Middle-income	14,865	45.1	13,344	44.9	1,176	46.9	345	47.1
Upper-income	9,261	28.1	8,719	29.3	384	15.3	158	21.5
Unknown-income	2	0.0	1	0.0	1	0.0	0	0.0
Total AA	32,983	100.0	29,741	100.0	2,509	100.0	733	100.0
	Percentage of Total Businesses:			90.2		7.6		2.2

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 10740 (ALBUQUERQUE, NEW MEXICO)

LENDING TEST

FCB's performance with respect to the lending test in the Albuquerque MSA is excellent.

Lending Activity:

FCB's responsiveness to AA credit needs is good. Lending activity for the MSA represented 70.5 percent of the total HMDA-related and small business loan originations for the state.

Geographic Distribution:

The geographic distribution of HMDA-related and small business loans reflects good loan penetration. Performance context issues, including lending opportunities reflected in the number and percentage of owner-occupied units and businesses, and aggregate performance were considered.

Home Purchase Loans

The geographic distribution of home purchase loans reflects good penetration throughout the AA, particularly in LMI geographies. FCB's performance in both LMI geographies (1.7 percent and 17.1, respectively) was similar to the aggregate data (1.7 percent and 19.7 percent, respectively). FCB's performance within the low-income geographies also exceeded the area demographics (1.4 percent). FCB's performance is further supported by the area economic conditions, such as the high concentrations of families living in poverty and unemployed in the LMI tracts. FCB's performance in 2006 and 2008 was consistent and exhibited good performance in LMI geographies.

Refinance Loans

Refinance lending across geographies of different income levels reflects excellent penetration in LMI geographies. FCB's performance in the low-income geographies (2.6 percent) was excellent and exceeded both demographic (1.4 percent) and aggregate (0.9 percent) data. FCB's performance in the moderate-income geographies (19.5 percent) was less than the demographic (23.2 percent), but higher than the aggregate (17.5 percent). FCB's performance of lending in combined LMI geographies (16.5 percent) in 2006 was consistent with demographic and aggregate data (17.5 percent). Performance in 2008 was also consistent.

Home Improvement Loans

The geographic distribution of home improvement lending across geographies of different income levels reflects good penetration. While FCB originated no home improvement loans in low-income geographies in 2007, its performance in the moderate-income geographies (29.1 percent) was excellent. FCB's performance was above the demographics (23.2 percent) and aggregate data (16.7 percent). In 2006, FCB's performance in LMI geographies (2.2 percent and 16.1 percent, respectively) was above both demographic and aggregate data (0.7 percent and 15.7 percent, respectively). Bank performance in 2008 was consistent.

Small Business Loans

The geographic distribution of small business loans is excellent in LMI geographies. FCB's performance was good in low-income geographies (1.1 percent), comparing favorably with demographics (1.9 percent) and aggregate data (1.2 percent). However, the bank's performance in moderate-income geographies (28.6 percent) was excellent and exceeded the demographic and aggregate data (24.9 percent and 21.1 percent, respectively). FCB's performance was similar in both geographies for 2006 (0.8 percent and 28.9 percent) and 2008 (1.0 percent and 29.0 percent, respectively).

Distribution by Borrower Income and Revenue Size of the Business:

The distribution of loans across borrower income levels reflects good performance. The number and percentage of LMI families, high cost of housing relative to low incomes, performance context issues, size of businesses, and aggregate performance in the AA were considered in the analysis.

Home Purchase Loans

FCB's distribution of home purchase loans to LMI borrowers exhibits good performance. Bank distribution to LMI borrowers (4.3 percent and 14.1 percent, respectively) was consistent with aggregate (3.2 percent and 16.9 percent, respectively). Both the aggregate and bank performance was below area demographics for low-income borrowers (21.0 percent) and moderate-income borrowers (17.6 percent). FCB's performance for 2006 was similar (3.3 percent and 12.7 percent, respectively) and compared favorably to the aggregate (2.6 percent and 12.5 percent, respectively). FCB's performance for 2008 was consistent.

Refinance Loans

FCB's level of refinance loans to LMI borrowers is considered adequate. Similar to home purchase loans, FCB's distribution to LMI borrowers (2.3 percent and 12.9 percent, respectively) was slightly below aggregate (4.1 percent and 16.2 percent, respectively). Again, both the aggregate and bank performance was below the area demographics for LMI borrowers (21 percent and 17.6 percent, respectively). FCB's performance in 2006 was similar (2.9 percent and 13.2 percent, respectively) and was consistent with the aggregate data (3.4 percent and 14.5 percent, respectively). FCB's performance for 2008 was consistent.

Home Improvement Loans

FCB's level of home improvement lending reflects good performance. FCB's distribution to low-income borrowers (6.3 percent) was good and above the aggregate (5.9 percent). FCB's distribution to moderate-income borrowers (20.3 percent) was good, and slightly higher than the area demographic (17.6 percent) and aggregate (16.4 percent). In 2006, FCB's distribution to low-income borrowers was much better (15.2 percent) and significantly above aggregate data (5.2 percent). FCB's 2006 distribution to moderate-income borrowers

(13 percent) was consistent with aggregate data (15.7 percent). FCB's performance for 2008 was consistent.

Small Business Loans

The overall distribution of loans to businesses of different sizes is excellent. FCB's performance (55.2 percent) was less than the percentage of businesses with gross annual revenues (GAR) of \$1 million or less (90.2 percent) but significantly greater than the aggregate (43.3 percent). These loans were further stratified by loan size. As a result, 83.6 percent by number of total small business loans originated in 2007 were made to businesses in amounts of \$250,000 or less.

FCB's lending activity to businesses with GAR of \$1 million or less in 2006 (57.7 percent) was similar and also exceeded the aggregate (39.2 percent). FCB's lending performance for 2008 was at a similar level (51.9 percent). The aggregate lending data provides a better comparison because not all businesses have the financial capability to qualify for traditional bank loans. The aggregate data reflects the market demand for credit from qualified borrowers. FCB's performance from 2006 through 2008, relative to the market data, demonstrated that FCB actively granted credit to small businesses.

Community Development Lending:

FCB's lending performance in this category is excellent. The bank is considered a leader in providing community development loans in the Albuquerque MSA where it originated 22 loans for \$18.9 million during the evaluation period. FCB's community development lending was evenly dispersed for activities that either revitalized or stabilized LMI geographies or provided affordable housing and community services targeted to LMI individuals. Examples of FCB's community development lending included:

- \$12.6 million in various loans to provide construction and renovation of a 46-unit apartment complex and adjoining retail space. These projects are located in moderate-income tracts and are part of the city's Metropolitan Redevelopment Area known as the University Neighborhoods Sector Plan.
- \$2.5 million loan to finance the construction of additional retail space and land preparation of a project located in a moderate-income tract. The property is also located in Southwest Mesa Community Area, designated by the city as a Metropolitan Redevelopment Area.
- Various loans to six nonprofit organizations totaling \$1.4 million. The loans are used to fund working capital needs, with organizations having a community development purpose.

INVESTMENT TEST

In the Albuquerque MSA, the bank had a significant level of qualified investments and grants, representing a substantial increase from the prior examination. FCB exhibits excellent responsiveness to community development needs and occasionally uses innovative investments to support community development initiatives. FCB provided 35 qualified investments in the Albuquerque MSA totaling \$11.7 million, almost double the \$6.2 million from the previous evaluation.

The table at the right reflects that a large percentage of the investment dollars were to revitalize and stabilize communities. While FCB had a significant level of investment dollars, all of the equity investments were represented in school bonds benefiting schools with a majority of students enrolled in the free and reduced lunch program.

Community Development Qualified Investments				
Purpose	Debt/Equity Investments		Grants & Donations	
	#	\$('000s)	#	\$('000s)
Affordable Housing	0	0	1	3
Revitalize and Stabilize	24	11,640	1	5
Community Services	0	0	7	17
Economic Development	0	0	2	26
Totals	24	11,640	11	51

FCB contributed \$51,000 to eleven different organizations with community development purposes. Listed below are examples of the bank’s donations:

- \$10,000 in donations to a community service organization that reduces obstacles that prevent homeless families from seeking health care for their children.
- \$26,000 in donations to local economic development corporations that are committed to recruiting business and industrial opportunities to the Albuquerque metropolitan area that provide quality job opportunities.

SERVICE TEST

FCB’s performance under the service test in the Albuquerque MSA is excellent based on the readily accessibility of delivery systems and the high level of community development services.

Retail Services:

FCB operates 20 branch locations in the Albuquerque MSA, five of which are located in moderate-income geographies, nine in middle-income geographies, and six in upper-income geographies. Since the last examination, the bank closed four branch locations and opened one new location, all in middle-income geographies. The branch closings were the result of branch overlaps from a previously acquired and merged financial institution. Banking offices are readily accessible to LMI geographies and the wide array of services offered do not vary in

a way that inconveniences certain portions of the AA, particularly LMI individuals. Business hours are also adequate.

Community Development Services:

FCB is considered a leader in providing community development services in the Albuquerque MSA. FCB provided a total of nine qualified community development services in the area with a majority targeting community services. Examples of community development services include:

- Mountainair Housing Authority – A bank officer serves as vice commissioner for this organization that manages section 8 housing for Torrance County and promotes affordable housing to LMI families. The commissioner reviews income and expenses as well as provides hearings for potential tenants.
- New Mexico Aids Services – Bank employees are members of the board providing budget assistance for this agency that provides services for nearly 600 individuals impacted by AIDS, most of whom (90-95 percent) are on Medicaid.
- Albuquerque Rescue Mission – A bank officer serves on the finance committee and as chairman of the board of this community service organization to assist with the annual budgeting process. This organization serves as a shelter for homeless individuals.
- Downtown Action Team 2010 Plan – A bank officer serves on a committee to help develop the city's plan to revitalize the downtown area and historic district.

FCB maintains Community Advisory Boards comprised of FCB board members, bank officers, and community leaders. The bank uses these boards to seek input regarding its performance in meeting customer service, marketing, and community development needs within the Albuquerque MSA. Boards are maintained in the Albuquerque, Rio Rancho, and Los Lunas areas of the AA.

**METROPOLITAN AREA
(Full Review)**

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MSA 42140 (SANTA FE, NEW MEXICO)

FCB has designated the entire Santa Fe MSA, consisting of Santa Fe County, as an AA. FCB operates five full-service branch offices in the Santa Fe MSA. The AA branch offices held \$177.8 million of the bank's total deposits, or 9.4 percent of the bank's total branch deposits in the state, as of June 30, 2008. According to the FDIC Market Share Report of the same date, FCB's deposit market share for the Santa Fe MSA was 8.3 percent and the bank ranked sixth among 11 financial institutions in the area.

DESCRIPTION OF BANK'S ASSESSMENT AREA

Labor, Employment, and Economic Characteristics

Government and service industries were the MSAs primary employment sectors. Based on 2007 figures, government industries provided 25.6 percent of MSA jobs, while education and health services provided 14.6 percent, leisure and hospitality services 14.2 percent, and retail trade 13.6 percent. Among the MSAs largest employers were the following: Los Alamos National Laboratory, St. Vincent's Hospital, Santa Fe Community College, and Cities of Gold.

MSA unemployment rates have been substantially lower than statewide and national unemployment rates. The February 2009 unemployment rate (5.1 percent) is lower than the statewide figure (5.4 percent) and the national figure (8.1 percent). Education/healthcare was the only industry in the MSA still adding jobs in 2008. The leisure/hospitality industry is shedding jobs due to a downturn in tourism caused by the poor economy.

The economy is currently experiencing a drag from the housing market, as sales of existing homes have declined to a 10-year low and residential permit issuance is at its lowest pace on record. The MSA was not inundated with excess housing supply, but falling prices in the housing market are reflective of poor demand for overpriced housing in the MSA.

Income Characteristics

In 2000, the MSA MFI equaled \$50,000. This equaled 126.8 percent of the statewide figure of \$39,425, indicating the MSA is predominantly upper-income when compared to the overall state. The MSA MFI increased to \$64,300 for 2008. The concentrations of LMI families in the MSA were similar to statewide figures. However, the 9.4 percent figure for families living in poverty was below the statewide figure of 14.5 percent.

The MSA's one low-income tract may support a slightly higher volume of business loans than consumer or residential real estate loans, as 2.2 percent of total MSA businesses are located

in the tract, but only 1 percent of families, and only .8 percent of owner-occupied housing units. Furthermore, the concentration of families living in poverty in the low-income tract was 2.7 times higher than the overall MSA figure.

Housing Characteristics

Demographics and housing characteristics may also affect housing credit demand in the moderate-income tracts. These tracts contained a slightly higher concentration of rental units and multifamily units than the overall MSA, and a very high concentration of mobile homes. Despite the MSAs relatively small family concentration, it had slightly larger concentrations of single-family and owner-occupied housing units than statewide. Housing affordability in the MSA is problematic. The housing affordability rate equaled only 25.1 percent based on 2000 figures, the second lowest of all the bank's AAs. The MSA's 2000 median housing value equaled \$169,080. Statewide, the housing affordability rate was 36 percent and the median housing value was \$94,600. The median housing value in the one low-income tract equaled \$186,875, resulting in a 12.4 percent housing affordability rate for this one tract.

EXHIBIT 4 SANTA FE MSA ASSESSMENT AREA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	2.5	336	1.0	85	25.3	7,262	22.0
Moderate-income	9	22.5	9,610	29.1	1,529	15.9	5,889	17.8
Middle-income	13	32.5	11,737	35.6	972	8.3	6,235	18.9
Upper-income	14	35.0	11,317	34.3	529	4.7	13,614	41.3
Unknown-income	3	7.5	0	0.0	0	0.0	0	0.0
Total AA	40	100.0	33,000	100.0	3,115	9.4	33,000	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	1,089	301	0.8	27.6	652	59.9	136	12.5
Moderate-income	14,707	8,952	24.9	60.9	4,733	32.2	1,022	6.9
Middle-income	20,462	13,034	36.2	63.7	5,993	29.3	1,435	7.0
Upper-income	21,443	13,690	38.1	63.8	5,127	23.9	2,626	12.2
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	57,701	35,977	100.0	62.4	16,505	28.6	5,219	9.0
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	187	2.1	173	2.1	11	2.2	3	1.2
Moderate-income	1,770	19.8	1,578	19.3	138	27.5	54	22.1
Middle-income	2,523	28.3	2,340	28.6	108	21.5	75	30.8
Upper-income	4,443	49.8	4,086	50.0	245	48.8	112	45.9
Unknown-income	1	0.0	1	0.0	0	0.0	0	0.0
Total AA	8,924	100.0	8,178	100.0	502	100.0	244	100.0
	Percentage of Total Businesses:			91.6		5.6		2.7

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 42140 (SANTA FE, NEW MEXICO)

LENDING TEST

FCB's performance with respect to the lending test in the Santa Fe MSA is excellent.

Lending Activity:

FCB's lending levels reflect excellent responsiveness to AA credit needs. Lending activity for the MSA represents 11 percent of total HMDA-related and small business loan originations for the state during the evaluation period.

Geographic Distribution:

The overall geographic distribution of HMDA-related and small business loans reflects excellent penetration throughout the AA. Performance context issues, including lending opportunities reflected in the number and percentage of owner-occupied units and businesses, and aggregate performance were considered.

Home Purchase Loans

Home purchase lending across geographies of different income levels reflects good penetration in LMI geographies. FCB's lending performance in low-income geographies was excellent (2.8 percent), exceeding both demographic (.8 percent) and aggregate data (1 percent). FCB's performance in the moderate-income geographies (13.9 percent) was adequate, although below demographic (24.9 percent) and aggregate data (20.8 percent). In 2006, FCB originated only one home purchase loan in a low-income geography out of 40 total originations. However, FCB's 2008 performance was significantly better in both LMI geographies (5.3 percent and 21.1 percent), respectively.

Refinance Loans

The overall geographic distribution of refinance loans across geographies of different income levels reflects adequate penetration in LMI geographies. Bank performance in low-income geographies (3.1 percent) exceeded both demographic and aggregate data, (.8 percent and 1.3 percent, respectively). FCB's performance in moderate-income geographies (3.1 percent) was less than both demographic (24.9 percent) and aggregate data (19.4 percent). FCB's performance in 2006 reflected a similar trend, as the performance in low-income geographies (5.9 percent) exceeded the aggregate (1 percent) and performance in moderate-income geographies (14.7 percent) was less than the aggregate data (18.5 percent). For 2008, FCB did not originate any refinance loans in low-income geographies but had a consistent level of loans originated in moderate-income geographies (15.8 percent).

Home Improvement Loans

The overall geographic distribution of home improvement loans across geographies of different income levels reflects good penetration. FCB did not originate any home improvement loans in low-income geographies. The low performance by FCB and aggregate (.9 percent) within the low-income geographies indicates a lack of demand for home improvement loans within those geographies. FCB's performance in moderate-income geographies was excellent (21.4 percent), although slightly below demographics (24.9 percent) but above aggregate

(17 percent). In 2006, FCB originated no loans in LMI geographies. For 2008, FCB did not originate any loans in low-income geographies but its performance in moderate-income geographies was significantly higher (37.9 percent).

Small Business Loans

The geographic distribution of loans to businesses of different sizes is excellent in LMI geographies. FCB's performance in low-income geographies (2.2 percent) was slightly above demographics (2.1 percent) and exceeded aggregate (1.8 percent). FCB's performance in moderate-income geographies (20 percent) was also slightly higher than demographics (18 percent) and the aggregate data (16.4 percent). FCB's performance in 2006 was stronger in both LMI geographies (2.6 percent and 24.5 percent, respectively) compared to aggregate (1.6 percent and 16.7 percent, respectively). FCB's performance in 2008 was also strong in LMI geographies (4.2 percent and 29.7 percent, respectively).

Distribution by Borrower Income and Revenue Size of the Business:

The distribution of loans across borrower income levels reflects excellent performance. The number and percentage of LMI families, high cost of housing relative to low incomes, performance context issues, size of businesses, and aggregate performance in the AA were considered in the analysis.

Home Purchase Loans

FCB's overall distribution of home purchase loans to LMI borrowers exhibits adequate performance. FCB originated no loans to low-income borrowers, while its distribution to moderate-income borrowers (11.1 percent) was below demographics (17.8 percent) and slightly less than aggregate data (12.5 percent). Area economic conditions impacted FCB's ability to effectively lend to LMI residents. In 2000, MSA housing demand seemed high but affordability was problematic. The MSAs housing affordability ratio was 25.1 percent and the median housing value was \$169,080, compared to the statewide housing affordability ratio of 36 percent and a median housing value of \$94,600. In 2006, FCB demonstrated much better performance to low-income borrowers (5 percent) and was higher than aggregate data (3 percent). FCB's distribution to moderate-income borrowers (7.5 percent) was slightly below the aggregate data (9.3 percent). FCB's distribution in 2008 showed similar distributions to LMI borrowers (5.3 percent and 10.5 percent, respectively).

Refinance Loans

FCB's level of refinance loans to LMI borrowers is considered good. FCB's distribution to low-income borrowers (3.1 percent) was significantly below demographic (22 percent) but slightly above aggregate data (2.4 percent). FCB's performance to moderate-income borrowers (3.1 percent) was also less than demographic (17.8 percent) and the aggregate data (9.9 percent). In 2006, FCB demonstrated better performance for both LMI borrowers (2.9 percent and 17.6 percent, respectively) that compared favorably with aggregate data (2.9 percent and 10.2

percent, respectively). FCB's performance in 2008 was excellent as it originated 21.1 percent each to LMI borrowers.

Home Improvement Loans

FCB's distribution of home improvement loans reflects excellent performance. FCB's distribution to low-income borrowers was excellent (14.3 percent); while below demographic data (22 percent), it was significantly above aggregate data (5.2 percent). FCB's distribution to moderate-income borrowers was also excellent (21.4 percent) and was significantly above demographics (17.8 percent) and aggregate data (13.2 percent). In 2006, FCB demonstrated good performance to LMI borrowers (15.4 percent and 7.7 percent, respectively) compared to aggregate data (5.8 percent and 14.8 percent, respectively). FCB's performance in 2008 reflected stronger performance to LMI borrowers (37.9 percent and 24.1 percent, respectively).

Small Business Loans

The overall distribution of loans to businesses of different revenue sizes is excellent. While FCB's performance (69.5 percent) was less than demographics (91.6 percent), the bank's lending was well above the other reporters within the AA (43.8 percent). These loans were further stratified by loan size. As a result, 85.5 percent, by number, of the total small business loans originated in 2007 by FCB were made to businesses in amounts of \$250,000 or less.

Although FCB's performance was lower than the percentage of area small businesses, its performance exceeded that of the aggregate lending data. The aggregate lending data provides a better comparison because not all businesses have the financial capability to qualify for traditional bank loans. The aggregate data reflects the market demand for credit from qualified borrowers. FCB's performance relative to the market data demonstrated that FCB actively grants credit to small businesses.

FCB's performance in 2006 was also strong (64.5 percent) and greatly exceeded performance from other area reporters (41.9 percent). FCB continued its strong lending performance in 2008 (58.9 percent).

Community Development Lending:

FCB's lending performance in this category is adequate. FCB originated one community development loan in the Santa Fe MSA for \$2.3 million. The loan provided construction and development financing of 80 single-family residences to a nonprofit entity that secures affordable housing in Santa Fe. This specific project is a part of the City Master Plan to ensure LMI individuals can afford to buy homes in the area.

FCB continues to provide an innovative and flexible lending program specific to this market. The bank established guaranteed loan programs in connection with the Pojoaque and Tesuque Pueblos. During the evaluation period, FCB originated 83 loans under these programs for \$330,461. These programs provide sources of personal loans to tribal members.

Many of the members are LMI individuals and may not qualify for traditional bank loans. The Tribes guarantee the personal loans of its members if they qualify under the program's criteria.

INVESTMENT TEST

FCB had an adequate level of qualified investments and grants in the Santa Fe MSA. FCB provided two qualified donations totaling \$1,135 during the evaluation period. The donations targeted affordable housing and community service organizations. While this level of investments is low, the rating was enhanced by the level of equity investments and grants made to statewide organizations that also serve the Santa Fe MSA.

SERVICE TEST

FCB's performance under the service test is good based primarily on the accessibility of delivery systems and the level of community development services.

Retail Services:

FCB has five branch locations in this MSA. One office was located in a low-income area; one located in a moderate-income area; two located in middle-income areas, and one was located in an upper-income area. Since the prior examination, FCB closed one office in a middle-income geography due to overlap from a previously acquired and merged financial institution. Banking offices are accessible to all portions of the AA and the wide array of services offered do not vary in a way that inconveniences certain portions of the AA or LMI individuals. Business hours are relatively consistent and allow for adequate accessibility to bank services.

Community Development Services:

FCB provided one community development service where a bank officer serves on the board of a nonprofit organization that provides affordable housing to LMI individuals. While this level of services is low, the analysis was enhanced by the number of services offered to statewide organizations that also serve the Santa Fe MSA. FCB also continues to maintain a Community Advisory Board comprised of FCB board members, bank officers, and community leaders. The bank uses this board to seek input regarding its performance in meeting customer service, marketing, and community development needs.

METROPOLITAN/NONMETROPOLITAN AREAS
(Limited Review)

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LAS CRUCES, NEW MEXICO AND TAOS, CURRY, ROOSEVELT, CIBOLA, AND MCKINLEY COUNTY, NEW MEXICO

FCB designated four AAs in addition to the two full review AAs discussed previously, in detail. The AAs include the Las Cruces MSA as well as the rural counties of Taos, Curry, Roosevelt, Cibola, and McKinley. The Curry and Roosevelt counties are contiguous and were combined to form one AA. Likewise, Cibola and McKinley Counties are contiguous and were also combined to form one AA.

FCB had a limited portion of its operations within these four AAs; therefore, a small portion of FCB's overall loan and deposit activity was located within the AAs. Combined, these four AAs represented 7.9 percent of FCB's total lending volume and 14.8 percent of its deposits. Within the State of New Mexico, the four AAs represented 12.1 percent of loan volume and 20.8 percent of deposits. FCB operates 11 banking offices throughout these four AAs. Conclusions regarding performance compared with the overall state rating, which was based on the performance of the full-scope AAs, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
Las Cruces, New Mexico MSA	Below	Consistent	Below
Taos County, New Mexico	Consistent	Consistent	Below
Curry/Roosevelt Counties, New Mexico	Below	Consistent	Below
Cibola/McKinley Counties, New Mexico	Below	Consistent	Below

Data reviewed, including performance and demographic area information, can be found in the tables in Appendix D.

STATE OF COLORADO

CRA RATING FOR COLORADO: “SATISFACTORY”

The lending test is rated: Outstanding

The investment test is rated: Low Satisfactory

The service test is rated: Low Satisfactory

Major factors supporting the rating include:

- Excellent responsiveness to AA credit needs;
- Good geographic distribution of loans in the bank’s AAs;
- Good distribution of loans among individuals of different income levels and to businesses of different sizes;
- An excellent level of community development lending;
- An adequate level of qualified investments;
- An adequate level of qualified community development services;
- Reasonably accessible delivery systems to geographies and individuals of different income levels; and,
- Products and services and hours do not vary significantly by branch location.

SCOPE OF EXAMINATION

The scope of the examination for the state of Colorado was consistent with the overall scope for the entire institution, including evaluations under the lending, investment, and service tests. A full-scope review was conducted for the Colorado Springs MSA, the Denver MSA, and the Boulder MSA AAs with limited reviews being conducted for the Fort Collins – Loveland MSA and the Greeley MSA AAs. The lending data evaluated included the period from January 1, 2006 to December 31, 2008. For community development loans, investments, and services, the evaluation period was January 17, 2007 to March 16, 2009.

Conclusions regarding the state of Colorado were based predominantly on FCB’s performance in the Colorado Springs, Denver, and Boulder MSAs. Together these areas had a majority of the bank’s deposits, branches, HMDA-related and small business loans, population, LMI tracts, owner-occupied housing units and business establishments in the state of Colorado.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN COLORADO

FCB operates 33.3 percent of its branches, which held 21.8 percent of all bank deposits, in Colorado. According to the FDIC Market Share Report as of June 30, 2008, FCB’s deposit market share was .7 percent for the state, and the bank ranked 25th out of 198 financial institutions in the state. Approximately 27.3 percent of the total HMDA-related and small

business lending originations during the evaluation period were in Colorado, representing an increase from the prior exam when 24.4 percent of the total originations were from Colorado.

FCB operates 20 full-service locations in Colorado and faces strong competition from numerous community and regional financial institutions. On March 1, 2007, FCB acquired 11 branch locations through its purchase of Heritage Bank, Louisville, Colorado.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN COLORADO

FCB's CRA performance in the Colorado AAs received the second most weight in the evaluation of the bank's overall CRA performance.

LENDING TEST

FCB's performance with respect to the lending test is rated outstanding, which is an improvement from the prior examination. FCB's overall level of lending reflects an excellent responsiveness to area credit needs. FCB's geographic distribution of lending based on income level of census tract and the distribution of lending based on borrower income level and business revenue size are all considered good. FCB's overall lending rating is outstanding due to the excellent level of community development loans originated within the three full review AAs. A more in-depth discussion of FCB's performance in each AA is contained in other sections of this report. The data used to evaluate FCB's performance in the AAs appears in the Appendix D tables.

Lending Activity:

FCB's lending activity in the state of Colorado is considered excellent. FCB's lending activity reflected a strong responsiveness to retail credit needs. FCB originated 1,816 HMDA-related and 1,978 small business loans in its Colorado AAs during the evaluation period.

Geographic and Borrower Distribution:

The overall geographic distribution of small business and HMDA-related loans reflects good penetration in LMI geographies. FCB's geographic distribution of business loans reflected strong penetration in LMI geographies, as bank performance consistently exceeded either demographic and/or aggregate data in the three full review AAs. For HMDA-related loans, the geographic distribution reflected good penetration in LMI geographies.

FCB's distribution of home mortgage loans among borrowers of different income levels and small business loans among businesses with GAR of \$1 million or less is excellent. This conclusion was based on FCB's strong performance in 2007 where it consistently exceeded aggregate performance for both HMDA-related loans and small business loans.

Community Development Lending:

FCB’s community development lending performance is excellent with loan commitments in the Colorado AAs totaling \$24 million. A majority of the lending was in the Denver AA where FCB originated seven community development loans totaling \$13.4 million or 55.7 percent of the total Colorado activity.

As indicated in the table to the right, a majority of FCB’s community development loans within the Colorado AAs were for activities that revitalize or stabilize LMI geographies. Portions of FCB’s AAs, particularly Colorado Springs, include specific projects in areas that have been approved by local governing bodies as an Enterprise Community. Details of community development lending are further explained in the discussion of each AA.

Colorado Community Development Lending		
Purpose	#	\$('000s)
Affordable Housing	1	100
Revitalize and Stabilize	9	23,815
Community Services	0	0
Economic Development	2	100
Totals	12	24,015

INVESTMENT TEST

The state of Colorado investment test rating is low satisfactory. FCB’s level of community development investments exhibits adequate responsiveness to community development needs. FCB made a total of five new donations totaling \$52,000 since the prior examination. All donations served the bank’s Denver and Colorado Springs MSA AAs and targeted primarily economic development. The Denver and Colorado Springs areas are large metropolitan areas where there is strong competition for investments, and FCB has a minimal presence. Since FCB entered the Colorado market in 2002, they have formed a Community Advisory Board in the Colorado Springs and Denver markets to ascertain community development needs and opportunities.

SERVICE TEST

FCB’s performance under the service test is rated low satisfactory. Overall performance in the Colorado AAs was reasonable based on the accessibility of delivery systems, the effect of branch openings and closings, and the level of qualified community development services. FCB operates 20 offices in the Colorado markets. Six of the twenty offices are located in LMI geographies and all offices are accessible to all portions of the AAs. Since the prior examination, FCB opened two offices, one in a middle-income geography and one in an upper-income geography. In addition, the bank also closed two offices, one in a low-income geography and one in a middle-income geography. The additional branch locations provide greater overall access. The hours of operations and the array of services offered by FCB’s branches do not vary significantly and do not inconvenience any portions of the AA, particularly LMI geographies or LMI individuals.

FCB provided community services to four different organizations in the Colorado Springs, Denver, and Boulder MSAs, including a neighborhood revitalization unit that improves existing housing stock in rehabilitation areas, a nonprofit organization that creates and preserves quality affordable housing opportunities for LMI families, a small business development center that provides education and free consulting to small businesses, and a nonprofit organization serving the needs of developmentally disadvantaged individuals.

**METROPOLITAN AREA
(Full Review)**

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN MSA 17820 (COLORADO SPRINGS,
COLORADO)**

FCB's AA consists of the entire Colorado Springs MSA, which includes El Paso and Teller Counties. FCB operates two full-service branch offices in the Colorado Springs MSA. Of the bank's two branches, one is in a low-income tract and one is in a middle-income tract. The branch offices held \$86.9 million in deposits or 15.1 percent of the bank's total branch deposits in the state, as of June 30, 2008. According to the FDIC Market Share Report of the same date, FCB's deposit market share for the Colorado Springs MSA was 1.6 percent and the bank ranked 20th among 42 financial institutions in the area.

DESCRIPTION OF BANK'S ASSESSMENT AREA

Labor, Employment, and Economic Characteristics

Government, service, and retail industries are vital to the MSA economy. Among its largest employers are Fort Carson Army Base, the United States Air Force Academy, Peterson Air Force Base, Memorial Hospital, Schriever Air Force Base, Hewlett-Packard, and Atmel Corporation. The military presence in the MSA is the largest single driver of growth. Government spending is the predominant stabilizing force, but there is also a large high-tech job base and the MSA enjoys spillover growth from the Denver area.

The MSA's unemployment rate has exceeded the state and the national rate the past three years, and the economy slowed further in 2008. The unemployment rate in the area as of February 2009 has increased to 8.4 percent. This level of unemployment is higher than the statewide unemployment rate of 7.2 percent and the national figure of 8.1 percent. Housing-related industries, financial services, and manufacturing are all slumping.

Income Characteristics

In 2000, the MSA was a middle-income area overall with a MFI of \$54,036 that was 96.7 percent that of the statewide MFI \$55,883. The MSA's MFI increased to \$68,000 for 2008. The MSA's concentrations of low-, moderate-, middle-, and upper-income families and families living in poverty were similar to the overall statewide figures.

Credit demand may be relatively low in the area's only low-income tract, which contained a very small percentage of the AA population (.3 percent); 31.5 percent of that population was institutionalized as of 2000 data. In addition, the high vacancy rate and age of housing stock in the tract suggested housing deterioration. In 2000, the median age of housing stock in the tract was 61 years compared to a median housing stock age of 24 years in the MSA.

Although there was indication of credit demand in the moderate-income tracts, lenders may also be challenged by the high concentration of families living in poverty (45.6 percent) in those tracts and the housing stock composition. Compared to the middle- and upper-income tracts, the moderate-income tracts have a higher concentration of families living in poverty, lower owner-occupied levels, and higher concentrations of rentals, including multifamily units. In 2000, 28.6 percent of moderate-income tract housing stock was multifamily units compared to 17.5 percent MSA-wide. Multifamily housing stock and rental units often have lower credit demand than single-family and owner-occupied housing units.

Housing Characteristics

The MSA's breakdown of single-family, owner-occupied, rental, multifamily, and mobile home units did not vary significantly from statewide figures. Housing was only slightly more affordable for MSA residents than the statewide overall median affordability. The MSA housing affordability rate was 32.5 percent compared to 29.5 percent statewide. El Paso County, where FCB's branches and the core of the city of Colorado Springs are located, had a 2000 median housing value of \$143,600. As of 2007 estimates, this increased to \$215,100, lowering the county's affordability rate to 25.7 percent. Therefore, housing appears to be less affordable than the 2000 Census figures indicate.

EXHIBIT 5 COLORADO SPRINGS MSA ASSESSMENT AREA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	0.9	221	0.2	72	32.6	24,058	17.1
Moderate-income	33	28.2	32,251	22.9	3,598	11.2	26,842	19.0
Middle-income	57	48.7	70,917	50.3	3,450	4.9	34,957	24.8
Upper-income	26	22.2	37,623	26.6	772	2.1	55,155	39.1
Total AA	117	100.0	141,012	100.0	7,892	5.6	141,012	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied		Rental		Vacant		
		#	%	#	%	#	%	
Low-income	763	147	0.1	19.3	545	71.4	71	9.3
Moderate-income	56,309	24,549	18.8	43.6	28,159	50.0	3,601	6.4
Middle-income	106,855	67,819	51.8	63.5	32,420	30.3	6,616	6.2
Upper-income	48,863	38,394	29.3	78.6	8,369	17.1	2,100	4.3
Total AA	212,790	130,909	100.0	61.5	69,493	32.7	12,388	5.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	1,344	5.0	1,199	4.8	121	7.5	24	4.5
Moderate-income	6,365	23.5	5,725	22.9	498	30.9	142	26.5
Middle-income	11,924	44.0	11,124	44.5	567	35.2	233	43.6
Upper-income	7,484	27.6	6,924	27.7	424	26.4	136	25.4
Total AA	27,117	100.0	24,972	100.0	1,610	100.0	535	100.0
	Percentage of Total Businesses:			92.1		5.9		2.0

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 17820 (COLORADO SPRINGS, COLORADO)

LENDING TEST

FCB's performance with respect to the lending test in the Colorado Springs MSA is excellent.

Lending Activity:

FCB's lending activity in the Colorado Springs MSA is considered excellent. In addition, lending activity for the MSA represents 40.1 percent of total HMDA-related and small business loan originations for the state during the evaluation period.

Geographic Distribution:

The overall geographic distribution of HMDA-related loans reflects adequate penetration and the geographic distribution of small business loans reflects excellent penetration throughout the AA. Performance context issues, including lending opportunities reflected in the number and percentage of owner-occupied units and businesses, and aggregate performance were considered. FCB's ability to effectively make HMDA-related loans in area LMI geographies was challenged by high concentrations of families living in poverty in the moderate-income areas as well as high concentrations of rental and multifamily housing units within the LMI areas.

Home Purchase Loans

The overall geographic distribution of home purchase loans across geographies of different income levels reflects adequate penetration in LMI geographies. FCB reported no home purchase loans in the low-income geography in 2007. However, FCB's performance in moderate-income geographies (16.4 percent) was less than demographics (18.8 percent) but exceeded the aggregate data (13.9 percent). Area economic conditions provide some context for the lower level of lending in the low-income tract when compared to demographics. Only .1 percent of homes in this tract are owner-occupied. In 2006, FCB's performance in the low-income geography (.5 percent) was greater than demographics (.1 percent) but slightly less than the aggregate data (1 percent). Performance in the moderate-income geographies (10.6 percent) was lower than demographics (18.8 percent) and the aggregate data (14.8 percent), but still considered adequate. Bank performance in 2008 was consistent in LMI geographies (.4 percent and 16.4 percent, respectively).

Refinance Loans

Refinance lending across geographies of different income levels reflects adequate penetration. While the bank reported no loans in the low-income geography, the performance of aggregate lenders (.2 percent) was also weak, confirming the limited opportunity to lend in the area's only low-income tract with only .1 percent of owner-occupied housing units. FCB's performance in moderate-income geographies (12.1 percent) was less than demographics (18.8 percent) and slightly less than aggregate data (15 percent). FCB's performance in 2006 reflected a similar trend as the bank reported no loans in low-income geographies while bank performance in moderate-income geographies (6.3 percent) was less than the aggregate data (15.5 percent). Bank performance in 2008 was consistent.

Home Improvement Loans

For 2006, 2007, and 2008, the bank originated only eight home improvement loans in the Colorado Springs MSA. Of the eight originations during the evaluation period, only one was located in a moderate-income tract. Less weight was placed on this product due to the low volume of originations, indicating this is not a major product type for the bank in this market.

Small Business Loans

The geographic distribution of loans to businesses of different sizes is excellent in the LMI geographies. FCB's 2007 activity in the LMI geographies (41.8 percent) was much higher than demographics (28.5 percent) and the aggregate data (21.9 percent). During 2006, FCB's performance was also excellent (43.7 percent) in the LMI geographies compared to aggregate data (22.8 percent). FCB's performance in 2008 was also strong (38.5 percent).

Distribution by Borrower Income and Revenue Size of the Business:

The distribution of loans across borrower income levels reflects good performance. The number and percentage of LMI families, high cost of housing relative to low incomes, performance context issues, size of businesses, and aggregate performance in the AA were considered in the analysis.

Home Purchase Loans

FCB's level of home purchase lending to LMI borrowers is excellent. FCB's distribution to low-income borrowers (7.3 percent) was above aggregate lenders (4.9 percent) but less than demographics (17.1 percent). FCB's lending to moderate-income borrowers (23.7 percent) exceeded both demographics (19 percent) and aggregate data (19.3 percent). In 2006, FCB demonstrated similar performance to both LMI borrowers (5.3 percent and 21.9 percent, respectively) and exceeded aggregate lenders (3.3 percent and 16.2 percent, respectively). Bank performance in 2008 to LMI borrowers was even stronger (8 percent and 26.7 percent, respectively) than the previous years' performance.

Refinance Loans

FCB's overall level of refinance loans to LMI borrowers is adequate. The distribution to LMI borrowers (2.2 percent and 14.3 percent, respectively) was below demographics (17.1 percent and 19 percent, respectively) and aggregate data (4.3 percent and 15.9 percent, respectively). In 2006, FCB demonstrated good performance for both LMI borrowers (4.2 percent and 15.8 percent, respectively), and was consistent with aggregate lenders (3.7 percent, and 14.8 percent, respectively). Bank performance in 2008 was consistent.

Home Improvement Loans

For 2006, 2007, and 2008, the bank originated only eight home improvement loans in the Colorado Springs MSA. The bank did not originate any loans to LMI borrowers. Less weight was placed on this product due to the low volume of originations, indicating this is not a major product type for the bank in this market.

Small Business Loans

The overall distribution of loans to businesses of different revenue sizes is excellent. FCB's performance (57.5 percent) was less than demographics (92.1 percent), but exceeded all other reporters within the AA (42 percent). These loans were further stratified by loan size. As a result, 85.8 percent, by number, of the total small business loans originated in 2007 by FCB were made to businesses in amounts of \$250,000 or less.

FCB's performance in 2006 was also strong (57.7 percent) and exceeded performance from other area reporters (43 percent). FCB continued its strong lending performance in 2008 (53 percent). The aggregate lending data provides a better comparison because not all businesses have the financial capability to qualify for traditional bank loans. The aggregate data reflects the market demand for credit from qualified borrowers. FCB's performance relative to the market data demonstrated the bank actively grants credit to small businesses.

Community Development Lending:

FCB's level of community development lending in the Colorado Springs MSA is good. FCB's total dollar amount of community development loans, \$3.5 million, was considered relatively high as it consisted of only three loans. The loans were for the acquisition and development of lots in a moderate-income geography located in the Colorado Springs Metropolitan Area Enterprise Zone.

INVESTMENT TEST

FCB had an adequate level of qualified investments and grants in the Colorado Springs MSA, and performance is slightly improved from the last examination. FCB provided a total of two qualified donations totaling \$26,000 during the evaluation period. One donation targeted economic development, while the other was for the purpose of revitalizing and stabilizing a LMI area.

SERVICE TEST

Performance under the service test was reasonable based on branch distribution, accessibility of delivery systems, the impact of branch openings, and the level of community development services. FCB closed no branch locations in the rated AA.

Retail Services:

FCB has two branch locations in this MSA, one located in a low-income area, and one located in a middle-income area. The bank operates full-service ATMs at each branch and one stand alone cash dispensing ATM located in a low-income geography. Banking offices are accessible to all portions of the AA and the wide array of services offered, including business hours, do not vary in a way that inconveniences certain portions of the AA or LMI individuals.

Community Development Services:

FCB provided a low level of qualified community development services. The bank was involved in the following two community development services:

- City of Colorado Springs Housing and Community Development Unit – A bank employee serves on the loan review committee to review and approve loan applications for the various loan programs offered by this Unit. This organization’s mission is to preserve and enhance community environments and facilitate revitalization by offering low-interest loan programs to LMI borrowers. Participants must meet income guidelines below LMI levels.
- Rocky Mountain Community Land Trust – A bank employee serves on the board providing budget decisions and reviewing investments. This nonprofit creates and preserves quality affordable housing opportunities for LMI families in the City of Colorado Springs and El Paso County. While their core mission is affordable housing, they also collaborate with other nonprofit organizations to address other housing needs, such as special needs, transitional housing, and affordable rentals.

FCB maintains a Community Advisory Board comprised of FCB board members, bank officers, and community leaders. FCB uses this board to seek input regarding its performance in meeting customer service, marketing, and community development needs within the Colorado Springs MSA.

**METROPOLITAN AREA
(Full Review)**

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN MSA 19740 (DENVER-AURORA,
COLORADO)**

The Denver MSA consists of ten counties in the central part of the state of Colorado. FCB's AA consists of 6 of the 10 MSA counties, accounting for 98 percent of the MSA population. FCB has designated Adams, Arapahoe, Broomfield, Denver, Douglas, and Jefferson Counties, which are located in the Denver MSA, as an AA. FCB operates six branch offices in the Denver MSA. Of FCB's six MSA offices, five are in middle-income tracts and one is in an upper-income tract. The AA branch offices held \$197.6 million of FCB's total deposits, or 34.4 percent of the bank's total branch deposits in the state, as of June 30, 2008. According to the FDIC Market Share Report of the same date, FCB's deposit market share for the Denver MSA was .4 percent and the bank ranked 41st among 90 financial institutions in the area.

DESCRIPTION OF BANK'S ASSESSMENT AREA

Labor, Employment, and Economic Characteristics

The western part of the AA was dependent on the small tourist and seasonal service industries endemic to the Rocky Mountains. The eastern part of the MSA contained several large industries. At year-end 2007, the area's major industries included professional/business services, and government and retail industries. Among its largest employers were Qwest Communications, King Soopers, HealthONE, Lockheed Martin Corporation, Wal-Mart, Exempla Health Care, Safeway, and the University of Denver.

Denver's expansion is decelerating. Housing-related industries are struggling, but the metropolitan area's other industries are growing at a stable rate. Housing-related industries will continue to struggle over the near term, constraining Denver's growth. However, building permits rebounded somewhat in Denver recently and are expected to increase further. This rebound has overwhelmingly focused on the multifamily housing market. Demand for apartments has been strong, while the single-family housing market is stagnant.

Denver's economy had defied national trends until 2008, when employment began to fall. In the first three quarters of 2008, the unemployment rate increased an entire percentage point. Over the last three years, the MSA unemployment rate has mirrored the statewide rate. However, the unemployment rate as of February 2009 increased to 7.9 percent. This level of unemployment is above the statewide unemployment rate of 7.2 percent and closer to the national figure (8.1 percent).

Income Characteristics

Overall, the AA was a middle-income area in 2000 with a MFI of \$61,284 that was 109.7 percent that of the statewide MFI (\$55,883). The entire Denver MSA MFI increased to \$71,800 for 2008. The AA's breakdown of low-, moderate-, middle-, and upper-income families mirrored the total statewide concentration. The AA's percentage of families below the poverty rate was slightly lower than the state figure, equaling 5.5 percent versus 6.2 percent.

MFI varied between MSA counties. Denver and Adams Counties had the lowest MFIs and the highest family poverty rates. In Denver County, the family poverty rate was 10.6 percent and the Adams County family poverty rate was 6.7 percent. In addition, family poverty rates as of 2000 Census data were much higher in the LMI tracts, equaling 18.3 percent and 48.4 percent, respectively, compared to 5.5 percent for the AA.

Housing Characteristics

The AA is unique in its large concentrations of owner-occupied and multifamily housing units. Of total housing units, 25.7 percent was multifamily units. The AAs lowest owner occupancy rates were in Denver County (49.9 percent), and Denver County had the highest concentration of multifamily units (37.6 percent). Statewide, 61.7 percent of housing stock was owner-occupied and 19.9 percent was multifamily units.

FCB's Denver AA housing affordability mirrored the state. Despite a higher median housing value, AA housing stock was as affordable as the state as a whole. The median housing value was \$171,089 compared to \$160,100 statewide, and the housing affordability rate was 30 percent in the MSA and 29.5 percent statewide. The least affordable county in the AA was Denver County at 24.7 percent in 2000. This county's affordability ratio is brought down by its low median household income (\$39,500).

The age of area housing stock was only slightly older than statewide levels, with a 26 year median age compared to 24 years statewide. Douglas County had a 2000 median housing age of only 6 years. This county likely had new housing development prior to the 2000 Census. Denver County, in the core of the city of Denver, had a median housing age of 42 years.

The housing stock in the LMI tracts was also unique, with high concentrations of rental and multifamily housing units. In 2000, 48.6 percent of low- and 36 percent of moderate-income tract housing units were multifamily units. In middle- and upper-income tracts, these figures equaled 26.5 percent and 8.9 percent, respectively. Housing stock was also older in the LMI tracts, indicating there may be housing disrepair.

The middle- and upper-income tracts contain the largest concentrations of area families, owner-occupied housing units, and businesses. Credit demand may be highest in these areas, especially in the area's upper-income tracts. In 2000, these tracts had high owner-occupancy and a high concentration of 1- to 4-family units (91.1 percent of housing stock).

The newest housing stock was in these tracts, indicating recent housing development. The median age of housing stock in the upper-income tracts was 16 years. MSA-wide, 74.3 percent of housing units were 1- to 4-family units and the median housing age was 26 years.

EXHIBIT 6 DENVER-AURORA MSA ASSESSMENT AREA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	21	4.0	19,794	3.7	5,426	27.4	98,344	18.3
Moderate-income	143	26.9	137,927	25.7	14,402	10.4	101,256	18.9
Middle-income	206	38.8	213,730	39.8	7,220	3.4	127,640	23.8
Upper-income	150	28.2	165,441	30.8	2,688	1.6	209,652	39.0
Unknown-income	11	2.1	0	0.0	0	0.0		0.0
Total AA	531	100.0	536,892	100.0	29,736	5.5	536,892	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied		Rental		Vacant		
		#	%		#	%	#	%
Low-income	38,793	10,760	1.9	27.7	25,943	66.9	2,090	5.4
Moderate-income	249,760	123,577	22.3	49.5	116,759	46.7	9,424	3.8
Middle-income	354,696	233,772	42.2	65.9	108,613	30.6	12,311	3.5
Upper-income	221,913	186,419	33.6	84.0	27,583	12.4	7,911	3.6
Unknown-income	11	0	0.0	0.0	11	100.0	0	0.0
Total AA	865,173	554,528	100.0	64.1	278,909	32.2	31,736	3.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	4,538	4.0	3,952	3.9	428	4.7	158	6.5
Moderate-income	28,573	25.1	24,849	24.2	3,024	33.3	700	28.8
Middle-income	40,969	35.9	37,346	36.4	2,770	30.5	853	35.1
Upper-income	38,980	34.2	35,664	34.8	2,630	29.0	686	28.2
Tract not reported	954	0.8	694	0.7	226	2.5	34	1.4
Total AA	114,014	100.0	102,505	100.0	9,078	100.0	2,431	100.0
	Percentage of Total Businesses:			89.9		8.0		2.1

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 19740 (DENVER - AURORA, COLORADO)

LENDING TEST

FCB's performance with respect to the lending test in the Denver MSA is excellent.

Lending Activity:

FCB's lending levels reflect excellent responsiveness to AA credit needs. Lending activity for the MSA represents 34.8 percent of total HMDA-related and small business loan originations for the state during the evaluation period.

Geographic Distribution:

FCB's overall geographic distribution of HMDA-related loans reflects good penetration throughout the AA, while the geographic distribution of small business loans reflects excellent penetration. Performance context issues, including lending opportunities reflected in the number and percentage of owner-occupied units and businesses, and aggregate performance were considered. FCB's ability to make HMDA-related loans in area LMI geographies was challenged by high concentrations of rental and multifamily housing units within those areas. In addition, a high concentration of LMI tract families lived in poverty.

Home Purchase Loans

Home purchase lending across geographies of different income levels reflects adequate penetration in LMI geographies. FCB's lending performance in LMI geographies was considered adequate (1.2 percent and 14.6 percent, respectively) although it was slightly below both demographic (1.9 percent and 22.3 percent, respectively) and aggregate (2.8 percent and 16.9 percent, respectively) numbers. In 2006, FCB's performance was also adequate in the LMI geographies (1.3 percent and 9 percent), although it was somewhat lower than both demographic (1.9 percent and 22.3 percent) and aggregate data (2.7 percent and 17.1 percent). Bank performance in 2008 was consistent.

Refinance Loans

The overall geographic distribution of refinance loans across geographies of different income levels reflects adequate penetration in both the low- and moderate-income geographies. FCB did not originate any refinance loans in the low-income geographies. FCB's performance in the moderate-income geographies was adequate (8.5 percent), although it lagged demographics (22.3 percent) and aggregate data (17.5 percent). In 2006, FCB's performance in the low-income geographies was excellent (4.3 percent) as it exceeded the demographics (1.9 percent) and aggregate data (2.5 percent). The performance in the moderate-income geographies was adequate (14.9 percent), although it was less than demographics (22.3 percent) and aggregate data (19.8 percent). Bank performance in 2008 was consistent.

Home Improvement Loans

The overall geographic distribution of home improvement loans across geographies of different income levels reflects excellent penetration. FCB originated 10 percent of its home improvement loans in the low-income geographies, which significantly exceeded the demographic and aggregate data (both 1.9 percent). FCB's performance in moderate-income

geographies was adequate (10 percent), as it was below demographics (22.3 percent) and aggregate data (16.7 percent). In 2006, FCB originated 33.4 percent of its home improvement loans in LMI geographies, which significantly exceeded aggregate data (19.8 percent) and demographics (24.2 percent). FCB's performance in 2008 was even stronger, with 42.9 percent of its home improvement loans in LMI geographies.

Small Business Loans

The overall geographic distribution of loans to businesses of different sizes is excellent in LMI geographies. FCB's performance in the LMI geographies (5.8 percent and 29.1 percent, respectively) was good. FCB exceeded both demographics (4 percent and 25.1 percent, respectively) and aggregate data (2.9 percent and 20.3 percent, respectively). FCB's performance in 2006 was even stronger in LMI geographies (6.2 percent and 33.2 percent, respectively) compared to aggregate data (2.9 percent and 21 percent, respectively). FCB's performance in 2008 showed even stronger results in LMI geographies (7.3 percent and 25.3 percent, respectively).

Distribution by Borrower Income and Revenue Size of the Business:

The distribution of loans across borrower income levels reflects good penetration. The number and percentage of LMI families, high cost of housing relative to low incomes, performance context issues, size of businesses, and aggregate performance in the AA were considered in the analysis.

Home Purchase Loans

FCB's distribution of home purchase loans to LMI borrowers exhibits good performance. FCB's distribution to LMI borrowers (7.3 percent and 14.6 percent, respectively) compared favorably with aggregate data (6 percent and 18.8 percent, respectively). Both the aggregate and FCB's performance was significantly below the area demographics for low-income borrowers (18.3 percent), reflective of weakened credit demand among low-income borrowers. In 2006, FCB's distribution to both LMI borrowers (1.3 percent and 12.8 percent, respectively) was below aggregate data (3.9 percent and 17.5 percent, respectively), but still considered adequate. FCB's lending performance in 2008 was much improved, as 8.1 percent and 29.4 percent of its home purchase loans were originated to LMI borrowers.

Refinance Loans

FCB's level of refinance loans to LMI borrowers is considered good. FCB's performance (2.1 percent and 6.4 percent respectively) was less than the aggregate levels (4.1 percent and 15.9 percent, respectively) and demographics for LMI borrowers (18.3 percent and 18.9 percent, respectively). However, in 2006, FCB's distribution to LMI borrowers was similar to aggregate lenders (2.1 percent and 17 percent, respectively, compared to the aggregate lenders at 3.6 percent and 16.1 percent, respectively). Performance in 2008 was slightly stronger to LMI borrowers (4 percent and 20 percent, respectively).

Home Improvement Loans

FCB's level of home improvement lending reflects excellent performance. FCB's distribution of home improvement loans to LMI borrowers (20 percent and 30 percent, respectively) was excellent, exceeding both demographics (18.3 percent and 18.9 percent, respectively) and aggregate data (6.8 percent and 18.4 percent, respectively). FCB did not report any home improvement loans to moderate-income borrowers in 2006; however, distribution to low-income borrowers (16.7 percent) was strong, exceeding aggregate lenders (7.4 percent) and similar to demographics (18.3 percent). In 2008, the bank did not originate any home improvement loans to low-income borrowers, but its performance to moderate-income borrowers (14.3 percent) was good.

Small Business Loans

FCB's distribution of loans to businesses of different revenue sizes is good. FCB's performance (52.2 percent) was less than the percentage of businesses with GAR of \$1 million or less (88.9 percent), but exceeded the aggregate data (41.6 percent). These loans were further stratified by loan size. As a result, 79 percent by number of total small business loans originated in 2007 were made in amounts of \$250,000 or less.

FCB's lending activity in 2006 was also considered good. FCB's lending to businesses with GAR of \$1 million or less (41.5 percent) exceeded the aggregate data (39.7 percent) once again. Bank performance in 2008 was stronger at 53.5 percent. The aggregate lending data provides a better comparison because not all businesses have the financial capability to qualify for traditional bank loans. The aggregate data reflects the market demand for credit from qualified borrowers. FCB's 2006 and 2007 performance relative to the market data demonstrates FCB actively grants credit to small businesses.

Community Development Lending:

FCB's lending performance in this category is excellent. FCB originated seven loans for \$13.4 million. The majority of FCB's community development lending was for activities that revitalize and stabilize LMI geographies. Examples of the bank's community development lending include:

- \$4.3 and \$1 million for the renewal of a construction loan for a 15-unit condominium project. The project is situated in a moderate-income geography. Although this geography is no longer a part of the Denver Enterprise Zone, it is still in the New Markets Tax Credit Zone. Activities in this zone qualify for tax incentives in order to promote economic development in LMI communities by increasing the amount of investment capital available.

- \$1.6 million loan for the renewal of a construction loan for acquisition and development of property for projects located within the Denver Enterprise Zone in the Highlands Neighborhood area. The project is situated in a moderate-income geography.
- \$3.5 million construction loan for a mixed-use residential and commercial project. The property is located in a low-income tract and is located within the Denver Enterprise Zone.
- \$2.8 million construction loan for a multifamily townhome project. The property is located in a low-income tract in the Denver Enterprise Zone.

INVESTMENT TEST

FCB had an adequate level of investments and grants in the Denver MSA; performance is slightly improved from the last examination. FCB provided a total of three qualified donations totaling \$26,000 during the evaluation period. All three donations targeted economic development.

SERVICE TEST

FCB's performance under the service test was rated reasonable based primarily on the accessibility of delivery systems, the impact of branch openings and closings, and the level of community development services.

Retail Services:

FCB operates six branch locations with ATMs in this MSA. Five offices are located in middle-income areas, and one is located in an upper-income area. FCB operates three full-service ATMs in middle-income geographies and one in an upper-income geography. FCB also operates three cash dispensing ATMs in middle-income geographies. Since the prior examination, the bank opened one location in a middle-income area and closed one location in a low-income area. Banking offices are accessible to all portions of the AA and the wide array of services offered, including business hours, do not vary in a way that inconveniences certain portions of the AA or LMI individuals.

Community Development Services:

FCB provides a low level of qualified community development services in the Denver MSA. The bank was involved in one community development service. A bank employee serves on the board of the South Metro Denver Small Business Development Center and develops outreach programs assisting small businesses. The Center provides education and free consulting services to small businesses in the Denver area.

FCB maintains a Community Advisory Board comprised of FCB board members, bank officers, and community leaders. The bank used this board to seek input regarding its performance in meeting customer service, marketing, and community development while also identifying other needs within the Denver MSA.

**METROPOLITAN AREA
(Full Review)**

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MSA 14500 (BOULDER, COLORADO)

The Boulder MSA AA consists of the entire MSA, which is comprised of Boulder County. FCB operates nine branch offices in the Boulder MSA. Of FCB's nine area offices, four are located in moderate-income tracts, three in middle-income tracts, and two in upper-income tracts. The majority of area families, owner-occupied housing units, and businesses are located in the middle-income tracts. The branch offices held \$229.8 million in deposits or 40.1 percent of the bank's total branch deposits in the state, as of June 30, 2008. According to the FDIC Market Share Report of the same date, FCB's deposit market share for the Boulder MSA was 4.0 percent and the bank ranked 10th among 34 financial institutions in the area.

DESCRIPTION OF BANK'S ASSESSMENT AREA

Labor, Employment, and Economic Characteristics

The MSA enjoys diversity in its industry sectors, with services being the largest sector, followed by government, educational and health services, manufacturing, leisure and hospitality, and retail trade. Largest employers include the University of Colorado, IBM Corp, Sun Microsystems, Ball Corp, Boulder Community Hospital, and Level 3 Communications.

Boulder's economy was expanding at a solid pace in 2007 and has enjoyed continued steady growth into 2008. The growth has been due to business services and other office-using industries, supported by strong construction spending. The housing-related industries also supported growth, in contrast with the rest of the nation.

MSA unemployment rates have been below state and national averages for the last three years, though there has been an increase in unemployment. The unemployment rate as of February 2009 increased to 6.1 percent. This level of unemployment is still below the statewide unemployment rate of 7.2 percent and the national figure of 8.1 percent. In addition, the 2000 unemployment rate in the low-income tracts equaled 33.4 percent, more than seven times the area-wide figure of 4.4 percent.

Income Characteristics

The Boulder MSA is an upper-income area overall, with the highest MFI of FCB's five Colorado AAs. The 2000 MFI equaled \$69,675, compared to the statewide MFI of \$55,883. This figure increased to \$85,000 for 2008. As of 2000 Census data, the MSA has a low number of families living below the poverty level, 4.8 percent of area families, compared to the statewide figure of 6.2 percent. The concentrations of low-, moderate-, middle-, and upper-income families approximately mirrored the total statewide figures.

Several LMI tract economic characteristics may challenge financial institutions seeking to lend. Family poverty rates as of 2000 Census data were much higher in the LMI tracts, equaling 4.4 percent and 43.2 percent, respectively, compared to 4.8 percent for the AA overall.

Housing Characteristics

Despite the presence of the university and a relatively small family population, the area's concentrations of single-family and owner-occupied housing units were comparable to statewide figures. For the MSA, 61.6 percent of area housing stock was owner-occupied; statewide the figure was nearly identical at 61.7 percent. The area had only slightly higher concentrations of rental and multifamily units in 2000 compared to statewide figures, but the variance was significant in the LMI tracts.

The Boulder MSA affordability ratio of 23.6 percent is also the lowest of the bank's AAs. The MSA's median housing value equaled \$234,955, compared to the statewide median value of \$160,100. Housing stock composition in the moderate-income tracts also suggested lower home loan demand than in middle- and upper-income tracts. The moderate-income tracts had higher concentrations of rental and multifamily housing units, with 30.3 percent of housing stock being multifamily compared to 19.9 percent in the middle-income tracts and 12.9 percent in the upper-income tracts.

Credit demand may be relatively low in the area's LMI tracts. Low-income tracts contained a substantial majority of the area's college population, which would affect consumer and housing credit demand in those tracts. In 2000, 62.5 percent of low-income tract residents lived in college dormitories. Because of the high student population, owner-occupancy was low and multifamily units equaled 83.7 percent of housing stock in the low-income tracts.

Although there was indication of credit demand in the moderate-income tracts, lenders may be challenged by the high concentration of families living in poverty in those tracts and housing stock composition. These tracts had high concentrations of rental and multifamily units and a high concentration of mobile homes. In 2000, 30.3 percent of moderate-income tract housing stock was multifamily units and 6.1 percent was mobile homes. MSA-wide, 21.5 percent of housing stock was multifamily units and 3.6 percent was mobile homes. Multifamily housing stock and rental units often have lower credit demand than single-family and owner-occupied housing units, and mobile homes may have unique credit demand.

The AA had a low housing vacancy rate compared to statewide, but this is primarily due to the number of vacation or second homes throughout the mountainous regions of the state, as such homes are counted as vacant. In 2000, the MSAs housing unit vacancy rate equaled 4.4 percent, while the statewide figure equaled 8.3 percent.

EXHIBIT 7 BOULDER MSA ASSESSMENT AREA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	2	3.1	699	1.1	134	19.2	12,166	19.1
Moderate-income	15	23.4	13,906	21.8	1,328	9.5	11,609	18.2
Middle-income	26	40.6	27,969	43.9	1,050	3.8	14,242	22.3
Upper-income	20	31.3	21,206	33.2	563	2.7	25,763	40.4
Unknown-income	1	1.6	0	0.0	0	0.0	0	0.0
Total AA	64	100.0	63,780	100.0	3,075	4.8	63,780	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied		Rental		Vacant		
		#	%	#	%	#	%	
Low-income	1,531	182	0.3	11.9	1,318	86.1	31	2.0
Moderate-income	29,825	13,287	19.4	44.5	14,955	50.1	1,583	5.3
Middle-income	47,146	30,878	45.0	65.5	14,405	30.6	1,863	4.0
Upper-income	32,910	24,289	35.3	73.8	7,220	21.9	1,401	4.3
Total AA	111,412	68,636	100.0	61.6	37,898	34.0	4,878	4.4
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	174	0.9	153	0.9	14	1.0	7	1.9
Moderate-income	5,801	30.1	5,170	29.4	502	37.7	129	35.4
Middle-income	7,251	37.6	6,703	38.2	408	30.7	140	38.5
Upper-income	5,830	30.3	5,340	30.4	402	30.2	88	24.2
Unknown-income	206	1.1	201	1.1	5	0.4	0	0.0
Total AA	19,262	100.0	17,567	100.0	1,331	100.0	364	100.0
	Percentage of Total Businesses:			91.2	6.9	1.9		

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 14500 (BOULDER, COLORADO)

LENDING TEST

FCB's performance with respect to the lending test in the Boulder MSA is good.

Lending Activity:

The bank's lending activity in the Boulder MSA is considered good. Lending activity for the MSA represents 12.8 percent of total HMDA-related and small business loan originations for the state during the evaluation period.

Geographic Distribution:

The overall geographic distribution of HMDA-related loans reflects good penetration and the geographic distribution of small business loans reflects excellent penetration throughout the AA. Performance context issues, including lending opportunities reflected in the number and percentage of owner-occupied units and businesses, and aggregate performance were considered. FCB's ability to effectively make HMDA-related loans in area LMI geographies was challenged by high concentrations of families living in poverty in LMI areas as well as high concentrations of rental and multifamily housing units within those areas.

Home Purchase Loans

The overall geographic distribution of home purchase loans across geographies of different income levels reflects good penetration. The bank did not originate any loans in low-income geographies during the evaluation period. The AA consists of only two low-income tracts and owner-occupied housing units represented only 0.3 percent. FCB's performance in the moderate-income geographies (50 percent) far exceeded both demographic (19.4 percent) and aggregate data (18.2 percent). In 2006, FCB reported no home purchase loans in the LMI geographies. However, FCB's performance in 2008 was strong, as it originated 55.6 percent of its home purchase loans in moderate-income tracts.

Refinance Loans

Refinance lending across geographies of different income levels reflects good penetration. FCB's performance in the moderate-income geographies (22.2 percent) exceeded the demographics (19.4 percent) and the aggregate lenders (17.5 percent). While FCB reported no loans in the low-income geography, the performance of aggregate lenders (.1 percent) was also weak, reflecting limited opportunity to lend in the area's two low-income tracts. In 2006, FCB reported no refinance loans in the low-income geography; however, the bank's performance in the moderate-income geographies was excellent (50 percent) compared to demographics (19.4 percent) and aggregate data (21.1 percent). Bank performance in 2008 was consistent, with 21.4 percent of originations in moderate-income geographies and no originations in the two low-income tracts.

Home Improvement Loans

Home improvement lending across geographies of different income levels reflects good penetration. FCB did not report any home improvement loans in the two low-income geographies. Demographic context issues and aggregate performance (.2 percent) supports

the challenges of lending in the low-income geographies. FCB's performance in moderate-income geographies was excellent (40 percent) compared to demographics (19.4 percent) and the aggregate data (22.3 percent). In 2006, FCB reported no loans in the low-income geographies. However, FCB's performance in moderate-income geographies (50 percent) far exceeded the demographics (19.4 percent) and the aggregate data (20.2 percent). The bank originated only one loan in 2008 that was in an upper-income geography.

Small Business Loans

The geographic distribution of loans to businesses of different sizes is excellent. FCB's performance in the moderate-income geographies (40.3 percent) was much higher than demographics (30.1 percent) and the aggregate data (24.8 percent). FCB did not report any business loans in the two low-income tracts, but the number of businesses located in these tracts is very small. During 2006, FCB's performance was similar. FCB did not report any business loans in the low-income tracts, but its performance in moderate-income geographies (31.4 percent) exceeded demographics (30.1 percent) and aggregate data (26.3 percent). Bank performance in 2008 was stronger in low-income tracts (1.4 percent) and moderate-income tracts (38.6 percent).

Distribution by Borrower Income and Revenue Size of the Business:

The distribution of loans across borrower income levels reflects good performance. The number and percentage of LMI families, high cost of housing relative to low incomes, performance context issues, size of businesses, and aggregate performance in the AA were considered in the analysis.

Home Purchase Loans

FCB's level of home purchase lending to LMI borrowers is good. FCB's distribution to low-income borrowers (33.3 percent) was well above aggregate lenders (6.7 percent) as well as demographics (19.1 percent). However, the bank did not report any loans to moderate-income borrowers. In 2006, FCB did not report any home purchase loans to LMI borrowers. The bank's level of lending to LMI borrowers (11.1 percent and 22.2 percent) was strong in 2008.

Refinance Loans

FCB's overall level of refinance loans to LMI borrowers is good. The distribution to LMI borrowers (22.2 percent and 22.2 percent, respectively) was above demographics (19.1 percent and 18.2 percent, respectively) and aggregate data (5.2 percent and 15.7 percent, respectively). FCB did not report any refinance loans for LMI borrowers in 2006. Bank performance in 2008 continued to show a positive trend from 2006 levels with lending to LMI borrowers (7.1 percent and 21.4 percent, respectively).

Home Improvement Loans

The distribution of home improvement loans reflects good performance. FCB originated no loans to low-income borrowers. However, originations to moderate-income borrowers (40 percent) were of a high level and exceeded demographics (18.2 percent) and aggregate data (17.4 percent). In 2006, FCB did not report any loans to moderate-income borrowers, but its performance to low-income borrowers (50 percent) was excellent and far exceeded demographics (19.1 percent) and aggregate data (7.9 percent). In 2008, the bank originated only one loan to an upper-income borrower.

Small Business Loans

The overall distribution of loans to businesses of different revenue sizes is excellent. FCB's performance (59.2 percent) was less than demographics (91.2 percent), but exceeded all other reporters within the AA (38.5 percent). These loans were further stratified by loan size. As a result, 88.5 percent, by number, of the total small business loans originated in 2007 by FCB were made in amounts of \$250,000 or less.

FCB's performance in 2006 was also strong (54.3 percent) and exceeded performance from other area reporters (37.8 percent). Performance in 2008 was even stronger at 63.3 percent. The aggregate lending data provides a better comparison because not all businesses have the financial capability to qualify for traditional bank loans. The aggregate data reflects the market demand for credit from qualified borrowers.

Community Development Lending:

FCB's level of community development lending is adequate. FCB originated one community development loan for \$100,000. The loan was an unsecured revolving line of credit for an organization that builds affordable homes for qualified LMI applicants. The bank waives all loan interest charges on this line of credit.

INVESTMENT TEST

FCB did not have any investments and/or donations during the evaluation period and its performance in this test is considered poor.

SERVICE TEST

Performance under the service test is reasonable based on branch distribution, accessibility of delivery systems, the impact of branch openings, and the level of community development services. The bank closed no branch locations in the rated AA.

Retail Services:

FCB has nine branch locations in this MSA; four located in moderate-income tracts, three in middle-income tracts, and two in upper-income tracts. FCB operates three ATMs and six stand alone cash dispensing ATMs located in moderate-, middle-, and upper-income geographies. Banking offices are accessible to all portions of the AA and the wide array of services offered, including business hours, do not vary in a way that inconveniences certain portions of the AA or LMI individuals.

Community Development Services:

FCB provided a low level of qualified community development services. FCB was involved in one community development service where a bank employee serves on the board and the finance committee of an organization that provides a broad range of services designed to incorporate people with developmental, cognitive, and physical challenges into the fabric of their communities. Data from the organization indicates a majority of its clients are LMI.

METROPOLITAN AREAS
(Limited Review)

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FORT COLLINS-LOVELAND AND GREELEY, COLORADO

FCB designated two additional AAs in the state of Colorado. The AAs include the Fort Collins-Loveland MSA as well as the Greeley MSA. The Fort Collins MSA consists of Larimer County, which constitutes the entire MSA. FCB has two branches in this AA. The Greeley MSA consists solely of Weld County; however, the bank's AA consists of only six tracts located in the southwest corner of the county. FCB has only one branch in this AA.

FCB had a limited portion of its operations within these two AAs; therefore, a small portion of the bank's overall loan and deposit activity was located within the AAs. Combined, these two AAs represented only 3.4 percent of FCB's total lending volume and 2.3 percent of its deposits. Within the State of Colorado, the two AAs represented 12.7 percent of loan volume and 10.4 percent of deposits. Conclusions regarding performance compared with the overall state rating, which was based on the performance of the full-scope AAs, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
Ft. Collins-Loveland	Consistent	Below	Consistent
Greeley, Colorado	Below	Below	Consistent

Data reviewed, including performance and demographic area information, can be found in the tables in appendix D.

STATE OF ARIZONA

CRA RATING FOR ARIZONA: SATISFACTORY

The lending test is rated: Outstanding

The investment test is rated: Needs to Improve

The service test is rated: Low Satisfactory

Major factors supporting the rating include:

- Good responsiveness to AA credit needs;
- Excellent geographic distribution of loans in the bank's AA;
- Good distribution of loans among individuals of different income levels and an excellent distribution of loans to businesses of different sizes;
- An adequate level of community development lending;
- A poor level of qualified investments;
- An adequate level of qualified community development services; and,
- Accessible delivery systems to geographies and individuals of different income levels.

SCOPE OF EXAMINATION

For the state of Arizona rating, examiners conducted a full review of FCB's only AA in the state. The statewide performance will be discussed concurrently with FCB's performance in the Phoenix MSA. The scope of the examination for the state of Arizona was generally consistent with the overall scope of the examination for the institution, including an evaluation under the lending, investment, and service tests.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN ARIZONA/MSA 38060 (PHOENIX, ARIZONA)

FCB has designated Maricopa County, one of two counties that make up the Phoenix MSA, as an AA. FCB operates four branch offices in the Phoenix MSA and faces strong competition from several community and regional financial institutions. The AA branch offices held \$175.3 million of the bank's total deposits, or 6.7 percent of the bank's total deposits, as of June 30, 2008. According to the FDIC Market Share Report of the same date, FCB's deposit market share for the Phoenix MSA was .3 percent and the bank ranked 24th among 77 financial institutions in the area. Approximately 1.5 percent of the total HMDA-related and small business lending originations during the evaluation period were in Arizona. Because of FCB's small presence in the state, its CRA performance in the state received the least weight in the evaluation of the bank's overall CRA performance.

DESCRIPTION OF BANK'S ASSESSMENT AREA

Labor, Employment, and Economic Characteristics

The MSA economy is fairly diverse, and in 2007 its leading employment industries were professional and business services (17 percent), government (12.6 percent), retail trade (12.2 percent), and education and health services (10.7 percent). Among its largest employers were Wal-Mart Stores, Inc., Banner Health System, Arizona State University, Wells Fargo & Company, Fry's Food and Drug Stores, Honeywell Aerospace, and Intel Corporation.

The MSA economy had been growing at a robust rate, but is now in a recession due to the spill-over effect from the national economy and a tumultuous housing market. In late 2007 and the first half of 2008, the MSA was shedding jobs, with layoffs becoming more widespread across industries in 2008. The MSA's unemployment rate as of February 2009 was 6.9 percent, below the state (7.4 percent) and national (8.1 percent) unemployment rates. Overall, credit conditions are weak. The state's recession is resulting in lower tax revenues, which invokes pressure on the operations of the area universities and the MSA's government sector. Industrial and office space vacancy rates are also on the rise.

Income Characteristics

Overall, the AA was a middle-income area in 2000 with a MFI of \$51,934 that was 111.1 percent of the statewide MFI (\$46,723). According to 2000 Census data, the breakdown of AA families by income category compared with the statewide figures and the number of AA families below the poverty level (8 percent) was slightly lower than the overall MSA figure (8.2 percent) and the overall statewide figure (9.9 percent).

The AA's LMI tracts contain significantly higher concentrations of families below the poverty level. In addition, the concentration of owner-occupied housing units is lower and the concentration of rental units is higher, including multifamily rental units. Housing units were also older in the LMI tracts (median age 32 and 26 years, respectively) compared to the middle- and upper-income tracts (19 and 10 years, respectively).

Housing Characteristics

The housing market remains the center of the weakness in the MSA's economy. This has resulted in tightened lending standards and increased foreclosures. House prices fell 26 percent between May 2007 and May 2008, compared to 16 percent nationally. Area housing stock mirrored the statewide figures regarding owner-occupied units, rental units, median age, and affordability. The primary variances were that the MSA had a slightly higher concentration of multifamily units and a slightly lower concentration of mobile homes than the overall state. The AA's affordability ratio equaled 37.2 percent based on 2000 data. Housing is more affordable in the Phoenix MSA than all other bank MSA AAs, except for Las Cruces, New Mexico.

EXHIBIT 8 PHOENIX MSA ASSESSMENT AREA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	40	6.0	27,007	3.5	10,117	37.5	145,776	19.0
Moderate-income	181	27.3	197,858	25.7	30,837	15.6	141,674	18.4
Middle-income	230	34.7	290,767	37.9	14,844	5.1	167,107	21.7
Upper-income	208	31.4	253,168	32.9	5,721	2.3	314,243	40.9
Unknown-income	4	0.6	0	0.0	0	0.0	0	0.0
Total AA	663	100.0	768,800	100.0	61,519	8.0	768,800	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	46,175	11,725	1.5	25.4	30,414	65.9	4,036	8.7
Moderate-income	361,845	164,132	21.5	45.4	150,260	41.5	47,453	13.1
Middle-income	478,388	308,438	40.3	64.5	131,622	27.5	38,328	8.0
Upper-income	363,823	280,268	36.7	77.0	56,027	15.4	27,528	7.6
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	1,250,231	764,563	100.0	61.2	368,323	29.5	117,345	9.4
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	7,535	5.7	5,932	5.1	1,295	11.1	308	9.1
Moderate-income	32,450	24.6	27,824	23.8	3,702	31.8	924	27.4
Middle-income	41,732	31.6	37,860	32.3	2,803	24.1	1,069	31.7
Upper-income	50,255	38.1	45,361	38.7	3,827	32.8	1,067	31.6
Unknown-income	107	0.0	74	0.1	26	0.2	7	0.2
Total AA	132,079	100.0	117,051	100.0	11,653	100.0	3,375	100.0
	Percentage of Total Businesses:			88.6		8.8		2.6

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ARIZONA/MSA 38060 (PHOENIX, ARIZONA)

LENDING TEST

Overall, FCB's lending performance within the state of Arizona is rated outstanding. The bank's lending activity demonstrates excellent responsiveness to retail credit needs of the AA. The geographic distribution of loans is excellent, particularly with regard to small business loans. The borrower distribution of loans to businesses of different sizes is excellent and the

distribution of home purchase loans is good. FCB exhibits an adequate level of community development lending considering its limited presence in the area.

Lending Activity:

FCB's lending activity in the state is considered good. During the evaluation period, the bank originated a total of 71 HMDA-related loans and 133 small business loans within the state's only AA. This AA accounts for 1.5 percent of FCB's total lending volume for the products covered in this evaluation, but represented all of its activity in the state.

Geographic Distribution:

The overall geographic distribution of HMDA-related and small business loans reflects excellent loan penetration. Examiners considered performance context issues, including lending opportunities reflected in the number and percentage of owner-occupied units, number and percentage of businesses, and aggregate performance.

Home Purchase Loans

The overall geographic distribution of home purchase loans across geographies of different income levels reflects good penetration in LMI geographies. FCB did not originate any loans in low-income geographies, and its activity in the moderate-income geographies (10 percent) was below the demographics (21.5 percent) and aggregate data (18.4 percent). Performance in 2006 and 2008 were similar with no loans originated in low-income geographies. However, performance in moderate-income geographies (16.7 percent and 56.7 percent) was significantly better. The area low-income tracts show that only 1.5 percent of housing units are owner-occupied. Aggregate data for low-income tracts was also low, confirming the difficulty for banks to make home loans in the AAs low-income tracts.

Refinance Loans

Refinance lending levels across geographies of different income levels reflects good penetration. While the bank reported no loans in the low-income geographies, the aggregate data (1.5 percent) was also weak, reflecting limited opportunities to lend in these geographies. FCB's performance in moderate-income geographies (33.3 percent) was excellent and it was significantly higher than demographics (21.5 percent) and aggregate data (20.8 percent). In 2006, FCB's performance in LMI geographies (25 percent and 16.7 percent, respectively) was significantly above aggregate data (3.7 percent and 15.1 percent, respectively). In 2008, FCB did not originate any loans in low-income geographies but its performance in moderate-income geographies (60 percent) was strong.

Home Improvement Loans

For 2006 and 2007, FCB did not originate any home improvement loans in the Phoenix MSA. In 2008, FCB originated two home improvement loans and both were located in moderate-

income geographies. Less weight was placed on this product as the bank originated only two home improvement loans during the evaluation period within the Phoenix MSA, indicating this is not a major product type for the bank in this market.

Small Business Loans

The geographic distribution to businesses of different revenue sizes reflects excellent penetration in LMI geographies. FCB's activity in the LMI geographies (8.2 percent and 42.9 percent, respectively) exceeded demographics (5.7 percent and 24.6 percent, respectively) and the aggregate data (3.4 percent and 17.1 percent, respectively). In 2006, the bank had a high level of lending in LMI geographies (10 percent and 40 percent, respectively), significantly exceeding aggregate data (3.7 percent and 18.2 percent, respectively). In 2008, the bank's performance was again strong in LMI geographies (14.1 percent and 39.1 percent, respectively).

Distribution by Borrower Income and Revenue Size of the Business:

The distribution of loans to businesses of different sizes reflects excellent penetration, while the distribution of HMDA-related loans reflects a good penetration. The number and percentage of LMI families, high cost of housing, performance context issues, size of businesses, and aggregate performance in the AA were considered in the analysis.

Home Purchase Loans

FCB's distribution of home purchase loans to LMI borrowers exhibits excellent performance. The bank's distribution to low-income borrowers (10 percent) was below the demographics (19 percent) but well above the aggregate data (1.5 percent). Both aggregate and bank performance were significantly below the area demographics for low-income borrowers and is reflective of weakened credit demand among low-income borrowers. FCB's distribution of home purchase loans to moderate-income borrowers (20 percent) was slightly above demographics (18.4 percent) and significantly above aggregate data (10.8 percent). FCB's performance in 2006 and 2008 was consistent.

Refinance Loans

FCB's level of refinance loans to LMI borrowers is considered adequate. For 2007, FCB originated only three refinance loans and none were to LMI borrowers. FCB's performance in 2006 was considerably better to LMI borrowers (25 percent and 16.7 percent, respectively) and was well above aggregate data (3.7 percent and 15.1 percent, respectively). FCB's performance was again low in 2008 with only one loan originated to a moderate-income borrower out of total of only five refinance loans originated in the AA.

Home Improvement Loans

For 2006 and 2007, FCB did not originate any home improvement loans in the Phoenix MSA. In 2008, FCB originated two home improvement loans and one was to a low-income borrower with the other to an upper-income borrower. Less weight was placed on this product as the bank originated only two home improvement loans during the evaluation period within the Phoenix MSA, indicating this is not a major product type for the bank in this market.

Small Business Loans

The overall distribution of loans to businesses of different revenue sizes is excellent. While FCB's performance (55.1 percent) was less than demographics (88.6 percent), the bank's lending was well above the other reporters within the AA (38.2 percent). These loans were further stratified by loan size. As a result, 59.2 percent, by number, of the total small business loans originated in 2007 by FCB were made to businesses in amounts of \$250,000 or less.

Although FCB's performance was lower than the overall percentage of area small businesses, the bank's performance significantly exceeded that of the aggregate lending data. The aggregate lending data provides a better comparison because not all businesses have the financial capability to qualify for traditional bank loans. The aggregate data reflects the market demand for credit from qualified borrowers. FCB's performance relative to the market data demonstrated that the bank actively grants credit to small businesses.

FCB's performance in 2006 was also strong (60 percent) and greatly exceeded performance from other area reporters (34.6 percent). FCB's performance was also good in 2008 (45.3 percent).

Community Development Lending:

FCB's lending performance in this category is adequate. FCB originated one community development loan for \$1.4 million during the evaluation period. The loan was to expand a processing and distribution center that created 33 new full time jobs for LMI individuals. FCB is also in the process of assisting ACCION of New Mexico to expand into Arizona. FCB has a strong history of assisting this organization, which provides micro-lending programs targeted to the self-employed and other small businesses that may not qualify for traditional business credit.

INVESTMENT TEST

In the Phoenix MSA, FCB's investment performance is rated needs to improve. FCB provided no community development investments or grants in the area. The Phoenix MSA is a large metropolitan area where there is strong competition for investments, and FCB has a very small presence in the market.

SERVICE TEST

Performance under the service test is rated low satisfactory based on branch distribution, accessibility of delivery systems, the impact of branch openings, and the level of community development services.

Retail Services:

FCB has four full-service branch locations in the Phoenix MSA, one each located in a low-income, moderate-income, middle-income and upper-income tract. Since the prior examination, FCB opened three new branch locations, one of which was in a low-income geography, providing greater overall accessibility. FCB also closed one branch office in the area that was relocated to one of the new branch offices. Banking offices are accessible to all portions of the AA and the wide array of services offered do not vary in a way that inconveniences certain portions of the AA or LMI individuals. Business hours are reasonable.

Community Development Services:

FCB provided no community development services in the Phoenix MSA which demonstrates poor performance in assessing community development service needs.

**CRA APPENDIX A
SCOPE OF EXAMINATION**

FIRST COMMUNITY BANK		
TIME PERIOD REVIEWED	<u>HMDA and CRA Loans:</u> January 1, 2006 to December 31, 2008 <u>Community Development Loans, Investments, and Services:</u> January 17, 2007 to March 16, 2009	
FINANCIAL INSTITUTION		PRODUCTS REVIEWED
First Community Bank, Taos, New Mexico		<ul style="list-style-type: none"> • Home Purchase • Home Improvement • Refinancings • Small Business • Community Development
AFFILIATE(S)	AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED
None		

(Appendix A continued on next page)

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED¹	OTHER INFORMATION
<u>NEW MEXICO</u>			
MSA 10740 (Albuquerque)	Full Review	3801 Isleta Boulevard SW, Albuquerque, New Mexico 2300 Louisiana NE, Albuquerque, New Mexico 1000 Commercial Drive SE, Rio Rancho, New Mexico	
MSA 42140 (Santa Fe)	Full Review		
MSA 29740 (Las Cruces) Taos County Curry and Roosevelt Counties Cibola and McKinley Counties	Limited Review Limited Review Limited Review Limited Review		
<u>COLORADO</u>			
MSA 17820 (Colorado Springs)	Full Review		
MSA 19740 (Denver - Aurora)	Full Review	5720 West 120 th Avenue Broomfield, Colorado 1543 Wazee Street Denver, Colorado	
MSA 14500 (Boulder)	Full Review	811 South Public Road Lafayette, Colorado	
MSA 22660 (Fort Collins-Loveland) MSA 24540 (Greeley)	Limited Review Limited Review		
<u>Arizona</u>			
MSA 38060 (Phoenix)	Full Review		

¹ There is a statutory requirement that the written evaluation of a multistate institution's performance must list the individual branches examined in each state.

CRA APPENDIX B

SUMMARY OF STATE RATINGS

State	Lending Test Rating	Investment Test Rating	Service Test Rating	Overall State Rating
New Mexico	Outstanding	Outstanding	High Satisfactory	Outstanding
Colorado	Outstanding	Low Satisfactory	Low Satisfactory	Satisfactory
Arizona	Outstanding	Needs To Improve	Low Satisfactory	Satisfactory

CRA APPENDIX C

GLOSSARY

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 metropolitan area/assessment area.

Census tract: A small, relatively permanent statistical subdivision of a county. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons and average about 4,000 inhabitants.

Community development: Includes affordable housing (including multifamily rental housing) for low- and moderate-income individuals; community services targeted to low- and moderate-income individuals; activities that promote economic development by financing businesses or farms that have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, designated distressed or underserved nonmetropolitan middle-income areas or designated disaster areas.

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 nonrelatives 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 (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity and responsiveness).

Geography: A census tract 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 data such as race, gender and income of applications, amount of loan requested, and disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes 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.

Limited review: Performance under the lending, investment and service tests is analyzed using only quantitative factors (for example, 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 metropolitan area/assessment area.

Metropolitan area (“MA”): Any primary metropolitan statistical area (“PMSA”), metropolitan statistical area (“MSA”), or consolidated metropolitan statistical 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.

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 multistate 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 multistate metropolitan area, the institution will receive a rating for the multistate 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in "loans to small farms" as defined in the instructions for preparation of the Call Report. These loans have original amounts of \$500 thousand or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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 D
CRA CORE TABLES**

TABLE 1 – LENDING VOLUME										
MSA/Assessment Area	Home Mortgage *		Small Loans to Businesses *		Small Loans to Farms *		Community Development Loans **		Total Reported HMDA, Business and Farm Loans	
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)
New Mexico										
Albuquerque NM MSA	2,350	406,288	4,328	654,426	103	7,098	28	21,567	6,809	1,089,379
Santa Fe NM MSA	239	53,223	803	109,432	9	1,208	1	2,338	1,052	166,201
Las Cruces NM MSA	170	27,839	179	39,692	0	0	2	166	351	67,697
Taos County, NM	182	9,283	260	26,405	5	153	1	80	448	35,921
Curry & Roosevelt Counties, NM	468	48,294	272	29,123	27	2,999	0	0	767	80,416
Cibola & McKinley Counties, NM	83	7,051	142	23,296	8	582	0	0	233	30,929
Colorado										
Boulder MSA	51	8,564	433	59,437	2	85	1	100	487	68,186
Colorado Springs MSA	1,208	244,639	315	53,070	0	0	3	3,539	1,526	301,248
Denver MSA	492	113,476	828	145,172	1	15	7	13,376	1,328	272,039
Fort Collins MSA	33	9,326	322	56,492	2	1,000	1	7,000	358	73,818
Greeley MSA	32	4,816	80	10,476	1	50	0	0	113	15,342
Arizona										
Phoenix MSA	71	25,447	133	39,083	0	0	1	1,400	205	65,930

Note: Community Development Loans for the Albuquerque MSA include six loans for \$2,646,000 that benefited the entire State of New Mexico. In addition to the community development loans listed above, the bank originated six loans for \$23,594,000 during the evaluation period that benefited its previous AA of Salt Lake County, Utah. The bank closed its Utah offices on October 31, 2008.

(*) The evaluation period for loan data is January 1, 2006 to December 31, 2008. Remaining tables reflect loan data from January 1, 2007 to December 31, 2007.

(**) The evaluation period for Community Development Loans is January 17, 2007 to March 16, 2009.

TABLE 2 – GEOGRAPHIC DISTRIBUTION OF HOME PURCHASE LOANS

MSA/Assessment Area	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income *			
	#	% of Total **	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Low	Mod	Mid	Upp
New Mexico														
Albuquerque NM MSA	469	42.7	1.4	1.7	23.2	17.1	41.8	43.3	33.6	37.9	1.7	19.7	40.5	38.1
Santa Fe NM MSA	36	3.3	0.8	2.8	24.9	13.9	36.2	41.7	38.1	41.6	1.0	20.8	34.3	43.9
Las Cruces NM MSA	37	3.4	0.0	0.0	27.6	8.1	37.8	35.1	34.6	56.8	0.0	9.3	45.7	45.0
Taos County, NM	9	0.8	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	100.0	0.0
Curry & Roosevelt Counties, NM	108	9.8	0.0	0.0	24.7	20.4	57.1	58.3	18.2	21.3	0.0	18.0	54.1	27.9
Cibola & McKinley Counties, NM	7	0.6	3.0	0.0	43.7	14.3	46.0	71.4	7.3	14.3	0.0	11.4	61.7	26.9
Colorado														
Boulder MSA	6	0.5	0.3	0.0	19.4	50.0	45.0	50.0	35.3	0.0	0.6	18.2	47.8	33.4
Colorado Springs MSA	317	28.9	0.1	0.0	18.8	16.4	51.8	51.1	29.3	32.5	0.6	13.9	52.3	33.2
Denver MSA	82	7.5	1.9	1.2	22.3	14.6	42.2	37.8	33.6	43.9	2.8	16.9	40.8	39.5
Fort Collins MSA	7	0.6	1.3	0.0	13.6	42.9	62.8	42.9	22.3	14.2	0.2	14.2	54.2	31.4
Greeley MSA	11	1.0	0.0	0.0	0.0	0.0	53.6	90.9	46.4	9.1	0.0	0.0	41.7	58.3
Arizona														
Phoenix MSA	10	0.9	1.5	0.0	21.5	10.0	40.3	50.0	36.7	40.0	1.5	18.4	40.7	39.4

(*) Based on 2007 Aggregate HMDA data only.

(**) Home purchase loans originated and purchased in the 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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

TABLE 3 – GEOGRAPHIC DISTRIBUTION OF HOME IMPROVEMENT LOANS

MSA/Assessment Area	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income *			
	#	% of Total **	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Low	Mod	Mid	Upp
New Mexico														
Albuquerque NM MSA	79	40.1	1.4	0.0	23.2	29.1	41.8	45.6	33.6	25.3	0.7	16.7	44.0	38.6
Santa Fe NM MSA	14	7.1	0.8	0.0	24.9	21.4	36.2	21.4	38.1	57.2	0.9	17.0	40.1	42.0
Las Cruces NM MSA	0	0.0	0.0	0.0	27.6	0.0	37.8	0.0	34.6	0.0	0.0	23.8	33.3	42.9
Taos County, NM	55	27.9	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	100.0	0.0
Curry & Roosevelt Counties, NM	12	6.1	0.0	0.0	24.7	25.0	57.1	58.3	18.1	16.7	0.0	27.0	54.7	18.3
Cibola & McKinley Counties, NM	14	7.1	3.0	0.0	43.7	14.3	46.0	78.6	7.3	7.1	0.0	17.5	63.1	19.4
Colorado														
Boulder MSA	5	2.5	0.3	0.0	19.4	40.0	45.0	40.0	35.3	20.0	0.2	22.3	44.7	32.8
Colorado Springs MSA	7	3.6	0.1	0.0	18.8	14.3	51.8	71.4	29.3	14.3	0.2	14.4	53.2	32.2
Denver MSA	10	5.1	1.9	10.0	22.3	10.0	42.2	60.0	33.6	20.0	1.9	16.7	40.9	40.5
Fort Collins MSA	1	0.5	1.3	0.0	13.6	0.0	62.8	100.0	22.3	0.0	0.2	12.4	60.3	27.1
Greeley MSA	0	0.0	0.0	0.0	0.0	0.0	53.6	0.0	46.4	0.0	0.0	0.0	37.9	62.1
Arizona														
Phoenix MSA	0	0.0	1.5	0.0	21.5	0.0	40.3	0.0	36.7	0.0	1.6	20.1	42.9	35.4

(*) Based on 2007 Aggregate HMDA data only.

(**) Home improvement loans originated and purchased in the 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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

TABLE 4 – GEOGRAPHIC DISTRIBUTION OF HOME MORTGAGE REFINANCE LOANS

MSA/Assessment Area	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income *			
	#	% of Total **	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	% Owner Occ Units ***	% BANK Loans	Low	Mod	Mid	Upp
New Mexico														
Albuquerque NM MSA	302	53.2	1.4	2.6	23.2	19.5	41.8	36.1	33.6	41.8	0.9	17.5	43.5	38.1
Santa Fe NM MSA	32	5.6	0.8	3.1	24.9	3.1	36.2	34.4	38.1	59.4	1.3	19.4	36.7	42.6
Las Cruces NM MSA	10	1.8	0.0	0.0	27.6	10.0	37.8	10.0	34.6	80.0	0.1	12.5	38.3	49.1
Taos County, NM	7	1.2	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	99.5	0.0
Curry & Roosevelt Counties, NM	54	9.5	0.0	0.0	24.7	14.8	57.1	48.1	18.1	37.1	0.0	19.1	55.2	25.7
Cibola & McKinley Counties, NM	8	1.4	3.0	0.0	43.7	12.5	46.0	75.0	7.3	12.5	0.0	8.2	67.9	23.9
Colorado														
Boulder MSA	9	1.6	0.3	0.0	19.4	22.2	45.0	55.6	35.3	22.2	0.1	17.5	47.3	35.1
Colorado Springs MSA	91	16.0	0.1	0.0	18.8	12.1	51.8	39.6	29.3	48.3	0.2	15.0	52.2	32.7
Denver MSA	47	8.3	1.9	0.0	22.3	8.5	42.2	41.4	33.6	50.1	2.5	17.5	40.1	39.4
Fort Collins MSA	4	0.7	1.3	0.0	13.6	50.0	62.8	50.0	22.3	0.0	0.2	13.1	56.5	30.2
Greeley MSA	1	0.2	0.0	0.0	0.0	0.0	53.6	100.0	46.4	0.0	0.0	0.0	47.1	52.9
Arizona														
Phoenix MSA	3	0.5	1.5	0.0	21.5	33.3	40.3	33.3	36.7	33.4	1.5	20.8	40.7	37.0

(*) Based on 2007 Aggregate HMDA data only.

(**) Home mortgage refinance loans originated and purchased in the AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

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

TABLE 5 – GEOGRAPHIC DISTRIBUTION OF LOANS TO SMALL BUSINESSES

MSA/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 **	% *** Businesses	% BANK Loans	% *** Businesses	% BANK Loans	% *** Businesses	% BANK Loans	% *** Businesses	% BANK Loans	Low	Mod	Mid	Upp
New Mexico														
Albuquerque NM MSA	1,507	51.1	1.9	1.1	24.9	28.6	45.1	45.5	28.1	24.8	1.2	21.1	40.6	32.4
Santa Fe NM MSA	275	9.3	2.1	2.2	18.1	20.0	27.3	27.3	52.5	50.5	1.8	16.4	26.4	49.7
Las Cruces NM MSA	58	1.9	0.6	1.7	19.5	15.5	42.7	48.3	37.2	34.5	1.0	16.8	35.6	39.7
Taos County, NM	94	3.2	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	81.7	0.0
Curry & Roosevelt Counties, NM	100	3.4	0.0	0.0	30.2	23.0	57.4	69.0	12.4	8.0	0.0	23.6	52.9	16.6
Cibola & McKinley Counties, NM	48	1.6	0.7	0.0	23.4	14.6	62.7	85.4	13.2	0.0	0.1	10.3	58.4	18.8
Colorado														
Boulder MSA	191	6.5	0.9	0.0	30.1	40.3	35.7	35.6	30.9	24.1	1.0	24.8	38.8	32.3
Colorado Springs MSA	127	4.3	5.0	21.3	23.5	20.5	44.3	41.7	26.3	16.5	3.6	18.3	41.6	33.4
Denver MSA	347	11.8	4.0	5.8	25.1	29.1	36.1	34.0	34.8	26.5	2.9	20.3	33.8	40.1
Fort Collins MSA	116	3.9	1.1	2.6	26.7	28.4	50.2	49.1	22.0	19.9	0.9	21.7	46.8	27.0
Greeley MSA	40	1.3	0.0	0.0	0.0	0.0	51.8	32.5	48.2	67.5	0.0	0.0	44.3	55.7
Arizona														
Phoenix MSA	49	1.7	5.7	8.2	24.6	42.9	31.6	12.2	38.1	36.7	3.4	17.1	30.4	46.7

(*) Based on 2007 Aggregate Small Business data only.

(**) Small loans to businesses originated and purchased in the AA as a percentage of all small business loans originated and purchased in the rated area.

(***) Source of Data – Dun & Bradstreet 2007.

TABLE 6 – BOROWER DISTRIBUTION OF HOME PURCHASE LOANS

MSA/Assessment Area	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) *			
	#	% of Total **	% Families ***	% BANK Loans	% Families ***	% BANK Loans	% Families ***	% BANK Loans *	% Families ***	% BANK Loans	Low	Mod	Mid	Upp
New Mexico														
Albuquerque NM MSA	469	42.7	21.0	4.3	17.6	14.1	21.0	20.9	40.4	53.5	3.2	16.9	24.1	44.2
Santa Fe NM MSA	36	3.3	22.0	0.0	17.8	11.1	18.9	16.7	41.3	58.3	2.5	12.5	16.3	58.2
Las Cruces NM MSA	37	3.4	23.3	2.7	16.4	5.4	18.9	24.3	41.4	56.8	1.6	5.8	18.5	66.2
Taos County, NM	9	0.8	23.2	11.0	16.8	0.0	19.6	22.2	40.4	55.6	0.6	3.2	9.5	74.1
Curry & Roosevelt Counties, NM	108	9.8	20.4	3.7	18.0	18.5	21.9	19.4	39.7	51.9	3.2	12.1	21.6	52.7
Cibola & McKinley Counties, NM	7	0.6	31.4	0.0	16.6	42.9	19.1	14.3	32.9	42.9	1.0	8.5	17.3	63.0
Colorado														
Boulder MSA	6	0.5	19.1	33.3	18.2	0.0	22.3	0.0	40.4	66.7	6.7	15.4	21.4	42.3
Colorado Springs MSA	317	28.9	17.1	7.3	19.0	23.7	24.8	35.0	39.1	33.4	4.9	19.3	24.2	36.8
Denver MSA	82	7.5	18.3	7.3	18.9	14.6	23.8	23.2	39.0	40.2	6.0	18.8	21.7	39.0
Fort Collins MSA	7	0.6	16.7	0.0	19.4	0.0	25.3	42.9	38.6	57.1	4.9	17.5	22.2	42.6
Greeley MSA	11	1.0	15.4	0.0	15.5	18.2	23.6	36.4	45.5	27.3	1.7	12.4	25.1	48.1
Arizona														
Phoenix MSA	10	0.9	19.0	10.0	18.4	20.0	21.7	20.0	40.9	40.0	1.5	10.8	20.1	48.8

(*) Based on 2007 Aggregate HMDA data only.

(**) Home purchase loans originated and purchased in the AA as a percentage of all home purchase loans originated and purchased in the rated area.

(***) Percentage of families is based on 2000 Census information.

TABLE 7 – BOROWER DISTRIBUTION OF HOME IMPROVEMENT LOANS

MSA/Assessment Area	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) *			
	#	% of Total **	% Families ***	% BANK Loans	% Families ***	% BANK Loans	% Families ***	% BANK Loans *	% Families ***	% BANK Loans	Low	Mod	Mid	Upp
New Mexico														
Albuquerque NM MSA	79	40.1	21.0	6.3	17.6	20.3	21.0	22.8	40.4	43.0	5.9	16.4	26.2	49.1
Santa Fe NM MSA	14	7.1	22.0	14.3	17.8	21.4	18.9	28.6	41.3	35.7	5.2	13.2	19.7	57.7
Las Cruces NM MSA	0	0.0	23.3	0.0	16.4	0.0	18.9	0.0	41.4	0.0	5.9	13.0	16.1	63.2
Taos County, NM	55	27.9	23.2	20.0	16.8	16.4	19.6	27.3	40.0	34.5	7.5	10.0	18.1	58.1
Curry & Roosevelt Counties, NM	12	6.1	20.4	16.7	18.0	16.7	21.9	16.7	39.7	50.0	4.7	15.5	23.6	56.1
Cibola & McKinley Counties, NM	14	7.1	31.4	21.4	16.6	14.3	19.0	28.6	32.9	35.7	3.8	15.0	17.5	62.5
Colorado														
Boulder MSA	5	2.5	19.1	0.0	18.2	40.0	22.3	20.0	40.4	20.0	9.9	17.4	25.6	42.3
Colorado Springs MSA	7	3.6	17.1	0.0	19.0	0.0	24.8	28.6	39.1	57.1	6.8	17.2	28.0	43.7
Denver MSA	10	5.1	18.3	20.0	18.9	30.0	23.8	10.0	39.0	40.0	6.8	18.4	25.7	46.2
Fort Collins MSA	1	0.5	16.7	0.0	19.4	100.0	25.3	0.0	38.6	0.0	8.0	18.5	26.7	43.7
Greeley MSA	0	0.0	15.4	0.0	15.5	0.0	23.6	0.0	45.5	0.0	5.6	6.1	26.3	59.1
Arizona														
Phoenix MSA	0	0.0	19.0	0.0	18.4	0.0	21.7	0.0	40.9	0.0	4.3	15.7	22.8	53.7

(*) Based on 2007 Aggregate HMDA data only.

(**) Home improvement loans originated and purchased in the AA as a percentage of all home improvement loans originated and purchased in the rated area.

(***) Percentage of families is based on 2000 Census information.

TABLE 8 - BOROWER DISTRIBUTION OF HOME MORTGAGE REFINANCE LOANS

MSA/Assessment Area	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data (%) *			
	#	% of Total **	% Families ***	% BANK Loans	% Families ***	% BANK Loans	% Families ***	% BANK Loans *	% Families ***	% BANK Loans	Low	Mod	Mid	Upp
New Mexico														
Albuquerque NM MSA	302	53.2	21.0	2.3	17.6	12.9	21.0	20.2	40.4	59.9	4.1	16.2	25.3	42.7
Santa Fe NM MSA	32	5.6	22.0	3.1	17.8	3.1	18.9	15.6	41.3	71.9	2.4	9.9	21.2	55.6
Las Cruces NM MSA	10	1.8	23.3	0.0	16.4	0.0	18.9	10.0	41.4	80.0	1.8	6.1	14.3	69.5
Taos County, NM	7	1.2	23.2	0.0	16.8	28.6	19.6	14.3	40.0	42.9	1.2	6.9	15.7	63.1
Curry & Roosevelt Counties, NM	54	9.5	20.4	5.6	18.0	3.7	21.9	11.1	39.7	63.0	2.7	8.8	18.0	56.8
Cibola & McKinley Counties, NM	8	1.4	31.4	0.0	16.6	0.0	19.0	0.0	32.9	100.0	2.7	8.0	17.8	57.5
Colorado														
Boulder MSA	9	1.6	19.1	22.2	18.2	22.2	22.3	22.2	40.4	22.2	5.2	15.7	21.3	40.6
Colorado Springs MSA	91	16.0	17.1	2.2	19.0	14.3	24.8	29.7	39.1	46.2	4.3	15.9	23.8	37.0
Denver MSA	47	8.3	18.3	2.1	18.9	6.4	23.8	23.4	39.0	59.6	4.1	15.9	23.0	38.5
Fort Collins MSA	4	0.7	16.7	25.0	19.4	0.0	25.3	25.0	38.6	25.0	4.1	14.9	23.5	41.7
Greeley MSA	1	0.2	15.4	0.0	15.5	0.0	23.6	0.0	45.5	100.0	1.7	8.2	19.8	50.7
Arizona														
Phoenix MSA	3	0.5	19.0	0.0	18.4	0.0	21.7	0.0	40.9	33.3	3.0	14.0	20.5	45.4

(*) Based on 2007 Aggregate HMDA data only.

(**) Home mortgage refinance loans originated and purchased in the AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

(***) Percentage of families is based on 2000 Census information.

TABLE 9 – BORROWER DISTRIBUTION OF LOANS TO SMALL BUSINESSES

MSA/Assessment Area	Total Small Loans to Businesses		Businesses with Revenues of \$1 Million or Less		Loans by Original Amount Regardless of Business Size			Aggregate 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
New Mexico									
Albuquerque NM MSA	1,507	51.1	90.2	55.2	64.4	19.2	16.5	35,682	43.3
Santa Fe NM MSA	275	9.3	91.6	69.5	69.5	16.0	14.5	9,839	43.8
Las Cruces NM MSA	58	1.9	89.4	65.5	50.0	32.8	17.2	5,487	42.5
Taos County, NM	94	3.2	92.9	81.9	76.6	9.6	13.8	1,736	41.4
Curry & Roosevelt Counties, NM	100	3.4	90.8	69.0	79.0	13.0	8.0	1,732	39.5
Cibola & McKinley Counties, NM	48	1.6	88.0	68.8	52.1	25.0	22.9	1,587	42.0
Colorado									
Boulder MSA	191	6.5	91.2	59.2	71.2	17.3	11.5	23,271	38.5
Colorado Springs MSA	127	4.3	92.1	57.5	63.0	22.8	14.2	29,970	42.0
Denver MSA	347	11.8	88.9	52.2	55.9	23.1	21.0	142,291	41.6
Fort Collins MSA	116	3.9	92.3	58.6	61.2	13.8	25.0	18,164	42.0
Greeley MSA	40	1.3	89.0	47.5	65.0	15.0	20.0	3,584	42.7
Arizona									
Phoenix MSA	49	1.7	88.6	55.1	40.8	18.4	40.8	211,142	38.2

(*) Based on 2007 Aggregate Small Business data only.

(**) Small loans to businesses originated and purchased in the AA as a percentage of all small business loans originated and purchased in the rated area.

(***) Percentage of businesses with revenues of \$1 million or less as a percentage of all businesses – Source of Data: Dun & Bradstreet 2007.

(****) Number of small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses.

TABLE 10 – QUALIFIED INVESTMENTS

MSA/Assessment Area	Prior Period Equity Investments *		Current Period Equity Investments		Current Period Donations/Grants		Total Investments		
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	% of State Total Investment \$'s
New Mexico									
Albuquerque NM MSA	22	8,860	4	4,200	15	112	41	13,172	30.0
Santa Fe NM MSA	0	0	0	0	2	1	2	1	0.0
Las Cruces NM MSA	0	0	2	6,200	3	44	5	6,244	14.2
Taos County, NM	0	0	8	3,655	3	7	11	3,662	8.3
Curry & Roosevelt Counties, NM	2	2,000	5	4,575	0	0	7	6,575	14.9
Cibola & McKinley Counties, NM	1	300	13	14,075	0	0	14	14,375	32.6
Colorado									
Boulder MSA	0	0	0	0	0	0	0	0	0.0
Colorado Springs MSA	0	0	0	0	2	26	2	26	50.0
Denver MSA	0	0	0	0	3	26	3	26	50.0
Fort Collins MSA	0	0	0	0	0	0	0	0	0.0
Greeley MSA	0	0	0	0	0	0	0	0	0.0
Arizona									
Phoenix MSA	0	0	0	0	0	0	0	0	NA

Note: Current period investments for Albuquerque include six investments for \$1,481,000 that benefited the entire State of New Mexico. In addition to the above investments, the bank made one donation of \$5,000 that benefited its previous AA of Salt Lake County, Utah. The bank closed its offices in Utah on October 31, 2008.

(*) A prior period investment is an investment made in a previous evaluation period that is outstanding as of the current evaluation date.

TABLE 11 – DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS

Assessment Area	# of Bank Branches	Location of Branches by Income of Geographies				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)			
		Low	Mod	Mid	Upp			Low	Mod	Mid	Upp
New Mexico											
Albuquerque MSA	20	0	5	9	6	4	1			-3	
Santa Fe MSA	5	1	1	2	1	1	0			-1	
Las Cruces MSA	3	0	1	1	1	0	1		+1		
Taos County	3	0	0	3	0	0	0				
Curry/Roosevelt Counties	3	0	1	1	1	0	0				
Cibola/McKinley Counties	2	0	0	2	0	0	0				
Colorado											
Colorado Springs MSA	2	1	0	1	0	0	0				
Denver MSA	6	0	0	5	1	1	1	-1		+1	
Boulder MSA	9	0	4	3	2	1	1				
Fort Collins MSA	2	0	1	0	1	0	1				+1
Greeley MSA	1	0	0	0	1	1	0			-1	
Arizona											
Phoenix MSA	4	1	1	1	1	1	3	+1			+1

