



## **PUBLIC DISCLOSURE**

NOVEMBER 06, 2017

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**COBIZ BANK  
RSSD# 56557**

**1401 LAWRENCE STREET  
DENVER, COLORADO 80202**

**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:** *CoBiz Bank is rated "Satisfactory".*

*The following table indicates the performance level of CoBiz Bank (the bank) with respect to the lending, investment, and service tests.*

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		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.

**SUMMARY OF MAJOR FACTORS SUPPORTING RATING**

Major factors supporting the institution's rating include:

**Lending Test**

- Lending levels reflect adequate responsiveness to AA credit needs although the bank made little use of innovative or flexible lending practices.
- A substantial majority of loans are originated within the bank's delineated assessment areas (AAs).
- The geographic distribution of loans reflects an excellent penetration throughout the bank's AA by income level of census tracts (geographic distribution).
- The distribution of loans reflects a poor penetration among borrowers of different income levels and to businesses of different revenue sizes (borrower distribution).
- The bank is a leader in making community development loans and has a good record of serving the credit needs of low-income individuals and very small businesses.

### **Investment Test**

- The bank has an excellent level of qualified community development investments and donations. In addition, the bank is occasionally in a leadership position, making an occasional use of innovated and/or complex investments; and exhibits good responsiveness to community development needs.

### **Service Test**

- The bank provides a relatively high level of community development services.
- Delivery systems are accessible to geographies of different income levels.
- Business hours and services do not vary in a way that inconveniences its AAs.
- Changes in branch locations generally did not adversely affect accessibility of delivery systems throughout its AAs.

## **DESCRIPTION OF INSTITUTION**

The bank is a \$3.8 billion institution headquartered in Denver, Colorado and operates as Colorado Business Bank (CoBiz) in Colorado and as Arizona Business Bank (ABB) in Arizona. The bank is owned by CoBiz Financial Inc., Denver, Colorado (the company), that controls one commercial bank and several nonbank subsidiaries to provide three primary business lines: banking, insurance, and wealth management. The bank currently operates 15 full-service locations; 11 in Colorado and four in Arizona. Only two of the bank's 15 branches (one in Denver and one in Littleton, Colorado) provide drive-through services, and none of the branches offer automated teller machines (ATMs). Rather, the bank offers network ATM access through MoneyPass to over 25,000 surcharge free ATMs across the country. Since the previous evaluation in August 2015, the bank has opened one new branch in Gilbert, Arizona, and closed three locations in Arizona and one in Colorado. Additional delivery channels include online banking, toll free 24/7 automated telephone banking, mobile banking, and remote deposit capture.

The bank provides a broad range of commercial and select retail lending services targeted primarily to business owners and professionals with a focus on relationship banking. Products include commercial loans and lines of credit, commercial and residential real estate construction and mortgage loans, consumer loans, investment lines of credit, asset-based lending, and tax-exempt financing. Depository accounts include Certificates of Deposit, savings accounts, money market accounts, checking accounts, individual retirement accounts, and interest-bearing commercial checking. The bank also offers a fully integrated suite of sophisticated treasury management products and services, specifically focused on helping corporate customers maximize funds from their initial collection through to disbursement.

Based on the June 30, 2017 Reports of Condition and Income, the bank reported total loans of \$3.1 billion and total deposits of \$3.1 billion. Commercial loans are the bank's largest product followed by "Other Loans" that predominantly include public financing, such as loans and leases to municipalities, school districts, and special purpose or taxing districts. Table 1 shows the breakdown of all bank loans.

<b>TABLE 1 COBIZ BANK LOAN PORTFOLIO JUNE 30, 2017</b>		
<b>Loan Type</b>	<b>Amount \$(000)</b>	<b>Percent of Total</b>
Commercial	2,076,420	68.0
Other	598,429	19.6
Residential Real Estate	355,661	11.6
Consumer	22,940	0.8
Agricultural	1,042	<0.1
<b>Gross Loans</b>	<b>3,054,492</b>	<b>100.0</b>

Based on its asset size, product offerings, and financial condition, the bank has the ability to meet the credit needs of its AAs. No financial or legal impediments exist that would negatively impact the institution's ability to meet the credit needs of its AAs. The bank received a Satisfactory rating at the previous CRA evaluation performed by the Federal Reserve Bank of Kansas City (Reserve Bank) as of August 24, 2015.

### **SCOPE OF EXAMINATION**

The bank's CRA performance was reviewed using the lending, investment, and service tests as defined under the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Large Institutions*. Loan products evaluated under the lending test included all small business loans required to be collected and reported on the 2015 and 2016 CRA Loan/Application Register (LARs), and all home purchase, refinance, home improvement, and multifamily loans reported on the 2015 and 2016 Home Mortgage Disclosure Act (HMDA) LARs. This included a total of 267 HMDA loans and 2,681 small business loans. The lending test also evaluated all qualified community development loans. The evaluation did not include any loans originated by any affiliates of the bank or its holding company.

The evaluation period for CRA and HMDA loans was from January 1, 2015 through December 31, 2016, while the evaluation period for community development loans was between April 1, 2015 and June 30, 2017. The investment test considered outstanding investments and donations made between April 1, 2015 and June 30, 2017, and the service test considered retail delivery systems through the evaluation period and community development services that were provided between January 1, 2015 and December 31, 2016, to accommodate the bank's reporting processes.

The volume of reported loans for individual HMDA loan products (i.e. home purchase, home improvement, home refinance, and multifamily) was limited and insufficient to conduct a meaningful analysis; therefore, HMDA-related loans were assessed collectively as a whole under the geographic and borrower distribution analyses rather than by individual mortgage product. Moreover, in the limited-scope AAs in the Colorado Springs Metropolitan Statistical Area (MSA) and Fort Collins MSA, the volume was so low that meaningful conclusions could not be drawn, and thus, the geographic and borrower distribution analyses were not conducted.

For evaluative purposes and based on the FFIEC's *Interagency Examination Procedures for Large Institutions*, the bank's loan performance for each year was compared to the U.S. Census 2006-2010 five-year estimate American Community Survey (ACS) demographic data, corresponding year Dun & Bradstreet (D&B) business data, and corresponding year aggregate HMDA and CRA data. While conclusions with respect to lending performance were evaluated for both years, only 2015 lending tables for AAs receiving a full-scope review are shown in the body of this public evaluation. The bank's 2016 lending data and lending data for AAs receiving limited-scope reviews can be found in Appendix C.

The geographic distribution analysis was based on the bank's penetration to geographies of different income categories, particularly low- and moderate-income (LMI) geographies. Geographies are classified based on appropriate 2010 FFIEC census tract definitions, and the 2015 Office of Management and Budget (OMB) MSA designations. The borrower distribution analysis was based on the bank's dispersion of loans to individuals of different income categories and to small businesses with gross annual revenues of \$1 million (MM) and less. For the evaluation of borrower characteristics, borrower income levels were calculated using the 2015 and 2016 median family income (MFI) listings from the FFIEC for the applicable MSAs or statewide non-MSAs.

Under the CRA, a financial institution's performance is evaluated within the context of each delineated AA and within each state in which it operates. Each state is assigned a separate rating, and an overall rating is assigned for the bank. The bank has delineated six separate AAs that include five in Colorado and one in Arizona. The data in Table 2 presents the branching concentration, loan and deposit volumes, and deposit market shares for each state and AA. These characteristics were considered in allocating appropriate weight for each state and AA in the overall evaluation along with subsequent conclusions and assigned ratings.

Accordingly, the data was also used to determine which AAs were evaluated using full- and limited-scope reviews per the FFIEC's *Interagency Examination Procedures for Large Institutions*. The bank's most dominant presence is in Colorado, specifically within the Denver MSA AA. The procedures require a full review of at least one AA in each state. As such, the Denver MSA AA was evaluated using full-scope procedures while the Colorado Springs AA, Boulder MSA AA, Fort Collins MSA AA, and the Eagle County nonmetropolitan AA were reviewed using limited-scope procedures in Colorado. In Arizona, the only AA was the Phoenix AA. As such, a full-scope review was conducted concurrently with the statewide performance for this market.

Interviews with members of the bank's AA communities were conducted during the examination to ascertain the credit needs of the communities, the responsiveness of area banks to those credit needs, the availability of community development opportunities, and local economic conditions. Additional community contacts recently conducted by the Reserve Bank or other regulatory agencies were also referenced.

**TABLE 2  
COBIZ BANK'S MARKET SHARE BY AA**

Assessment Area	Number of Full-Service Branches	Percent of Bank's Lending by Dollar <sup>1</sup>		Percent of Bank's Deposits by Dollar <sup>2</sup>		Percent Market Share <sup>2</sup>
		Bank	State	Bank	State	
<b>Colorado</b>	11	67.1	100.0	76.4	100.0	
Denver MSA AA	6	51.5	76.7	62.6	81.9	2.4
Boulder MSA AA	2	9.9	14.7	11.0	14.4	3.4
Eagle County AA	1	2.1	3.2	1.4	1.9	2.2
Colorado Springs AA	1	2.0	2.9	0.6	0.7	0.2
Fort Collins MSA AA	1	1.7	2.6	0.8	1.1	0.3
<b>Arizona</b>	4	24.3	100.0	23.6	100.0	
Phoenix AA	4	24.3	100.0	23.6	100.0	0.8

<sup>1</sup> Based on bank's CRA and HMDA LARs for 2015 and 2016.  
<sup>2</sup> Based on June 30, 2017 Federal Deposit Insurance Corporation Summary of Deposits.  
(NOTE: Total percentages may vary by 0.1 percent due to automated rounding differences.)

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS**

The bank's overall rating and conclusions were based on its performance in each state and in each individual AA. Greatest weight was placed on the bank's Colorado markets, especially the Denver MSA AA. In addition, small business lending received greater weight than HMDA-related loans based on the level of lending and on the bank's strategic focus. The performance evaluation first discusses the bank's overall performance followed by more in-depth discussions of the bank's record of lending, investment, and service activities in each state and specific AA.

**LENDING TEST**

The bank's overall performance under the lending test is High Satisfactory. The bank's lending activities are considered adequate with a substantial majority of loans made within its AAs. The geographic distribution analysis reflects an excellent penetration to census tracts of different income levels, while the borrower distribution to borrowers of different income levels and businesses of different size reflects a poor distribution. The bank is a leader in making community development loans with a good record of serving the credit needs of low-income individuals and very small businesses.

**Lending Activity**

Based on a review of all loan products, including mix and volume, the bank's lending activities reflect adequate responsiveness to its AA credit needs. Table 3 summarizes the bank's lending activity considered in this performance analysis.

Overall activity has remained fairly steady since the prior CRA evaluation, with a slight 8.6 percent decrease in HMDA loans and a 0.5 percent increase in small business loans over a two-year period. The bank has made little use of innovative and flexible lending programs and practices in serving AA credit needs, focusing on more traditional programs and practices. The bank is a Small Business Administration (SBA) lender offering both 7(a) guarantee loans and 504 Certified Development Company loan programs. In 2015, the bank ranked 14<sup>th</sup> of 170 CRA lenders and ranked 194<sup>th</sup> of 790 HMDA reporters in its largest AA, the Denver MSA AA.

<b>TABLE 3 SUMMARY OF LENDING ACTIVITY REVIEWED</b>				
<b>Loan Type</b>	<b>January 1, 2015 through December 31, 2016</b>			
	<b>#</b>	<b>\$(000)</b>	<b>#%</b>	<b>\$%</b>
Home Purchase	145	91,849	4.9	8.9
Home Refinance	73	42,028	2.5	4.0
Home Improvement	22	9,260	0.7	0.9
Multifamily	27	50,995	0.9	4.9
<b>Total HMDA Loans</b>	<b>267</b>	<b>194,132</b>	<b>9.0</b>	<b>18.7</b>
Small Business Loans	2,681	841,821	91.0	81.3
<b>TOTAL ALL LOANS</b>	<b>2,948</b>	<b>1,035,953</b>	<b>100.0</b>	<b>100.0</b>

**Assessment Area Concentration**

The bank originated a substantial majority of its HMDA-related and small business loans by both number and dollar amount within its delineated AAs as shown in Table 4. Only loans within the bank's AAs are considered for the remaining loan distribution tests discussed within this performance evaluation.

<b>TABLE 4 LENDING INSIDE AND OUTSIDE THE BANK'S AAs</b>								
<b>Bank Loans</b>	<b>Inside</b>				<b>Outside</b>			
	<b>#</b>	<b>\$(000)</b>	<b>#%</b>	<b>\$%</b>	<b>#</b>	<b>\$(000)</b>	<b>#%</b>	<b>\$%</b>
Home Purchase	129	79,934	89.0	87.0	16	11,915	11.0	13.0
Home Refinance	62	37,752	84.9	89.8	11	4,276	15.1	10.2
Home Improvement	20	7,732	90.9	83.5	2	1,528	9.1	16.5
Multifamily	24	45,459	88.9	89.1	3	5,536	11.1	10.9
<b>Total HMDA Loans</b>	<b>235</b>	<b>170,877</b>	<b>88.0</b>	<b>88.0</b>	<b>32</b>	<b>23,255</b>	<b>12.0</b>	<b>12.0</b>
Small Business Loans	2,510	776,126	93.6	92.2	171	65,695	6.4	7.8
<b>Total Loans</b>	<b>2,745</b>	<b>947,003</b>	<b>93.1</b>	<b>91.4</b>	<b>203</b>	<b>88,950</b>	<b>6.9</b>	<b>8.6</b>



## **Geographic and Borrower Distribution**

The geographic distribution of HMDA-related loans and small business loans reflects an excellent penetration in the bank's AAs based on the income level of geographies; however, the distribution of loans among borrowers of different income levels and businesses of different revenue sizes is poor. These conclusions were based on the bank's performance in the full-scope AAs, considering performance context information and comparisons to available demographic and aggregate lending.

For the geographic distribution analysis, the bank's HMDA-related lending was compared to the percentage of owner-occupied units in the respective geographies of the AA by income level, while the bank's small business lending was compared to the percentage of businesses operating in the respective geographies of the AA by income level. For the borrower distribution, the bank's HMDA-related lending was compared to the percentage of families residing in the AA by income level while the bank's small business lending was compared to the percentage of businesses operating in the AA by revenue size.

The poor performance results under the borrower distribution analysis results from the bank's strategy that focuses on small- and medium-sized businesses with revenues above \$1 million and that are more likely to conform to the SBA program requirements for small businesses rather than those defined by Regulation BB, *Community Reinvestment* (those with gross annual revenues of \$1 million or less). In addition, a majority of the bank's reported HMDA loans consists of non-owner occupied properties primarily for investment or other business purposes that were originated as an accommodation to the bank's existing business customers. As such, income amounts were not reported for these business entities, and if reported, incomes would have included business revenue that does not correlate to the income calculations based on the FFIEC's MFI, skewing the bank's lending toward upper-income borrowers. Nevertheless, weaknesses under the borrower distribution criteria are bolstered by stronger performance under the other lending criterion.

## **Community Development Lending**

At the institutional level, the bank is a leader in making community development loans, considering the bank's capacity and the need and availability of such opportunities. The strong level of community development activities had a positive impact on the bank's lending test rating and supporting conclusions. Table 5 outlines the bank's community development loans by number and dollar volume based on their community development purpose. The majority of the bank's community development loans were for the purpose of economic development, and most of those were SBA-qualified loans in which the bank has historically had a high participation rate.

The bank originated 52 new loans in the amount of \$163.3 million and renewed or extended 14 lines of credit for \$53.5 million. The total also includes two community development loans totaling approximately \$6.9 million in Colorado and two community development loans for \$4.4 million in Arizona that are located outside the bank's AAs but within the broader statewide

area. Both of these were counted in the bank's total community development loan activities, since the bank is meeting the needs of the community in each of its AAs. The total number and amount of qualified community development loans compares favorably to other similarly-sized financial institutions operating within the Reserve Bank's Tenth District.

Additional details of the bank's specific community development performance results are presented in the analysis of each state and AA.

<b>TABLE 5 COBIZ BANK'S COMMUNITY DEVELOPMENT LOANS INSTITUTIONAL LEVEL</b>		
<b>Community Development Purpose</b>	<b>#</b>	<b>\$(000's)</b>
Affordable Housing	5	13,437
Community Services	10	12,450
Economic Development	35	80,420
Revitalization and Stabilization	16	110,495
<b>TOTAL LOANS</b>	<b>66</b>	<b>216,802</b>

**INVESTMENT TEST**

The bank's performance under the investment test is rated outstanding with an excellent level of qualified community development investments and donations. Table 6 breaks down total bank investment and donation activities by community development purpose.

Overall, the bank's total qualified investments and donations compares favorably to the CRA-related investments of similarly-sized institutions across the Tenth District. Nine out of the ten new investments made were for the purpose of revitalization/stabilization of LMI geographies. The other new investment was for economic development purposes and was made to a community development financial institution (CDFI), which helps aspiring entrepreneurs launch businesses.

Six of the 14 prior-period investments in the amount of \$2.8 million were mortgage-backed securities (MBS) for affordable housing purposes. Three of those, worth \$2.3 million, were counted at the institutional level, including one for \$294,612 at the Colorado statewide level, and two valued at \$161,263 directly benefited the Phoenix AA. Seven of the remaining eight prior-period investments totaling \$11.9 million were for economic development, and the final prior-period investment of \$215,000 was for the purpose of revitalization/stabilization. Four of the economic development investments in the amount of \$11.6 million were invested in Small Business Investment Company programs with a footprint across the country.

**TABLE 6  
COBIZ BANK'S INVESTMENTS, GRANTS, AND DONATIONS  
INSTITUTIONAL LEVEL**

Community Development Purpose	Prior Period Investments <sup>1</sup>		Current Investments <sup>2</sup>		Donations		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Affordable Housing	6	2,758	0	0	13	22	19	2,780
Community Development	0	0	0	0	158	638	158	638
Economic Development <sup>3</sup>	7	11,870	1	35	7	40	15	11,945
Revitalization and Stabilization	1	215	9	81,323	3	23	13	81,561
<b>TOTAL</b>	<b>14</b>	<b>14,843</b>	<b>10</b>	<b>81,358</b>	<b>181</b>	<b>723</b>	<b>205</b>	<b>96,924</b>

<sup>1</sup> Book Value of Investment  
<sup>2</sup> Original Market Value of Investment  
<sup>3</sup> Prior period investments include \$1.03 million in unfunded commitments

In addition to its qualified investments, the bank also made a significant number and dollar amount of qualified donations through its branch network and holding company. The bank's holding company has an employee-run foundation, CoBiz Cares, that encourages employee donations along with matching company funds to not-for-profit organizations in Colorado and Arizona, with a majority of dollars directed to organizations that support LMI individuals and families. In addition, the bank sponsors an annual community fundraising event, BizBash, in both Colorado and Arizona that benefits selected organizations serving LMI families and children. In 2015, the two events in Colorado and Arizona raised \$428,000 and in 2016, raised \$453,000.

More information about these initiatives is included in the discussion of the bank's investment performance of each respective state. Furthermore, details of specific qualified investments and donations are provided for each AA that received a full-scope review.

**SERVICE TEST**

The bank's performance under the service test is rated High Satisfactory. Table 7 summarizes the bank's branch and full-service ATMs by income-level of geography, the number of branch openings and closings, and the number of qualified community development services.

**Retail Services**

Branch locations and alternative delivery systems are accessible to the bank's various geographies and to individuals of different income levels in each AA. The bank operates two locations in low-income tracts, two in moderate-income tracts, four in middle-income tracts, and seven in upper-income tracts. These locations generally align with the total percentage of tracts by each income level and remain similar to the branch locations noted in past examinations. None of the branches offer ATMs, but the bank does offer its customers access to a large network of surcharge-free ATMs across the country through its contract with a third-party ATM network. In addition to its branch structure, the bank provides off-site delivery

channels such as 24/7 telephone and Internet banking along with mobile banking, which includes remote deposit capture.

The bank's record of opening and closing branch locations has generally not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and to LMI individuals. Since the prior evaluation, the bank has closed three full-service branches in the Phoenix AA and one in the Denver MSA AA while opening one full-service branch in the Phoenix AA.

Business hours and services do not vary in a way that inconveniences the bank's AAs, particularly LMI geographies and individuals. Regular lobby hours at all locations range from 9:00 AM to 5:00 PM Monday through Friday with drive-through facilities at two locations in the Denver MSA AA with identical hours.

The bank provided a relatively high level of community services. Bank officers and employees provided 70 services, including over 5,000 hours donated to 50 different organizations, over the two-year evaluation period. These services were primarily for community service purposes, which benefit LMI individuals and families throughout the area.

**TABLE 7  
RETAIL AND COMMUNITY DEVELOPMENT SERVICES  
INSTITUTIONAL LEVEL**

Branch Accessibility	Location of Branches by Tract <sup>1</sup> (%)						Percent of Tracts <sup>1</sup> (%)					
	Low	Mod	Mid	Upp	Unk	Total	Low	Mod	Mid	Upp	Unk	Total
	13.3	13.3	26.7	46.7	0.0	100.0	9.3	23.6	34.1	32.0	1.0	100.0
Changes in Branch Location	Number of Branches (#)						Net Change in Branch Locations (#)					
	Total Branches		Openings (#)		Closings (#)		Low	Mod	Mid	Upp	Unk	Total
	15		1		4		-1	0	-1	-1	0	-3
Community Development Services	Affordable Housing		Community Services		Economic Development		Revitalization & Stabilization		Total Services		Total Organizations	
	#	Hours	#	Hours	#	Hours	#	Hours	#	Hours	50	
	4	228	64	4,666	1	17	1	175	70	5,086		

<sup>1</sup> Based on 2015 FFIEC Census Tract Income Definitions.  
(NOTE: Total percentages may vary by 0.1 percent due to automated rounding differences.)

**FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

An evaluation of the bank'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 Fair Housing Act. No signs of discrimination were identified. Furthermore, the bank has not engaged in any other illegal credit practices inconsistent with helping to meet community credit needs.

STATE OF COLORADO

**CRA RATING FOR COLORADO:**

***The lending test is rated:***

***The investment test is rated:***

***The service test is rated:***

***Satisfactory***

***High Satisfactory***

***Outstanding***

***High Satisfactory***

Major factors supporting the rating include:

**Lending Test**

- The geographic distribution of loans for the state of Colorado is excellent.
- The borrower distribution of loans for the state of Colorado is poor.
- The bank is a leader in originating community development loans in the state of Colorado.

**Investment Test**

- The bank has an excellent level of qualified community development investments and donations; and the bank is occasionally in a leadership position. Additionally, CD investment activities exhibit good responsiveness to community development needs.

**Service Test**

- Delivery systems in the state of Colorado markets are accessible to geographies and individuals of different income levels.
- Service and business hours do not vary in a way that inconveniences its AAs in Colorado.
- Changes in branch locations generally did not adversely affect accessibility in LMI geographies throughout its Colorado AAs.
- The bank provides a relatively high level of community development services in its Colorado AAs.

## **SCOPE OF EXAMINATION**

The scope of the review for the state of Colorado was consistent with the overall scope for the entire institution, including evaluations under the lending, investment, and service tests. Based on the majority distribution of loans and deposits, branch locations, and market share, the Denver MSA AA received a full-scope review, and, accordingly, the state rating was based predominantly on the bank's performance within this AA. Limited-scope reviews were conducted in the Colorado Springs AA, Boulder MSA AA, Fort Collins MSA AA, and the Eagle County AA.

As mentioned in the institution Scope of Examination section, the bank's HMDA-related loan volume was insufficient to analyze by product type, except in the Denver MSA AA, so these loans were analyzed collectively in the Boulder MSA and Eagle County AAs. Furthermore, the volume of HMDA-related loans was insufficient to conduct a meaningful analysis in the Fort Collins MSA and Colorado Springs MSA AAs.

During the evaluation, two previous interviews with community members conducted within the past year were relied upon for performance context in the Denver MSA AA. In the limited-scope AAs, one new interview with a community leader was conducted in the Eagle County AA, while four previous interviews were relied upon in the remaining Colorado AAs. In the Denver MSA AA, one contact represented an organization providing affordable housing to LMI residents, while the other contact was a manager with a local chamber of commerce. In the Colorado Springs AA, one contact was a member of an economic development agency and the other contact was a representative from a local municipality. The Boulder MSA AA included an interview with a manager of a local economic development agency, while the interview in the Fort Collins MSA AA was conducted with an officer of another economic development agency.

## **DESCRIPTION OF THE BANK'S OPERATIONS IN COLORADO**

The bank has 11 of its 15 locations in Colorado with six locations in the Denver MSA AA, two in the Boulder MSA AA, and one location each in the Fort Collins MSA AA, the Colorado Springs MSA AA, and the rural Eagle County AA. According to the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report as of June 30, 2017, the bank had a 1.8 percent market share that ranked 12<sup>th</sup> of 140 FDIC-insured depository institutions operating in Colorado. Loan products offered in the Colorado AAs mirror those discussed in the overall institution section of this report.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN COLORADO**

### **LENDING TEST**

The bank's performance with respect to the lending test in the state of Colorado is rated High Satisfactory. The geographic distribution of loans is excellent, while the borrower distribution of loans is poor. The bank is a leader in originating community development loans. A more in-depth discussion of performance is contained in the Denver MSA AA, which received a full-scope review.

#### **Geographic and Borrower Distribution**

The geographic distribution of loans for the state of Colorado reflects excellent penetration of loans throughout the bank's AAs in Colorado. In the full-scope review of the Denver MSA AA, the geographic distribution of the bank's HMDA-related loan originations, both by number and dollar volume, is considered adequate while the distribution of small business loans is considered excellent. The bank's lending performance among geographies of different income levels in the four limited-scope AAs is consistent with overall performance.

The borrower distribution analysis for the state of Colorado reflects a poor distribution of HMDA-related and small business loans overall. The full-scope review in the Denver MSA AA reveals that the bank's HMDA-related lending to LMI borrowers lagged aggregate HMDA reporters and the percentage of LMI families in the AA by both number and dollar volume of originations. Small business loans, by number and dollar volume, were also well below other CRA reporters and the number of small businesses in the AA by revenue size. The borrower distribution of loans in the limited-scope AAs exceeds performance in the Eagle County, Boulder MSA, and Fort Collins MSA AAs with consistent performance in the Colorado Springs MSA AA.

#### **Community Development Loans**

The bank is a leader in originating community development loans in the state of Colorado, has a good record of serving the credit needs of low-income individuals and small businesses, and makes limited use of innovative and/or flexible lending practices in serving AA credit needs. During the examination review period, the bank originated 48 community development loans totaling \$180.2 million in Colorado, equating to 72.7 percent of the bank's total community development loans and 83.1 percent by total dollar amount. Based upon dollar amount, the bank originated an excellent level of loans within the Denver MSA AA along with consistent performance in the other limited-scope AAs, except the Eagle County AA, which is below the overall state rating. The bank did not make any community development loans in the Eagle County AA, resulting in a poor performance level. The bank's overall conclusion is also bolstered by two statewide community loans totaling \$3.4 million.

## **INVESTMENT TEST**

The investment test rating for Colorado is outstanding. Overall, the bank had eight qualified investments in the state of Colorado totaling \$26.9 million, which accounts for 32.1 percent of total investments made by the bank during the review period. In addition to the number of investments made at the institution level, the bank also made four statewide investments in the amount of \$580,000 that primarily benefitted the Denver MSA, but also aided the other Colorado AAs.

Donation activity was strong, showing good responsiveness, with the dollar amount of donations increasing by 10.0 percent since the prior CRA evaluation. Overall, the bank made 151 donations totaling \$572,000. The level of investments and donations in the Denver MSA AA was excellent, with lower levels of donations in the other limited-scope review AAs.

Three of the four current-period investments were for the revitalization/stabilization of LMI census tracts, including a large general obligation bond in the amount of \$14.2 million for the development of two new anchor hotels, which are located in a moderate-income tract and surrounded by a large variety of retail establishments. The other two current-period investments focused on revitalization/stabilization were for charter school revenue bonds in the amounts of \$8.2 million and \$3.8 million. The final current-period investment of \$35,000 was for the purpose of economic development and was made to a CDFI that helps aspiring entrepreneurs that meet certain limited-income requirements to launch businesses.

Of the four prior-period investments, one was an MBS in the amount of \$294,612 that directly benefitted affordable housing efforts in both the Denver MSA AA and the Boulder MSA AA. Two economic development investments with a combined total value of \$250,000 were to a CDFI that provides support for small businesses. The final prior-period investment was for a general obligation bond in the amount of \$215,000 for a new roof and other repairs to a school that helped revitalize/stabilize a distressed and underserved middle-income census tract.

## **SERVICE TEST**

The bank's service test is rated High Satisfactory for the state of Colorado.

### **Retail Services**

Bank locations and alternative delivery systems are accessible to the bank's geographies and to individuals of different income levels in each of its Colorado AAs. The bank's 11 offices in Colorado were spread proportionally to the percentage of tracts by income level in all AAs.

The bank's record of opening and closing branches generally did not adversely affect the accessibility of its delivery systems in LMI geographies or to LMI individuals. During the evaluation period, the bank closed one branch in a low-income tract in Littleton.



Business hours and services do not vary in a way that inconveniences the bank's AAs, particularly to LMI geographies and individuals. Bank hours are consistent among each AA with all locations offering similar products and services.

The bank also provides a relatively high level of community development services with 51 qualified community development services noted during the review period. Specifically, staff provided over 4,000 hours to 37 organizations focused primarily on providing assistance to LMI individuals and families. The level of services in the other limited-scope AAs is below the overall statewide performance.

**DENVER-AURORA-LAKEWOOD, COLORADO METROPOLITAN STATISTICAL AREA  
ASSESSMENT AREA  
(Full Review)**

**DESCRIPTION OF THE BANK'S OPERATIONS IN THE DENVER MSA AA**

The Denver MSA AA is the bank's primary operating market containing six of the bank's 15 locations including its headquarters in downtown Denver. The FDIC Market Share Report as of June 30, 2017, shows that the bank has a 2.4 percent market share, ranking 8<sup>th</sup> of 71 FDIC-insured banks with 657 branch offices in the market. The bank faces significant competition for banking services within the MSA from large, regional, and local banks, as well as credit unions and other credit service organizations. The bank identifies Wells Fargo, US Bank, Vectra Bank, Guaranty Bank and Trust Company, Citywide Banks, and UMB Bank as its main competitors in the Denver MSA AA. Loan products offered in this market mirror those discussed in the overall institution section of this report.

**DESCRIPTION OF THE DENVER MSA AA<sup>1</sup>**

The bank's Denver MSA AA includes the entire ten-county Denver MSA, which is comprised of Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties. This AA has not changed since the prior examination.

*Population Characteristics*

The 2010 population in the Denver MSA was 2,543,482, which increased 16.7 percent since 2000 and also represents 50.6 percent of the entire statewide population. Residents in the area are relatively young, with a median age of 36.1 years in the Denver MSA AA compared to 37.6 years for the rest of the country. Only 11.2 percent of the population is over the age of 65 years in the AA, compared to 14.1 percent at the national level. The breakdown of households that are families and of working age adults, children, and seniors virtually mirrors the statewide figures. The area does not contain large populations living in group quarters or that are institutionalized. Overall, the AA's population demographics do not indicate that there would be a significant impact on lending opportunities or credit demand within the Denver MSA AA.

*Economic Conditions*

Denver's market conditions have remained strong. The city has regained above-average performance as population growth has driven rapid job growth in the construction, healthcare, and leisure/hospitality industries. Although the area has a low unemployment rate and tight

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<sup>1</sup> Sources of economic and demographic data include the Commerce Department's Bureau of Economic Analysis, FFIEC census data, the 2000 and 2010 decennial census, 2010 ACS five-year average, REcolorado, and Moody's Economy.com.

labor market, a majority of the job gains have been focused on low- and mid-wage industries, which has caused earnings growth to be mild. However, white-collar services remain as the primary support for the economy and are expected to continue to draw in new employment to the metropolitan area due to the boom of commercial and residential real-estate markets. With a well-diversified economy and educated workforce, the Denver MSA is expected to see above-average growth in the near future. The annual unemployment rate of 3.1 percent in 2016 is favorable compared to the Colorado and national rates of 3.3 percent and 4.9 percent, respectively.

<b>Area</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Denver MSA	4.8	3.7	3.1
State of Colorado	5.0	3.9	3.3
United States	6.2	5.3	4.9

Government and local school and university systems are the area’s largest employers, followed by private employers including HealthONE, University of Colorado Hospital, Exempla Healthcare, Centura Health, Lockheed Martin Corporation, and CenturyLink. The area has five key industry clusters which include professional and business services, government, education and health services, leisure and hospitality, and retail trade targeted for growth and expansion.

*Income Characteristics*

The Denver MSA AA 2010 MFI equaled \$75,090, which exceeded the statewide MFI of \$70,046 and represented a 22.5 percent increase in MFI since the 2000 census. The highest earning county in the Denver MSA was Douglas County at \$108,613, while the lowest earning county was Denver County with \$57,182.

The 2016 per capita personal income (PCPI) for the Denver MSA is \$56,892 and is 116.0 percent of the national average, ranking 19<sup>th</sup> of 382 MSAs nationwide. The percentage of families in the AA that are considered LMI is similar to the entire state, at 39.1 percent, compared to 38.7 percent for the state of Colorado. Additionally, the percentage of families below the poverty level for the AA was identical to the state at 8.6 percent; however, Adams County and Denver County had notably higher percentages of families below the poverty level, at 11.2 percent and 14.8 percent, respectively. Overall, income characteristics in the AA may result in a more favorable suburban lending environment than in the urban core of the city.

*Housing Characteristics*

Denver metropolitan’s housing sector continues to see increasing demand for single- and multi-family housing, which has driven housing prices to near record highs. Overall, a high housing demand, a stable labor market, and restraints to overbuilding are expected to prevent a collapse of the area’s overvalued housing market, as shortages of workers, equipment, and land parcels have kept the growth moderate. As housing construction catches up to the robust demand, the market is expected to settle into a more comfortable range.

According to REcolorado, the median housing price for sold homes in the Denver metropolitan area in May 2017 was \$383,500, increasing 3.1 percent from the prior month. As of the 2010

ACS five-year average, the median housing value for the MSA AA was \$246,227, which was above the statewide figure of \$236,600. The housing affordability ratio<sup>2</sup> of 24.4 percent is similar to the state ratio of 23.9 percent. Within the AA, Broomfield County has the highest affordability ratio at 28.0 percent, while Denver County contains the least affordable homes in the MSA with a ratio at 18.9 percent. Denver County also claims the oldest housing age of 47 years, the most LMI families, and the most families below poverty level. Given the lower housing affordability in Denver County, LMI families may find it difficult to obtain home ownership without special credit programs, such as down payment assistance or first time homebuyer programs.

Housing characteristics of the MSA AA are similar to the state of Colorado housing characteristics; however, inside the AA there are differences. While the volume of owner-occupied units in the AA is 61.2 percent, the volume of owner-occupied units in Douglas and Elbert Counties is approximately 78.9 percent and 84.2 percent, respectively. Comparatively, Park County and Denver County contain approximately 45.8 percent and 47.5 percent of owner-occupied units, respectively, and are on the lower end. Rental units are also substantially higher in Denver County at 42.9 percent compared to the AA at 30.9 percent and to the remaining AA counties. The higher rate of rental units is accompanied by a higher rate of multifamily units for Denver County, representing 38.8 percent of its housing stock compared to the percentage of multifamily units in the overall MSA AA at 25.9 percent. Lastly, the MSA AA's 2010 vacancy rate is 7.9 percent, which is below the state of Colorado of 11.8 percent and substantially below Park County, at 48.0 percent; Gilpin County, at 27.5 percent; and Clear Creek County, at 26.1 percent. The higher rates for these counties are primarily attributed to the high number of second/vacation homes throughout the mountain areas of the state, which are counted in the vacancy rate.

#### *Census Tract Income Levels/Characteristics*

The vast majority of LMI geographies in the Denver MSA are located in the northern and western portion of Denver County and other adjacent counties as well as in the eastern portion of Denver County, including the city of Aurora, Colorado.

As shown in Table 9, the low-income tracts in the Denver MSA have a small concentration of area families with nearly one-third of families living below poverty. Moreover, these tracts also have a very low percentage of owner-occupied units, suggesting lower availability and demand for residential real estate loans. Therefore, lending opportunities in low-income tracts will be modest. Moderate-income tracts contain more significant concentrations of area families; however, the same economic and housing characteristics may contribute to a somewhat restricted mortgage lending environment in these tracts. Family poverty rates in moderate-income tracts rose from 10.4 percent in 2000 to 15.0 percent in 2010, while vacancy rates nearly doubled and the percentage of homeowners dropped by 2.9 percent. Absent special credit programs, income considerations may prohibit many residents from obtaining housing credit.

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<sup>2</sup> The housing affordability ratio is calculated by dividing the median household income by the median housing value. A lower ratio reflects less affordable housing.

The housing stock in the LMI tracts in the AA is also unique in some respects, with high concentrations of rental and multifamily housing units. Based on the 2010 Census, 47.3 percent of units in low-income tracts and 34.3 percent of units in moderate-income tracts were multifamily units. In middle- and upper-income tracts, these figures equaled 24.5 percent and 12.7 percent, respectively. Additionally, given the higher median age of the housing stock in the LMI tracts, at 39 years, many of the homes that would be considered affordable for these families may be in need of repair.

Table 9 illustrates additional income, housing, and census tract characteristics for the Denver MSA AA.

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
<b>Low</b>	69	11.1	59,407	9.6	17,302	29.1	135,837	21.9
<b>Moderate</b>	140	22.5	133,892	21.6	20,079	15.0	106,350	17.1
<b>Middle</b>	208	33.5	206,624	33.3	10,952	5.3	125,867	20.3
<b>Upper</b>	197	31.7	220,280	35.5	5,042	2.3	252,149	40.7
<b>Unknown</b>	7	1.1	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>621</b>	<b>100.0</b>	<b>620,203</b>	<b>100.0</b>	<b>53,375</b>	<b>8.6</b>	<b>620,203</b>	<b>100.0</b>
	<b>Housing Units by Tract</b>	<b>Housing Type by Tract</b>						
		<b>Owner-occupied</b>			<b>Rental</b>		<b>Vacant</b>	
		<b>#</b>	<b>% by tract</b>	<b>% by unit</b>	<b>#</b>	<b>% by unit</b>	<b>#</b>	<b>% by unit</b>
<b>Low</b>	119,985	41,061	6.3	34.2	65,821	54.9	13,103	10.9
<b>Moderate</b>	257,574	124,455	19.1	48.3	108,307	42.0	24,812	9.6
<b>Middle</b>	368,323	234,651	36.1	63.7	105,423	28.6	28,249	7.7
<b>Upper</b>	316,822	250,261	38.5	79.0	48,820	15.4	17,741	5.6
<b>Unknown</b>	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>1,062,704</b>	<b>650,428</b>	<b>100.0</b>	<b>61.2</b>	<b>328,371</b>	<b>30.9</b>	<b>83,905</b>	<b>7.9</b>
	<b>Total Businesses by Tract</b>		<b>Businesses by Tract &amp; Revenue Size</b>					
			<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>	
			<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
<b>Low</b>	14,973	8.1	13,452	7.8	1,481	12.7	40	8.7
<b>Moderate</b>	36,661	19.8	33,294	19.3	3,271	28.1	96	20.9
<b>Middle</b>	57,708	31.2	54,648	31.7	2,898	24.9	162	35.2
<b>Upper</b>	74,966	40.6	70,988	41.1	3,825	32.9	153	33.3
<b>Unknown</b>	445	0.2	272	0.2	164	1.4	9	2.0
<b>Total AA</b>	<b>184,753</b>	<b>100.0</b>	<b>172,654</b>	<b>100.0</b>	<b>11,639</b>	<b>100.0</b>	<b>460</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>			<b>93.5</b>		<b>6.3</b>		<b>0.2</b>	
Based on 2015 FFIEC census tract definitions, 2010 American Community Survey (ACS) five-year estimate data, and 2015 Dun & Bradstreet (D&B) data.								

*Interviews with Community Members*

Interviews with two members of the community contacted during the past year were reviewed to gain a perspective of area economic conditions and possible credit needs. One interview was with a representative of a housing authority and another with the manager of a business development program.

One community member indicated the Denver MSA economy is doing quite well as several new businesses have opened in the area. One interviewee stated the urban core in the Denver MSA AA has experienced a boom in the construction of apartment buildings, especially in areas that traditionally have had more apartment rentals than housing stock. There is some new, single-family home construction in this area, but most of the existing housing stock is older and dilapidated. Not many homes are available for sale in the area, and those that go on the market sell quickly, often within 24 hours. This contact believes financial institutions could be more involved by offering commercial loans to help support housing programs.

Another community member stated that economic conditions are fair, as this area has not seen as much new business activity. He noted that many businesses across multiple industries are finding it difficult to hire skilled workers, especially in intermediate positions such as trades and workers with particular certifications. Plans for growth are in place, but new construction has been delayed due to funding constraints. The community member also stated that transportation continues to be a significant concern for businesses, as many workers are not willing to drive long distances to shop or work. Businesses are reaching outside the immediate area, and even the state, to fill positions, but elevated home prices are making it difficult for people to afford the move.

Both contacts agreed that area banks are active within their communities, developing relationships, and offering assistance. Neither mentioned any specific opportunities for community development investment.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE DENVER MSA AA**

### **LENDING TEST**

The bank's lending test performance in the Denver MSA AA is good. The bank's distribution of loans to different geography levels is excellent, while the distribution of loans to borrowers of different income levels and businesses of different revenue sizes is poor. While the bank makes limited use of innovative and flexible lending practices, it is a leader in making community development loans, and exhibits a good record of serving the credit needs of low-income individuals, areas, and small businesses. Based on the bank's lending volumes, more weight was given to the bank's small business performance.

As mentioned in the Scope of Examination section, the volume of home purchase, home refinance, home improvement, and multifamily loans for each year was insufficient to conduct a meaningful analysis; therefore, these products are assessed collectively under the forthcoming geographic and borrower distribution sections. The lending tables that follow reflect data for 2015, with 2016 loan data considered in context of performance and displayed in Appendix C.

### **Geographic Distribution**

The geographic distribution of HMDA-related loans is adequate, while the distribution of small business loans is excellent. Table 10 displays the bank's geographic distribution of HMDA-related loans, while Table 11 shows the geographic distribution of the bank's small business lending; both of which were compared to aggregate lenders and demographic data for evaluative purposes.

#### HMDA-Related Loans

The bank's distribution of HMDA-related loans reflects an adequate dispersion of loans amongst the AA's geographies of different income levels. Both the number and dollar volume in low-income tracts exceeded aggregate lenders and the percentage of owner-occupied units in those tracts, but the dollar volume was bolstered by three large multifamily loans. In the moderate-income tracts, the bank's lending performance was below other aggregate lenders and the percentage of owner-occupied units by both number and dollar volume. The bank's lending in middle-income tracts was significantly below aggregate lenders, with a majority of loans originated in upper-income geographies. Lending in LMI tracts trended upward from 2015 to 2016 with the bank outperforming the percent of owner-occupied units in low-income tracts while still trailing in moderate-income tracts.

**TABLE 10  
DISTRIBUTION OF 2015 HMDA LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
DENVER MSA AA**

Census Tract Income Level	Bank Loans				Aggregate HMDA Data <sup>1</sup>		% of Owner- Occupied Units <sup>2</sup>
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans</b>							
Low	6	4,326	10.7	14.6	5.6	5.1	6.3
Moderate	6	2,444	10.7	8.2	17.4	14.4	19.1
Middle	11	4,939	19.6	16.6	36.3	31.8	36.1
Upper	33	18,006	58.9	60.6	40.6	48.6	38.5
Unknown <sup>3</sup>	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Purchase Loans</b>							
Low	2	382	6.7	2.7	6.4	4.7	6.3
Moderate	4	820	13.3	5.9	17.7	13.8	19.1
Middle	6	3,443	20.0	24.6	35.3	31.5	36.1
Upper	18	9,325	60.0	66.8	40.6	50.0	38.5
Unknown <sup>3</sup>	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Refinance Loans</b>							
Low	1	284	7.7	4.9	4.8	3.3	6.3
Moderate	1	49	7.7	0.8	17.0	12.9	19.1
Middle	2	562	15.4	9.6	37.2	33.0	36.1
Upper	9	4,931	69.2	84.6	40.9	50.8	38.5
Unknown <sup>3</sup>	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	5.3	3.7	6.3
Moderate	0	0	0.0	0.0	18.1	14.5	19.1
Middle	2	334	28.6	13.4	37.1	32.7	36.1
Upper	5	2,160	71.4	86.6	39.5	49.0	38.5
Unknown <sup>3</sup>	0	0	0.0	0.0	0.0	0.0	0.0
<b>Multifamily Loans</b>							<b>% of Multifamily Units<sup>2</sup></b>
Low	3	3,660	50.0	49.3	29.6	24.5	20.6
Moderate	1	1,575	16.7	21.2	28.9	32.6	32.0
Middle	1	600	16.7	8.1	32.4	25.4	32.7
Upper	1	1,590	16.7	21.4	9.1	17.4	14.6
Unknown <sup>3</sup>	0	0	0.0	0.0	0.0	0.0	0.0

<sup>1</sup> Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA filers.

<sup>2</sup> The percentage of owner-occupied housing and multifamily units by tract are based on 2015 FFIEC census tract definitions and 2010 ACS five-year estimate data.

<sup>3</sup> Only includes unknown tract locations.

(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

### Small Business Loans

The bank's distribution of small business loans reflects an excellent dispersion of loans amongst the AA's geographies of different income levels. In both low- and moderate-income census tracts, the bank significantly exceeded aggregate lenders and the percent of



businesses in those geographies by both number and dollar volume of loans. Conversely, the bank's lending in middle- and upper-income tracts was below both comparators by number and dollar volume of loans. The bank's lending performance in 2016 was similar, with a higher percentage of loans by number and dollar volume in both low- and moderate-income geographies compared to aggregate lenders and the percent of businesses in LMI tracts.

**TABLE 11  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
DENVER MSA AA**

Census Tract Income Level	Business Loans <sup>1</sup>				Aggregate CRA Data <sup>2</sup>		% of Businesses <sup>3</sup>
	#	\$(000)	#%	\$%	#%	\$%	
<b>Low</b>	111	37,203	16.0	17.2	9.5	13.2	8.1
<b>Moderate</b>	189	64,959	27.2	30.1	20.9	25.5	19.8
<b>Middle</b>	147	44,308	21.2	20.5	28.8	24.8	31.2
<b>Upper</b>	235	64,437	33.9	29.9	39.3	34.6	40.6
<b>Unknown<sup>4</sup></b>	12	4,945	1.7	2.3	0.4	1.2	0.2

<sup>1</sup> CRA data reports only business loans in the amount of \$1 million or less.  
<sup>2</sup> Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.  
<sup>3</sup> The percentage of businesses in the AA is based on 2015 FFIEC census tract definitions and 2015 D&B data.  
<sup>4</sup> Only includes unknown tract locations. Does not include tracts where the income level is not reported, which is 1.2 percent by number and 0.7 percent by dollar for aggregate lenders.  
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**Distribution by Borrower Income and Revenue Size of the Business**

The borrower distribution of HMDA-related loans and small business loans is poor. Table 12 shows the bank's borrower distribution of HMDA-related loans, while Table 13 illustrates the allocation of small business loans by revenue size, all of which were compared to aggregate lenders and demographic data for evaluative purposes.

HMDA-Related Loans

The bank's distribution of HMDA-related loans to borrowers of different income levels is poor. The bank originated only one loan each to low- and moderate-income borrowers, far underperforming aggregate lenders and the percent of LMI families in the AA. Five loans were originated to middle-income borrowers, which was also below both aggregate lenders and the demographic figure; however, the vast majority of loans (87.5 percent) were originated to upper-income borrowers or to borrowers for which income data was not collected. The bank's HMDA-related lending in 2016 revealed similar lending patterns to those in 2015, although no loans were originated to low- or moderate-income borrowers.

The bank's business strategy is based on relationship banking and commercial lending. A majority of the bank's HMDA-related loans are for business and investment purpose or are accommodation loans to the executives, employees, or families of the bank's commercial

clients. Of the total loans evaluated, only 46.7 percent of HMDA loans were for a primary residence, with the remaining sample primarily for business or investment purposes.

**TABLE 12  
DISTRIBUTION OF 2015 HMDA LOANS  
BY BORROWER INCOME LEVELS  
DENVER MSA AA**

Borrower Income Level	Bank Loans				Aggregate HMDA Data <sup>1</sup>		% of Families <sup>2</sup>
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans<sup>3</sup></b>							
<b>Low</b>	1	49	1.8	0.2	5.3	2.6	21.9
<b>Moderate</b>	1	279	1.8	0.9	17.3	12.0	17.1
<b>Middle</b>	5	1,079	8.9	3.6	22.0	19.0	20.3
<b>Upper</b>	34	17,178	60.7	57.8	35.5	42.5	40.7
<b>Unknown</b>	15	11,130	26.8	37.5	20.0	23.9	0.0
<b>Home Purchase Loans</b>							
<b>Low</b>	0	0	0.0	0.0	5.2	2.6	21.9
<b>Moderate</b>	1	279	3.3	2.0	18.5	13.4	17.1
<b>Middle</b>	3	715	10.0	5.1	22.2	20.6	20.3
<b>Upper</b>	20	10,516	66.7	75.3	36.7	46.5	40.7
<b>Unknown</b>	6	2,460	20.0	17.6	17.5	17.0	0.0
<b>Home Refinance Loans</b>							
<b>Low</b>	1	49	7.7	0.8	5.3	2.9	21.9
<b>Moderate</b>	0	0	0.0	0.0	16.2	11.8	17.1
<b>Middle</b>	2	364	15.4	6.2	21.5	19.4	20.3
<b>Upper</b>	9	5,083	69.2	87.2	34.3	43.1	40.7
<b>Unknown</b>	1	330	7.7	5.7	22.8	22.7	0.0
<b>Home Improvement Loans</b>							
<b>Low</b>	0	0	0.0	0.0	6.8	3.7	21.9
<b>Moderate</b>	0	0	0.0	0.0	19.7	14.3	17.1
<b>Middle</b>	0	0	0.0	0.0	27.0	24.9	20.3
<b>Upper</b>	5	1,579	71.4	63.3	40.5	48.8	40.7
<b>Unknown</b>	2	915	28.6	36.7	5.9	8.3	0.0

<sup>1</sup> Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA filers.  
<sup>2</sup> The percentage of families and households are based on 2010 ACS five-year estimate data.  
<sup>3</sup> Multifamily loans are not considered in the Borrower Analysis.  
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**Small Business Loans**

The distribution of lending to businesses of different revenue sizes is poor. The bank's lending to small businesses, or those with gross annual revenues of \$1 million or less, was significantly below aggregate lenders and the percent of small businesses in the AA by both number and dollar volume of loans. Lending activity in 2016 revealed very similar results. As noted previously, the bank's strategy focuses on small- and medium-sized businesses with revenues above \$1 million and that are more likely to conform to the SBA program requirements for

small businesses rather than those defined by Regulation BB, *Community Reinvestment* (those with gross annual revenues of \$1 million or less).

Based on the stratification of the bank's lending by loan size, 59.1 percent of loans in 2015 and 59.4 percent in 2016 were in the amount of \$250,000 or less. Typically, smaller businesses do not have the need or the capacity to borrow large amounts, and as such, smaller loan amounts are used as a proxy to estimate the support of smaller businesses.

**TABLE 13  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS BY REVENUE SIZE  
DENVER MSA AA**

Business Revenue By Size	Business Loans <sup>1</sup>				Aggregate CRA Data <sup>2</sup>		% of Businesses <sup>3</sup>
	#	\$(000)	#%	\$%	#%	\$%	
<b>\$1MM or less</b>	171	29,971	24.6	13.9	51.6	35.1	93.5
<b>Over \$1MM</b>	505	179,857	72.8	83.3	Not Reported		6.3
<b>Not Known</b>	18	6,024	2.6	2.8	Not Reported		0.2

<sup>1</sup> CRA data reports only business loans in the amount of \$1 million or less.

<sup>2</sup> Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.

<sup>3</sup> The percentage of businesses in the AA is based on 2015 D&B data.

(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

### **Community Development Lending**

The bank is a leader in originating community development loans in the Denver MSA AA. The bank originated 34 community development loans in the Denver MSA AA totaling approximately \$138.2 million. Four were affordable housing loans for \$10.2 million, two were to community service organizations for \$7.0 million, and 10 were for revitalization and stabilization efforts in the amount of \$87.5 million. The remaining 18 loans for \$33.52 million were primarily SBA 504 loans for economic development. Specific examples of loans that showed responsiveness during the review period include the following:

- The bank originated a \$1.7 million economic development SBA 504 loan to purchase a new building location for a local rug company located in a moderate-income census tract. The company intends to create eight new jobs that will benefit LMI individuals and families with the new site acquisition.
- The bank provided a \$10.0 million loan to a local animal shelter to remodel, demolish, and restack the existing building that houses an existing office, laboratory, veterinary clinic, and an animal shelter. The facility is located in a moderate-income census tract and will be able to create/retain jobs for 187 employees and many more volunteers.
- A \$6.0 million loan was advanced to a community services organization offering mental and physical health services. The funds were used to purchase a new

building that will provide more space for its increased volume of services. The location is in a low-income tract and a majority of patients are Medicaid recipients.

- A \$3.0 million affordable housing loan to refinance a 40-unit apartment building that the owners had purchased and upgraded with approximately \$300,000 in improvements. The property is located in an enterprise zone and a low-income census tract. Rents are well below the average for the Denver metropolitan area and are affordable for low-income residents.

## **INVESTMENT TEST**

The bank's investment test performance in the Denver MSA AA is excellent. While the bank only makes occasional use of innovative or complex investments, activity reflects overall good responsiveness to community needs. In addition to the Colorado statewide investments that benefit the Denver MSA AA, the bank had one current-period investment totaling \$14.2 million. This investment was to revitalize and stabilize a moderate-income tract with public improvements including a 135-room hotel and multiple retail establishments that attracted new businesses.

The bank also made an excellent level of donations, which were also considered responsive to the credit and community development needs in the Denver MSA AA. The bank provided 97 donations for \$463,000 to local organizations assisting and supporting LMI individuals and families or providing funding and technical training to organizations that support small businesses. Some examples of notable donations include the following:

- The company continues to donate significant funds through its CoBiz Cares foundation, an employee-funded and grant-giving organization led by a board of the company's employees. The foundation selects organizations that are focused on LMI individuals and families in financial need. The foundation donated \$84,900 during the evaluation period.
- Through the company's annual Colorado BizBash event sponsored by the bank and the CoBiz Cares foundation, the bank donated a total of \$150,000 to four community service organizations that serve LMI individuals and families.
- A \$15,000 donation was given to a youth-oriented depository institution that teaches kids about business, economics, government, and free enterprise. Scholarships are awarded to students from schools that are under the federal government's Title 1 program or whose student population is eligible for free and reduced lunches.
- A \$30,000 donation was given to a local nonprofit organization that creates economic and social mobility through entrepreneurship and micro-lending that targets new and existing small businesses in the area.

**SERVICE TEST**

The bank's AA performance under the service test in the Denver MSA is good based on the bank's retail services and community development activities. Table 14 illustrates the bank's activities in the Denver MSA AA.

**Retail Services**

The bank's delivery systems are accessible to geographies and individuals of different income levels in the Denver MSA AA. The bank operates six locations in the AA with the distribution of branches generally proportional to the percent of tracts by each income level in the AA.

The bank closed one office in this AA, located in a low-income tract, during the examination period. However, this activity has generally not adversely affected the accessibility of its delivery systems in LMI areas or to LMI individuals. The bank stated several reasons for the closure, including the \$300,000 cost of making necessary improvements to the building, as well as operational efficiencies and enhanced customer service to be gained by consolidating assets, liabilities, and resources with its Littleton Branch located three miles to the south.

Business hours and services are reasonable and do not vary in a way that inconveniences the Denver MSA AA. Lobby hours and additional services were discussed under the overall bank profile and do not vary by market.

<b>TABLE 14 RETAIL AND COMMUNITY DEVELOPMENT SERVICES DENVER MSA AA</b>												
<b>Branch Accessibility</b>	<b>Location of Branches by Tract<sup>1</sup> (%)</b>						<b>Percent of Tracts<sup>1</sup> (%)</b>					
	<b>Low</b>	<b>Mod</b>	<b>Mid</b>	<b>Upp</b>	<b>Unk</b>	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Mid</b>	<b>Upp</b>	<b>Unk</b>	<b>Total</b>
	16.7	16.7	33.3	33.3	0.0	100.0	11.1	22.5	33.5	31.7	1.1	100.0
<b>Changes in Branch Location</b>	<b>Number of Branches (#)</b>						<b>Net Change in Branch Locations (#)</b>					
	<b>Total Branches</b>		<b>Openings (#)</b>		<b>Closings (#)</b>		<b>Low</b>	<b>Mod</b>	<b>Mid</b>	<b>Upp</b>	<b>Unk</b>	<b>Total</b>
	6		0		1		-1	0	0	0	0	-1
<b>Community Development Services</b>	<b>Affordable Housing</b>		<b>Community Services</b>		<b>Economic Development</b>		<b>Revitalization &amp; Stabilization</b>		<b>Total Services</b>		<b>Total Organizations</b>	
	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>		
	0	0	45	3,399	1	17	1	175	47	3,591	31	
<sup>1</sup> Based on 2015 FFIEC Census Tract Income Definitions. (NOTE: Total percentages may vary by 0.1 percent due to automated rounding differences.)												

**Community Development Services**

The bank provides a relatively high level of community development services. Bank employees offered their technical and professional expertise to 31 different organizations and provided 47 services to qualified community development organizations. The following is a sample of activities that were considered responsive to area credit and community development needs:

- A total of nine bank employees volunteered 843 hours serving on the CoBiz Cares foundation's board. As noted earlier, the CoBiz Cares foundation is a community service organization owned by the company and managed by employees to support local charities whose beneficiaries are LMI individuals and families.
- One employee volunteered over 400 hours of fundraising and technical assistance expertise to a community service organization that provides goods and financial assistance to the poor, marginalized, and disadvantaged in the community.
- Another employee donated over 200 hours using his financial expertise as a board member for an organization that provided support services including food, temporary housing, healthcare, and homelessness prevention assistance to LMI individuals and families.

**OTHER COLORADO METROPOLITAN STATISTICAL AREAS  
(Limited Reviews)**

**DESCRIPTION OF THE BANK'S OPERATIONS IN LIMITED REVIEW  
COLORADO MSA AAs**

Boulder, Colorado MSA AA

The Boulder, Colorado MSA AA is comprised of the entirety of Boulder County which is also the Boulder MSA. The AA remains unchanged since the prior examination. The bank has two locations in Boulder, one each in a moderate- and upper-income tract. According to the June 2017 FDIC Deposit Market Share Report, the bank has a 3.4 percent market share, which ranks 9<sup>th</sup> of 33 FDIC-insured banks in the AA.

Colorado Springs, Colorado AA

The Colorado Springs, Colorado AA includes all of El Paso County, one of two counties that comprise the Colorado Springs MSA. The AA remains unchanged since the prior examination. The bank has a single location in this AA in a low-income tract in downtown Colorado Springs. According to the June 2017 FDIC Deposit Market Share Report, the bank has a 0.2 percent market share, which ranks 35<sup>th</sup> of 37 FDIC-insured banks in the AA.

Fort Collins, Colorado MSA AA

The Fort Collins, Colorado MSA AA is comprised of the entirety of Larimer County, which is also the Fort Collins-Loveland MSA. The AA remains unchanged since the prior examination. The bank has one location near downtown Fort Collins, which is located in a middle-income tract. According to the June 2017 FDIC Market Share Report, the bank has a 0.3 percent market share, which ranks 21<sup>st</sup> of 27 FDIC-insured banks in the AA.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LIMITED REVIEW  
COLORADO MSA AAs**

The bank's performance in the following AAs was reviewed using limited-scope examination procedures. Through these procedures, conclusions regarding the institution's CRA performance are drawn from the review of available facts and data, including performance figures, aggregate comparisons, and demographic information. Supporting loan information can be found in the tables in Appendix C. The conclusions regarding the bank's performance did not alter the overall state rating and are as follows:

<b>Assessment Area</b>	<b>Lending Test</b>	<b>Investment Test</b>	<b>Service Test</b>
Boulder MSA	Consistent	Below	Below
Colorado Springs	Consistent	Below	Below
Fort Collins MSA	Consistent	Below	Below



**NONMETROPOLITAN STATEWIDE COLORADO – EAGLE COUNTY ASSESSMENT AREA  
(Limited Review)**

**DESCRIPTION OF BANK’S OPERATIONS IN NONMETROPOLITAN EAGLE COUNTY AA**

The Eagle County AA is comprised of the entirety of Eagle County, Colorado, where the bank has a single location in Edwards, Colorado. The AA remains unchanged since the prior examination. Edwards is approximately 15 miles west of Vail, Colorado, the largest Colorado and fourth largest North American ski resort destination, located off of Interstate 70 in the central portion of the Rocky Mountains. The AA population is highly affluent with one of the highest median housing values in the country. The June 2017 FDIC Market Share Report shows that the bank has a 2.2 percent market share, which ranks 7<sup>th</sup> of 10 FDIC-insured banks in the AA.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE  
NONMETROPOLITAN EAGLE COUNTY AA**

The bank's performance in this AA was reviewed using limited-scope examination procedures. Through these procedures, conclusions regarding the institution's CRA performance are drawn from the review of available facts and data, including performance figures, aggregate comparisons, and demographic information as discussed previously for those AAs with full reviews. Supporting loan information can be found in the tables in Appendix C. The conclusions regarding the bank's performance did not alter the overall state rating and are as follows:

<b>Assessment Area</b>	<b>Lending Test</b>	<b>Investment Test</b>	<b>Service Test</b>
Eagle County	Below	Below	Below

STATE OF ARIZONA  
PHOENIX-MESA-GLENDALE, ARIZONA ASSESSMENT AREA  
(Full Review)

**CRA RATING FOR ARIZONA:**

*The lending test is rated:*

*The investment test is rated:*

*The service test is rated:*

**Satisfactory**

**High Satisfactory**

**Outstanding**

**High Satisfactory**

Major factors supporting the rating include:

**Lending Test**

- The geographic distribution of loans in the state of Arizona/Phoenix AA is good.
- The borrower distribution of loans in the state of Arizona/Phoenix AA is poor.
- The bank is a leader in making community development loans in the state of Arizona/Phoenix AA.

**Investment Test**

- The bank has an excellent level of qualified community development investments and donations, and is occasionally in a leadership position. In addition, activities exhibit good responsiveness to community development needs.

**Service Test**

- Delivery systems in the state of Arizona/Phoenix AA are reasonably accessible to the bank's geographies and individuals of different income levels.
- Service and business hours do not vary in a way that inconveniences the AA in the state of Arizona/Phoenix AA.
- The bank's record of opening and closing of branches has generally not adversely affected the accessibility of its delivery systems in the state of Arizona/Phoenix AA.
- The bank provides a relatively high level of community development services in the state of Arizona/Phoenix AA.

## **SCOPE OF EXAMINATION**

A full scope review of the bank's sole Arizona AA was conducted; therefore, the statewide performance will be discussed concurrently with that of the Phoenix AA. The scope of the examination for the state of Arizona did not vary from the overall institution scope of the examination, including an evaluation under the lending, investment, and service tests. As discussed in the institution Scope of Examination section, the volume of HMDA loan products was insufficient to conduct a meaningful analysis; therefore, bank performance was assessed collectively as HMDA-related loans.

Three previously conducted interviews with members of the Phoenix AA community were referenced to develop performance context in assessing the bank's performance in the state and AA. The community members contacted included a representative from an organization that works to strengthen the local economy by working with small businesses to develop economic strategies. Another community member works with eligible applicants to obtain homeownership. The third member of the community works with new small businesses by providing training, advisement, online courses, and business resources in the Maricopa County area.

## **DESCRIPTION OF THE BANK'S OPERATIONS IN PHOENIX AA**

The bank has four full-service locations in the Phoenix AA and operates under the name ABB. According to the 2017 FDIC Deposit Market Share Report, the bank ranks 12<sup>th</sup> of 59 FDIC-insured depository institutions in the AA with a market share of 0.8 percent. Competition for banking products and services among financial institutions in this market is significant. The bank identifies Wells Fargo, JP Morgan Chase, National Bank (Zions), Alliance Bank, Bank of Arizona, Arizona Bank & Trust, and UMB Bank as its primary competitors. Bank products offered by these branches are generally the same as those offered bank wide, with a primary emphasis on commercial loans. Retail lending is primarily offered only as an accommodation for current business customers.

## **DESCRIPTION OF THE PHOENIX AA<sup>3</sup>**

The Phoenix AA includes all of Maricopa County, one of two counties that comprise the Phoenix-Mesa-Glendale MSA. This AA is unchanged from the previous examination and consists of 86 low-, 219 moderate-, 293 middle-, 308 upper-, and 10 unknown-income tracts.

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<sup>3</sup> Sources of economic and demographic data include the Commerce Department's Bureau of Economic Analysis, FFIEC census data, the 2000 and 2010 decennial census, 2010 ACS five-year average, Trulia.com, and Moody's Economy.com.

*Population Characteristics*

With a 2010 population of 3,817,117, Maricopa County is the largest county in Arizona and the fourth most populous county in the United States. Maricopa County also includes the majority of the MSA’s population (91.0 percent) and the Arizona state population (59.7 percent). Despite its image as a retirement destination, the Phoenix AA is relatively young with a median age of 35.6 years compared to 37.6 years at the national level. On the other hand, the area also has a higher number of residents 65 years and older at 13.4 percent of the population, comparing closely to the United States rate of 14.1 percent, according to 2015 ACS five-year estimates. The AA does not have a significant population of institutionalized persons or persons living in group quarters. The breakdown of households that are families, working age adults, and seniors virtually mirrors the statewide figures for Arizona. The population’s age, demographics, and concentration of families in the MSA are not likely to alter lending patterns in the area.

*Economic Conditions*

The Phoenix economy has been strong and outpacing a majority of the west in the last two years. The metropolitan area has been experiencing heavy population growth, as the area is desirable to both retirees and to an educated workforce that are attracted to the reasonable cost of living and quality of life. Additionally, many finance, business/professional service, and manufacturing firms have recently relocated to Phoenix, which has in turn driven the retail, hospitality, construction, and healthcare sectors. Much of the area’s appeal is the low business costs and well-educated, diversified workforce that makes relocation ideal to many employers.

<b>Area</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Maricopa County	5.8	5.1	4.5
State of Arizona	6.8	6.0	5.3
United States	6.2	5.3	4.9

In addition to local governments, school districts, and Arizona State University, the largest private employers in the area include Banner Health System, Wal-Mart Stores Inc., Fry’s Food Stores, Wells Fargo, Dignity Health, Intel Corp, and Bank of America. Key industries in the Phoenix MSA include professional and business services, education and health services, government, retail trade, and leisure and hospitality services.

*Income Characteristics*

As of 2010, the MFI in the Phoenix AA was \$65,027, an increase of 25.2 percent since 2000, and exceeded the statewide MFI of \$59,840. The MSA 2010 breakdown of low-, moderate-, middle-, and upper-income families mirrored the total statewide breakdown. The total MSA AA’s percentage of families below the poverty rate was 10.0 percent compared to 10.9 percent statewide. As of 2016, the AA had a PCPI of \$42,218 which ranked 187<sup>th</sup> in the United States and was 86.0 percent of the national average. Income characteristics in the AA do not appear to be an impediment for borrowers to obtain credit, although the PCPI data suggests lower paying wages in the market.

*Housing Characteristics*

The Phoenix housing market softened in 2014 after some early gains in prior years, but is expected to pick up in the near future. Specifically, the volume of single-family and multifamily permits has increased significantly and continued growth is projected over the next several years. According to Trulia.com, the median home sales price in the Phoenix metropolitan area in April 2017 was \$220,000, increasing 9.0 percent from the prior year. As of the 2010 FFIEC Census, the median housing value was higher at \$238,593, resulting in a low affordability ratio<sup>4</sup> of 23.1 percent. Lower affordability ratios indicate that LMI families may find it difficult to afford homeownership absent special programs. The median age of housing stock in the AA is 24 years and comparable to the MSA and to the state, suggesting that dilapidated housing is not a problem in the AA.

Housing characteristics in the AA, such as the percentages of owner-occupied housing and rental units and vacancy rates are similar to the state of Arizona. Additionally, the 48.0 percent of renters in the AA with rent costs greater than 30 percent of income is similar to the state of Arizona, at 47.3 percent.

#### *Census Tract Income Levels/Characteristics*

The bulk of low-income tracts along with a number of moderate-income tracts are clustered around the Phoenix urban center, with several tracts surrounding Sky Harbor International Airport. A large number of these LMI tracts follow Highway 60 throughout the area from Sun City in the northwest flowing downward into Phoenix and then eastward through the cities of Tempe and Mesa. In addition, the AA includes three large, rural low-income tracts to the south that are a part of the Gila River Indian Reservation and two moderate-income tracts to the northeast that include the Salt River Indian Reservation.

As shown in Table 16, the low-income tracts contained small concentrations of area families and businesses. Of the families residing in the low-income tracts, 37.2 percent were below the poverty level. Moreover, 18.4 percent of housing units were vacant (an increase of 9.7 percent since 2000), and the majority of housing consists of rentals that include a large percentage of multifamily units. These characteristics may result in constrained mortgage credit opportunities. In contrast, moderate-income tracts contain a much larger concentration of families and businesses, and a high percentage of vacant units, while the poverty level is substantially lower. Furthermore, moderate-income tracts have a notably higher number of mobile homes that account for 10.8 percent of housing units.

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<sup>4</sup> The housing affordability ratio is calculated by dividing the median household income by the median housing value. A lower ratio reflects less affordable housing.

Table 16 illustrates additional income, housing, and census tract characteristics for the Phoenix AA.

<b>TABLE 16 PHOENIX AA DEMOGRAPHICS</b>								
<b>Income Categories</b>	<b>Tract Distribution</b>		<b>Families by Tract Income</b>		<b>Families &lt; Poverty Level as % of Families by Tract</b>		<b>Families by Family Income</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
<b>Low</b>	86	9.4	62,254	6.8	23,150	37.2	191,215	20.9
<b>Moderate</b>	219	23.9	206,113	22.6	35,203	17.1	159,385	17.4
<b>Middle</b>	293	32.0	312,819	34.2	21,845	7.0	184,157	20.2
<b>Upper</b>	308	33.6	332,595	36.4	10,982	3.3	379,041	41.5
<b>Unknown</b>	10	1.1	17	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>916</b>	<b>100.0</b>	<b>913,798</b>	<b>100.0</b>	<b>91,180</b>	<b>10.0</b>	<b>913,798</b>	<b>100.0</b>
	<b>Housing Units by Tract</b>	<b>Housing Type by Tract</b>						
		<b>Owner-occupied</b>			<b>Rental</b>		<b>Vacant</b>	
		<b>#</b>	<b>% by tract</b>	<b>% by unit</b>	<b>#</b>	<b>% by unit</b>	<b>#</b>	<b>% by unit</b>
<b>Low</b>	121,116	33,050	3.6	27.3	65,736	54.3	22,330	18.4
<b>Moderate</b>	413,094	189,906	20.7	46.0	158,493	38.4	64,695	15.7
<b>Middle</b>	539,469	327,695	35.8	60.7	146,377	27.1	65,397	12.1
<b>Upper</b>	521,991	365,719	39.9	70.1	94,655	18.1	61,617	11.8
<b>Unknown</b>	495	145	0.0	0.3	226	45.7	124	25.1
<b>Total AA</b>	<b>1,596,165</b>	<b>916,515</b>	<b>100.0</b>	<b>57.4</b>	<b>465,487</b>	<b>29.2</b>	<b>214,163</b>	<b>13.4</b>
	<b>Total Businesses by Tract</b>		<b>Businesses by Tract &amp; Revenue Size</b>					
			<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
<b>Low</b>	13,674	6.8	11,325	6.0	2,231	16.8	118	28.2
<b>Moderate</b>	31,654	15.7	28,874	15.4	2,701	20.4	79	18.9
<b>Middle</b>	60,318	29.9	56,928	30.3	3,289	24.8	101	24.1
<b>Upper</b>	94,918	47.1	90,010	47.9	4,792	36.2	116	27.7
<b>Unknown</b>	1,025	0.5	780	0.4	240	1.8	5	1.2
<b>Total AA</b>	<b>201,589</b>	<b>100.0</b>	<b>187,917</b>	<b>100.0</b>	<b>13,253</b>	<b>100.0</b>	<b>419</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>			<b>93.2</b>		<b>6.6</b>		<b>0.2</b>	

Based on 2015 FFIEC census tract definitions, 2010 ACS five-year estimate data, and 2015 D&B data.

*Interviews with Community Members*

Three interviews with members of the community conducted within the past year were reviewed to gain a perspective of area economic conditions and possible credit needs. The community members contacted included a representative from an organization that works to strengthen the local economy by working with small businesses to develop economic strategies. Another community member works with eligible applicants to obtain homeownership. The third member of the community works with new small businesses by providing training, advisement, online courses, and business resources in the Maricopa County area.

One contact indicated the Phoenix AA has a large wealth disparity. A number of middle-aged to older residents, often white, are wealthy and moved to Phoenix to run their businesses, finish their careers, or retire. Conversely, there is a large population of young, Hispanic residents struggling and underserved. One in three Hispanics in Phoenix is at or below the poverty line. Affordable housing is limited in this area, making it difficult for low-income workers to afford apartments in the city and forcing them to find housing in the suburbs and commute to work. This community member has had positive work experiences with local banks that are involved; however, she stated that many unbanked and underbanked in the Phoenix area are not being properly served by local banks. She stated that local community banks and credit unions are doing a good job, but wished that more than a handful of community banks operated in Arizona, as the area is dominated by large regional and national banks.

Another contact stated that economic conditions are stable and improving. However, current housing stock does not meet current needs, and homes under \$200,000 are much needed in the area. He went on to say that community development needs include financing affordable housing and workforce housing, greater availability of small business startup loans, and financial education for both small businesses and new homebuyers.

The third community member opined that the Phoenix and Arizona economies are recovering, citing new home starts, a general increase in construction overall, and employment gains. The housing market continues to struggle, but foreclosure activity is down. Small businesses are in need of capital, and many have been frustrated with what they believe to be too many restrictions in getting funding for startups or expansion. This contact believes banks could work more closely with businesses to inform them of loan requirements as well as provide resources for needed funding.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ARIZONA/PHOENIX AA**

### **LENDING TEST**

The bank's lending performance in the state of Arizona and Phoenix AA is rated high satisfactory. The bank's geographic distribution is good, and the borrower distribution is poor. The bank is also a leader in providing community development loans. More weight was given to small business loans with minor emphasis on HMDA-related loans due to relatively low volume. As mentioned in the Scope of Examination section, the volume of home purchase, home refinance, home improvement, and multifamily loans for each year was insufficient to conduct a meaningful analysis; therefore, these products were assessed collectively as HMDA-related loans. The lending tables that follow reflect data for 2015, with 2016 loan data considered in context of performance and displayed in Appendix C.

### **Geographic Distribution**

The distribution of HMDA-related loans to geographies of different income levels is poor, while the distribution of small business loans reflects an excellent penetration to businesses located in different geographies. Table 17 displays the geographic distribution of HMDA-related loans, while Table 18 displays the geographic distribution of the bank's small business loans; both of which were compared to aggregate lenders and demographic data for evaluative purposes.

### **HMDA-Related Loans**

The bank's geographic distribution of HMDA loans amongst the AA's geographies of different income levels is poor. The bank had no loans in low-income tracts; however, aggregate lenders only originated 1.8 percent and 1.7 percent of total HMDA loans in these tracts by number and dollar volume of loans, respectively, demonstrating overall low credit demand. The percentage of owner-occupied units in these geographies was also low at 3.6 percent. In moderate-income tracts, the bank's lending fell well below aggregate lenders and the demographic figure by both number and dollar volume. The majority of loans were originated in middle- and upper-income geographies. Lending in middle-income geographies was below aggregate lenders and the demographic figure by number with higher levels of lending by dollar volume. Lending in upper-income geographies was similar when compared to aggregate lenders and the demographic figure. The bank's lending in 2016 mirrored its performance in 2015.



**TABLE 17  
DISTRIBUTION OF 2015 HMDA LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
PHOENIX AA**

Census Tract Income Level	Bank Loans				Aggregate HMDA Data <sup>1</sup>		% of Owner- Occupied Units <sup>2</sup>
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans</b>							
Low	0	0	0.0	0.0	1.8	1.7	3.6
Moderate	2	393	7.4	2.1	13.7	10.1	20.7
Middle	8	7,902	29.6	42.0	37.4	30.8	35.8
Upper	17	10,503	63.0	55.9	46.8	57.1	39.9
Unknown <sup>3</sup>	0	0	0.0	0.0	0.3	0.3	0.0
<b>Home Purchase Loans</b>							
Low	0	0	0.0	0.0	2.0	1.3	3.6
Moderate	0	0	0.0	0.0	15.5	9.8	20.7
Middle	2	627	15.4	7.2	38.5	32.2	35.8
Upper	11	8,052	84.6	92.8	43.6	56.3	39.9
Unknown <sup>3</sup>	0	0	0.0	0.0	0.4	0.4	0.0
<b>Home Refinance Loans</b>							
Low	0	0	0.0	0.0	1.4	0.9	3.6
Moderate	1	37	9.1	1.4	11.5	7.1	20.7
Middle	4	235	36.4	8.6	36.3	28.5	35.8
Upper	6	2,451	54.5	90.0	50.6	63.3	39.9
Unknown <sup>3</sup>	0	0	0.0	0.0	0.1	0.2	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	1.7	2.9	3.6
Moderate	0	0	0.0	0.0	11.5	7.2	20.7
Middle	0	0	0.0	0.0	35.1	27.5	35.8
Upper	0	0	0.0	0.0	51.5	62.2	39.9
Unknown <sup>3</sup>	0	0	0.0	0.0	0.3	0.2	0.0
<b>Multifamily Loans</b>							<b>% of Multifamily Units<sup>2</sup></b>
Low	0	0	0.0	0.0	20.7	12.8	15.3
Moderate	1	356	33.3	4.8	42.6	40.0	37.0
Middle	2	7,040	66.7	95.2	25.7	35.7	28.8
Upper	0	0	0.0	0.0	10.9	11.5	18.8
Unknown <sup>3</sup>	0	0	0.0	0.0	0.0	0.0	0.1

<sup>1</sup> Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA filers.

<sup>2</sup> The percentage of owner-occupied housing and multifamily units by tract are based on 2015 FFIEC census tract definitions and 2010 ACS five-year estimate data.

<sup>3</sup> Only includes unknown tract locations.

(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

### Small Business Loans

The bank's geographic distribution of small business loans amongst the AA's geographies of different income levels is excellent. In low-income tracts, the bank significantly exceeded aggregate lenders and the percent of businesses in those geographies by both number and

dollar volume of loans. In moderate- and middle-income tracts, the bank's performance closely aligned with both comparators by number and dollar volume. The bank's lending in upper-income tracts was significantly below both comparators by number and dollar volume of loans. Lending performance in 2016 was similar, as the bank had a higher percentage of loans in LMI census tracts by number and dollar volume compared to the percent of businesses in those respective geographies.

**TABLE 18  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
PHOENIX AA**

Census Tract Income Level	Business Loans <sup>1</sup>				Aggregate CRA Data <sup>2</sup>		% of Businesses <sup>3</sup>
	#	\$(000)	#%	\$%	#%	\$%	
<b>Low</b>	71	26,936	21.5	24.3	7.2	13.2	6.8
<b>Moderate</b>	52	18,880	15.7	17.0	14.8	16.9	15.7
<b>Middle</b>	78	27,607	23.6	24.9	27.6	25.0	29.9
<b>Upper</b>	126	36,659	38.1	33.1	48.8	42.7	47.1
<b>Unknown<sup>4</sup></b>	4	790	1.2	0.7	0.5	1.1	0.5

<sup>1</sup> CRA data reports only business loans in the amount of \$1 million or less.

<sup>2</sup> Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.

<sup>3</sup> The percentage of businesses in the AA is based on 2015 FFIEC census tract definitions and 2015 D&B data.

<sup>4</sup> Only includes unknown tract locations. Does not include tracts where the income level is not reported, which is 1.1 percent by number and 0.9 percent by dollar for aggregate lenders.

(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

### **Distribution by Borrower Income and Revenue Size of the Business**

The borrower distribution of HMDA-related loans and small business loans reveals a poor penetration among borrowers of different income levels and businesses of different revenue sizes. Table 19 shows the bank's borrower distribution of HMDA-related loans, while Table 20 shows the borrower distribution of small business loans; both of which were compared to aggregate lenders and demographic data for evaluative purposes.

#### HMDA-Related Loans

The bank's distribution of HMDA-related loans among borrowers of different income levels is poor, the same rating received at the prior evaluation. No loans were originated to low-, moderate-, or middle-income borrowers, while aggregate lenders made 37.5 percent of their loans in those census tracts. All HMDA loans were originated to upper-income borrowers or to borrowers with unknown income, which significantly exceeded aggregate lenders and the percent of upper-income families in the AA. The bank's lending results for total HMDA loans in 2016 were nearly identical to 2015, with no lending to low-, moderate-, or middle-income borrowers in the Phoenix AA. As mentioned in the Denver MSA section of the report, the bank's business strategy is focused on commercial customers, with any HMDA lending generally being done as an accommodation to those business customers.

**TABLE 19  
DISTRIBUTION OF 2015 HMDA LOANS  
BY BORROWER INCOME LEVELS  
PHOENIX AA**

Borrower Income Level	Bank Loans				Aggregate HMDA Data <sup>1</sup>		% of Families <sup>2</sup>
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans<sup>3</sup></b>							
Low	0	0	0.0	0.0	5.0	2.5	20.9
Moderate	0	0	0.0	0.0	14.3	9.1	17.4
Middle	0	0	0.0	0.0	18.2	14.8	20.2
Upper	17	10,940	63.0	58.2	37.6	46.1	41.5
Unknown	10	7,858	37.0	41.8	24.9	27.6	0.0
<b>Home Purchase Loans</b>							
Low	0	0	0.0	0.0	5.1	2.5	20.9
Moderate	0	0	0.0	0.0	16.4	11.2	17.4
Middle	0	0	0.0	0.0	19.9	17.5	20.2
Upper	12	8,624	92.3	99.4	38.2	50.1	41.5
Unknown	1	55	7.7	0.6	20.3	18.6	0.0
<b>Home Refinance Loans</b>							
Low	0	0	0.0	0.0	4.8	2.6	20.9
Moderate	0	0	0.0	0.0	11.8	7.5	17.4
Middle	0	0	0.0	0.0	16.0	12.9	20.2
Upper	5	2,316	45.5	85.1	35.9	45.7	41.5
Unknown	6	407	54.5	14.9	31.5	31.3	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	5.0	2.7	20.9
Moderate	0	0	0.0	0.0	14.2	10.4	17.4
Middle	0	0	0.0	0.0	20.1	17.5	20.2
Upper	0	0	0.0	0.0	54.5	58.7	41.5
Unknown	0	0	0.0	0.0	6.2	10.6	0.0

<sup>1</sup> Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA filers.  
<sup>2</sup> The percentage of families and households are based on 2010 ACS five-year estimate data.  
<sup>3</sup> Multifamily loans are not considered in the Borrower Analysis.  
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

### Small Business Loans

The distribution of lending to businesses of different revenue sizes is also poor. The number and dollar percentage of loans to small businesses or those with gross annual revenues of \$1 million or less significantly trailed other CRA reporters and was well below the percentage of small businesses in the AA. The vast majority of loans were made to businesses with revenues over \$1 million. The bank's performance in 2016 was similar, although the distribution of loans to businesses with gross annual revenues of \$1 million or less further declined.

Moreover, when the bank's small business loans were stratified by loan size, only 58.1 percent of the bank's 2015 small business loans were in the amount of \$250,000 or less. This

percentage was significantly below other CRA aggregate lenders whose percentage of loans of \$250,000 or less was 97.8 percent. The bank's distribution by revenue size in loan year 2016 was similar to 2015, with 57.5 percent of small business loans made in the amount of \$250,000 or less.

**TABLE 20  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS BY REVENUE SIZE  
PHOENIX AA**

Business Revenue By Size	Business Loans <sup>1</sup>				Aggregate CRA Data <sup>2</sup>		% of Businesses <sup>3</sup>
	#	\$(000)	#%	\$%	#%	\$%	
<b>\$1MM or less</b>	74	16,989	22.4	15.3	52.1	32.5	93.2
<b>Over \$1MM</b>	248	91,265	74.9	82.3	Not Reported		6.6
<b>Not Known</b>	9	2,618	2.7	2.4			0.2

<sup>1</sup> CRA data reports only business loans in the amount of \$1 million or less.  
<sup>2</sup> Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.  
<sup>3</sup> The percentage of businesses in the AA is based on 2015 D&B data.  
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**Community Development Lending**

The bank is a leader in making community development loans in its Phoenix AA based on its market presence and within the context of the overall institution. The bank originated 16 community development loans in the Phoenix AA totaling approximately \$32.3 million, compared to 10 loans for \$21.1 million during the prior evaluation. In addition, the bank originated two loans totaling approximately \$4.4 million in broader Arizona statewide areas outside of the bank's Phoenix AA. Within the Phoenix AA during this evaluation, nine of the loans were economic development loans for \$16.9 million, four were for revitalization and stabilization efforts in the amount of \$11.7 million, two were to community service organizations for \$400,000, and one was for the purpose of affordable housing for \$3.2 million. Three of the loans were renewals that were given credit during prior evaluations. Specific examples of loans that showed responsiveness during the review period include the following:

- A \$3.2 million affordable housing loan to refinance a seller carryback note used to purchase a 92-unit Class C apartment building in a low-income census tract. Property rents are well below the median rents in Maricopa County.
- The bank originated nine SBA-qualified loans for nearly \$17.0 million that all qualify as economic development loans.
- A \$1.8 million revitalization/stabilization loan for the purchase and renovation of office space for a designated community development entity. This organization directs its activities to create quality jobs in areas of concentrated unemployment or underemployment for low-income individuals.

## **INVESTMENT TEST**

The investment test rating for the state of Arizona and the Phoenix AA is Outstanding with an excellent level of qualified community development investments and donations in the Phoenix AA. The bank makes occasional use of innovative or complex investments to support community development initiatives, while demonstrating good responsiveness to credit and community development needs in the community. The bank has three prior-period investments totaling \$211,356 as well as five current-period investments for nearly \$52.7 million. These include four prior- and current-period investments of \$2.6 million directly in the Phoenix AA as well as four investments of \$50.3 million allocated at the state and institutional levels.

The bank's donation activity increased from the prior examination from 21 donations for \$134,000 to 30 donations for \$151,725. All 30 of the bank's Arizona donations were to community service organizations that benefit LMI individuals and families. Some donations that are considered responsive to area credit and community development needs are:

- The bank donated \$27,600 to the CoBiz Cares foundation. As mentioned previously, this organization is managed by employees who select the nonprofits to fund, primarily entities serving LMI individuals and families in need.
- Through its annual Arizona BizBash event, the bank provided a total of \$70,000 in 2015 and 2016 across three different community service organizations that provide support services for LMI individuals and families.
- A \$10,100 donation was made to a local community services organization that makes health and social services accessible to the most vulnerable members of the community. Services include adult daycare, a food bank, a learning center for children, and neighborhood renewal efforts.

## **SERVICE TEST**

The bank's service test rating in Arizona and the Phoenix AA is High Satisfactory. The bank's retail services and community development activities are detailed in Table 21.

### **Retail Services**

The bank's delivery systems in the Phoenix AA are reasonably accessible among different geographies and to individuals of different income levels. Three of the bank's four locations are in upper-income tracts, and one is in a middle-income tract, but they are in close proximity to LMI geographies.

The bank's record of opening and closing branches has generally not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and/or LMI individuals. Since the prior examination, the bank opened one new branch in an upper-income tract. In

addition, the bank closed two branches in upper-income tracts and one branch in a middle-income tract.

Business hours and services do not vary in a way that inconveniences its AAs, particularly to LMI geographies and individuals. Lobby hours and additional services were discussed under the overall bank profile and do not vary by market.

**TABLE 21  
RETAIL AND COMMUNITY DEVELOPMENT SERVICES  
PHOENIX AA**

Branch Accessibility	Location of Branches by Tract <sup>1</sup> (%)						Percent of Tracts <sup>1</sup> (%)					
	Low	Mod	Mid	Upp	Unk	Total	Low	Mod	Mid	Upp	Unk	Total
	0.0	0.0	25.0	75.0	0.0	100.0	9.4	23.9	32.0	33.6	1.1	100.0
Changes in Branch Location	Number of Branches (#)						Net Change in Branch Locations (#)					
	Total Branches		Openings (#)		Closings (#)		Low	Mod	Mid	Upp	Unk	Total
	4		1		3		0	0	-1	-1	0	-2
Community Development Services	Affordable Housing		Community Services		Economic Development		Revitalization & Stabilization		Total Services		Total Organizations	
	#	Hours	#	Hours	#	Hours	#	Hours	#	Hours	15	
	2	78	17	997	0	0	0	0	19	1,075		

<sup>1</sup> Based on 2015 FFIEC Census Tract Income Definitions.  
(NOTE: Total percentages may vary by 0.1 percent due to automated rounding differences.)

**Community Development Services:**

The bank provides a relatively high level of community development services within the Phoenix AA. ABB employees were involved in 19 services totaling 1,075 hours to 15 different organizations. The following is a sample of activities that were considered responsive to area credit and community development needs:

- Four Arizona bank employees serve on the CoBiz Cares foundation, and one provides direction and guidance for the Arizona BizBash, the counterpart to the Colorado annual event described in the Denver MSA AA section. Together, these employees provided 428 hours of service.
- One employee volunteered 125 hours using her financial expertise as a member of the board for a community service organization that aids the foster care system by matching quality families and individuals with children in need of a stable home environment.
- Another employee serves on the board for an organization that provides safe, affordable housing for LMI individuals and families. A total of 44 hours were volunteered to serve in this capacity using his financial expertise.

**COMMUNITY REINVESTMENT ACT**

**APPENDIX A**

<b>SCOPE OF EXAMINATION</b>			
<b>FINANCIAL INSTITUTION</b>		<b>PRODUCTS/SERVICES REVIEWED</b>	
<b>CoBiz Bank</b> Denver, Colorado		<ul style="list-style-type: none"> <li>• Home Purchase Loans</li> <li>• Home Refinance Loans</li> <li>• Home Improvement Loans</li> <li>• Multifamily Loans</li> <li>• Business Loans</li> <li>• Community Development Loans</li> <li>• Community Development Investments</li> <li>• Community Development Services</li> </ul>	
<b>TIME PERIODS REVIEWED</b>			
<u>HMDA LAR and CRA SB Loans:</u>		January 1, 2015 to December 31, 2016	
<u>Community Development Loans:</u>		April 1, 2015 to June 30, 2017	
<u>Community Development Investments:</u>		April 1, 2015 to June 30, 2017	
<u>Community Development Services:</u>		January 1, 2015 to December 31, 2016	
<b>LIST OF AFFILIATES CONSIDERED IN THIS EVALUATION</b>			
<b>AFFILIATES</b>	<b>AFFILIATE RELATIONSHIP</b>	<b>PRODUCTS REVIEWED</b>	
CoBiz Financial, Inc.	Holding Company	None	
RMA Holdings, Inc.	Sub of Holding Company	None	
CoBiz Statutory Trust I	Sub of Holding Company	None	
CoBiz Capital Trust II	Sub of Holding Company	None	
CoBiz Capital Trust III	Sub of Holding Company	None	
CoBiz IM, Inc.	Sub of Holding Company	None	
CoBiz Wealth LLC	Sub of CoBiz IM, Inc.	None	
CoBiz Insurance, Inc.	Sub of Holding Company	None	
AWREI, Inc.	Sub of Bank	None	
CoBiz Public Finance, Inc.	Sub of Bank	None	
Western Real Estate Investors, Inc.	Sub of Bank	None	
<b>LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION</b>			
<b>ASSESSMENT AREA</b>	<b>TYPE OF EXAM</b>	<b>BRANCHES VISITED</b>	<b>COMMUNITY CONTACTS</b>
<b>COLORADO</b>			
MSA 19740 Denver-Aurora-Broomfield – Denver MSA AA	Full Review	1401 Lawrence Street, Suite 1200, Denver, Colorado	2 prior
MSA 14500 Boulder – Boulder MSA AA	Limited Review	None	1 prior
MSA 99999 Nonmetropolitan Area - Eagle County AA	Limited Review	None	1 current
MSA 17820 Colorado Springs – Colorado Springs AA	Limited Review	None	2 prior
MSA 22660 - Fort Collins-Loveland – Fort Collins MSA AA	Limited Review	None	1 prior
<b>ARIZONA</b>			
MSA 38060 Phoenix – Phoenix AA	Full Review	None	3 prior

**COMMUNITY REINVESTMENT ACT**

**APPENDIX B**

**SUMMARY OF STATE RATINGS**

<b>STATE</b>	<b>LENDING TEST RATING</b>	<b>INVESTMENT TEST RATING</b>	<b>SERVICE TEST RATING</b>	<b>OVERALL RATING</b>
Colorado	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Arizona	High Satisfactory	Outstanding	High Satisfactory	Satisfactory



**COMMUNITY REINVESTMENT ACT**

**APPENDIX C**

**LENDING ANALYSIS TABLES**

- A. 2016 – Denver MSA AA (Full Review)
- B. 2016 – Phoenix AA (Full Review)
- C. 2016 and 2015 – Boulder MSA AA (Limited Review)
- D. 2016 and 2015 – Fort Collins MSA AA (Limited Review)
- E. 2016 and 2015 – Colorado Springs AA (Limited Review)
- F. 2016 and 2015 – Eagle County AA (Limited Review)

**Footnotes for all Analysis Tables**

- Census tract income classifications, percentage of families by income classifications, percentage of owner occupied housing units and multifamily housing units by tract, and percentage of businesses by tract are based on 2010 ACS 5-year estimates and 2015 or 2016 FFIEC census tract definitions.
- Business loan data is based on 2015 or 2016 D&B data.
- Aggregate HMDA data reflects all originations in the AA reported by all HMDA filers.
- Aggregate CRA LAR data reports only business loans in amounts of \$1 million or less.
- The borrower distribution analysis for business loans focuses on the bank's lending to "small businesses" as defined by the CRA, which are those businesses with gross annual revenues of \$1 million or less.
- Low-income census tracts are those geographies with MFI less than 50 percent of the MSA or statewide MFI based on 2010 ACS five-year estimate data; moderate-income equals 50 percent to 80 percent; middle income is 80 percent to 120 percent; and upper income is greater than 120 percent.
- Percentages may not total 100 percent due to slight rounding differences. Also, aggregate percentages may be off due to the omission of loans with unknown census tract information.
- For the borrower distribution tables, total HMDA loans will not foot, as multifamily loans are not considered in the borrower distribution.
- For the geographic distribution tables, Unknown tracts Includes census tracts where the income level is unknown and Not Reported includes loans where tract locations were not reported by the institution.

A. 2016 – Denver MSA AA (Full Review)

**TABLE A-1  
DISTRIBUTION OF 2016 HMDA LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
DENVER MSA AA**

Census Tract Income Level	Bank Loans				% of Owner- Occupied Units
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	7	17,620	9.9	26.7	6.3
Moderate	10	7,681	14.1	11.6	19.1
Middle	20	12,312	28.2	18.6	36.1
Upper	34	28,418	47.9	43.0	38.5
Unknown	0	0	0.0	0.0	0.0
<b>Home Purchase Loans</b>					
Low	4	1,145	10.0	3.9	6.3
Moderate	6	3,315	15.0	11.3	19.1
Middle	8	7,288	20.0	24.9	36.1
Upper	22	17,495	55.0	59.8	38.5
Unknown	0	0	0.0	0.0	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	6.3
Moderate	2	1,403	13.3	16.6	19.1
Middle	6	2,009	40.0	23.8	36.1
Upper	7	5,038	46.7	59.6	38.5
Unknown	0	0	0.0	0.0	0.0
<b>Home Improvement Loans</b>					
Low	1	225	16.7	7.5	6.3
Moderate	1	75	16.7	2.5	19.1
Middle	1	360	16.7	11.9	36.1
Upper	3	2,355	50.0	78.1	38.5
Unknown	0	0	0.0	0.0	0.0
<b>Multifamily Loans</b>					<b>% of Multifamily Units</b>
Low	2	16,250	20.0	64.2	20.6
Moderate	1	2,888	10.0	11.4	32.0
Middle	5	2,655	50.0	10.5	32.7
Upper	2	3,530	20.0	13.9	14.6
Unknown	0	0	0.0	0.0	0.0

**TABLE A-2  
DISTRIBUTION OF 2016 HMDA LOANS  
BY BORROWER INCOME LEVELS  
DENVER MSA AA**

Borrower Income Level	Bank Loans				% of Families
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	0	0	0.0	0.0	21.9
Moderate	0	0	0.0	0.0	17.1
Middle	2	785	2.8	1.2	20.3
Upper	39	25,915	54.9	39.2	40.7
Unknown	30	39,331	42.3	59.6	0.0
<b>Home Purchase Loans</b>					
Low	0	0	0.0	0.0	21.9
Moderate	0	0	0.0	0.0	17.1
Middle	2	785	5.0	2.7	20.3
Upper	22	16,337	55.0	55.9	40.7
Unknown	16	12,121	40.0	41.4	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	21.9
Moderate	0	0	0.0	0.0	17.1
Middle	0	0	0.0	0.0	20.3
Upper	11	6,563	73.3	77.7	40.7
Unknown	4	1,887	26.7	22.3	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	21.9
Moderate	0	0	0.0	0.0	17.1
Middle	0	0	0	0.0	20.3
Upper	6	3,015	100.0	100.0	40.7
Unknown	0	0	0.0	0.0	0.0

**TABLE A-3  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
DENVER MSA AA**

Census Tract Income Level	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	94	34,263	13.3	15.5	8.1
Moderate	215	76,565	30.5	34.6	19.8
Middle	190	48,418	27.0	21.9	31.1
Upper	202	59,419	28.7	26.8	40.8
Unknown	4	2,809	0.6	1.3	0.2

**TABLE A-4  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS BY REVENUE SIZE  
DENVER MSA AA**

Business Revenue By Size	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
\$1MM or less	162	30,891	23.0	13.9	92.0
Over \$1MM	521	184,950	73.9	83.5	7.2
Not Known	22	5,633	3.1	2.5	0.8

B. 2016 – Phoenix AA (Full Review)

<b>TABLE B-1 DISTRIBUTION OF 2016 HMDA LOANS BY INCOME LEVEL OF GEOGRAPHY PHOENIX AA</b>					
Census Tract Income Level	Bank Loans				% of Owner- Occupied Units
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	0	0	0.0	0.0	3.6
Moderate	2	5,200	11.8	30.0	20.7
Middle	2	319	11.8	1.8	35.8
Upper	13	11,806	76.5	68.1	39.9
Unknown	0	0	0.0	0.0	0.0
<b>Home Purchase Loans</b>					
Low	0	0	0.0	0.0	3.6
Moderate	1	4,000	9.1	42.2	20.7
Middle	2	319	18.2	3.4	35.8
Upper	8	5,157	72.7	54.4	39.9
Unknown	0	0	0.0	0.0	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	3.6
Moderate	0	0	0.0	0.0	20.7
Middle	0	0	0.0	0.0	35.8
Upper	5	6,649	100.0	100.0	39.9
Unknown	0	0	0.0	0.0	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	3.6
Moderate	0	0	0.0	0.0	20.7
Middle	0	0	0.0	0.0	35.8
Upper	0	0	0.0	0.0	39.9
Unknown	0	0	0.0	0.0	0.0
<b>Multifamily Loans</b>					<b>% of Multifamily Units</b>
Low	0	0	0.0	0.0	15.3
Moderate	1	1,200	100.0	100.0	37.0
Middle	0	0	0.0	0.0	28.8
Upper	0	0	0.0	0.0	18.8
Unknown	0	0	0.0	0.0	0.1

**TABLE B-2  
DISTRIBUTION OF 2016 HMDA LOANS  
BY BORROWER INCOME LEVELS  
PHOENIX AA**

Borrower Income Level	Bank Loans				% of Families
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	0	0	0.0	0.0	20.9
Moderate	0	0	0.0	0.0	17.4
Middle	0	0	0.0	0.0	20.2
Upper	11	11,307	64.7	65.3	41.5
Unknown	6	6,018	35.3	34.7	0.0
<b>Home Purchase Loans</b>					
Low	0	0	0.0	0.0	20.9
Moderate	0	0	0.0	0.0	17.4
Middle	0	0	0.0	0.0	20.2
Upper	6	4,658	54.5	49.2	41.5
Unknown	5	4,818	45.5	50.8	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	20.9
Moderate	0	0	0.0	0.0	17.4
Middle	0	0	0.0	0.0	20.2
Upper	5	6,649	100.0	100.0	41.5
Unknown	0	0	0.0	0.0	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	20.9
Moderate	0	0	0.0	0.0	17.4
Middle	0	0	0.0	0.0	20.2
Upper	0	0	0.0	0.0	41.5
Unknown	0	0	0.0	0.0	0.0

**TABLE B-3  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
PHOENIX AA**

Census Tract Income Level	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	59	20,864	18.9	20.0	6.9
Moderate	66	25,304	21.2	24.2	15.6
Middle	70	23,036	22.4	22.0	29.6
Upper	113	34,207	36.2	32.7	47.4
Unknown	4	1,162	1.3	1.1	0.5

**TABLE B-4  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS BY REVENUE SIZE  
PHOENIX AA**

Business Revenue By Size	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
\$1MM or less	50	13,372	16.0	12.8	91.6
Over \$1MM	254	89,198	81.4	85.3	7.4
Not Known	8	2,004	2.6	1.9	1.0

C. 2016 and 2015 – Boulder MSA AA (Limited Review)

**TABLE C-1  
DISTRIBUTION OF 2015 HMDA LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
BOULDER MSA AA**

Census Tract Income Level	Bank Loans				Aggregate HMDA Data		% of Owner- Occupied Units
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans</b>							
Low	0	0	0.0	0.0	3.6	2.3	2.8
Moderate	1	910	6.7	9.0	16.8	14.1	15.0
Middle	6	4,011	40.0	39.9	46.0	42.3	45.8
Upper	8	5,142	53.3	51.1	33.6	41.3	36.5
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Purchase Loans</b>							
Low	0	0	0.0	0.0	4.2	2.3	2.8
Moderate	0	0	0.0	0.0	18.0	13.0	15.0
Middle	1	450	25.0	23.4	45.8	43.5	45.8
Upper	3	1,475	75.0	76.6	32.0	41.2	36.5
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Refinance Loans</b>							
Low	0	0	0.0	0.0	3.1	1.6	2.8
Moderate	0	0	0.0	0.0	15.7	10.5	15.0
Middle	1	450	33.3	17.6	46.2	43.4	45.8
Upper	2	2,100	66.7	82.4	35.1	44.5	36.5
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	3.2	1.2	2.8
Moderate	0	0	0.0	0.0	16.0	12.3	15.0
Middle	3	1,444	60.0	83.8	46.0	41.2	45.8
Upper	2	279	40.0	16.2	34.8	45.4	36.5
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Multifamily Loans</b>							<b>% of Multifamily Units</b>
Low	0	0	0.0	0.0	12.5	7.9	8.7
Moderate	1	910	33.3	23.5	41.1	51.8	30.2
Middle	1	1,667	33.3	43.1	39.3	25.6	47.0
Upper	1	1,288	33.3	33.3	7.1	14.7	14.2
Unknown	0	0	0.0	0.0	0.0	0.0	0.0



**TABLE C-2  
DISTRIBUTION OF 2015 HMDA LOANS  
BY BORROWER INCOME LEVELS  
BOULDER MSA AA**

Borrower Income Level	Bank Loans				Aggregate HMDA Data		% of Families
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans</b>							
Low	0	0	0.0	0.0	8.5	4.2	22.1
Moderate	0	0	0.0	0.0	17.6	11.9	16.6
Middle	0	0	0.0	0.0	22.0	18.5	20.1
Upper	11	6,098	73.3	60.6	38.2	47.3	41.3
Unknown	4	3,965	26.7	39.4	13.7	18.2	0.0
<b>Home Purchase Loans</b>							
Low	0	0	0.0	0.0	7.6	3.9	22.1
Moderate	0	0	0.0	0.0	17.5	12.5	16.6
Middle	0	0	0.0	0.0	22.4	20.1	20.1
Upper	4	1,925	100.0	100.0	40.7	52.1	41.3
Unknown	0	0	0.0	0.0	11.7	11.4	0.0
<b>Home Refinance Loans</b>							
Low	0	0	0.0	0.0	9.3	5.0	22.1
Moderate	0	0	0.0	0.0	17.9	12.8	16.6
Middle	0	0	0.0	0.0	21.6	19.1	20.1
Upper	3	2,550	100.0	100.0	36.1	48.3	41.3
Unknown	0	0	0.0	0.0	15.2	14.8	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	7.6	3.6	22.1
Moderate	0	0	0.0	0.0	17.9	11.0	16.6
Middle	0	0	0.0	0.0	25.1	22.7	20.1
Upper	4	1,623	80.0	94.2	44.3	54.1	41.3
Unknown	1	100	20.0	5.8	5.2	8.5	0.0

**TABLE C-3  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
BOULDER MSA AA**

Census Tract Income Level	Business Loans				Aggregate CRA Data		% of Businesses
	#	\$(000)	#%	\$%	#%	\$%	
Low	3	1,161	2.0	2.7	2.9	2.7	3.6
Moderate	42	12,282	28.2	28.8	22.1	29.5	22.2
Middle	74	21,558	49.7	50.6	41.6	41.6	41.9
Upper	30	7,603	20.1	17.8	31.5	25.1	32.4
Unknown <sup>1</sup>	0	0	0.0	0.0	0.0	0.0	0.0

<sup>1</sup> Does not include tracts where the income level is unknown, which is 1.8 percent by number and 1.1 percent by dollar for aggregate lenders. Only includes tract locations not reported.

**TABLE C-4  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS BY REVENUE SIZE  
BOULDER MSA AA**

Business Revenue By Size	Business Loans				Aggregate CRA Data <sup>2</sup>		% of Businesses
	#	\$(000)	#%	\$%	#%	\$%	
\$1MM or less	70	14,655	47.0	34.4	50.6	38.6	94.1
Over \$1MM	76	27,827	51.0	65.3	Not Reported		5.7
Not Known	3	121	2.0	0.3			0.2

**TABLE C-5  
DISTRIBUTION OF 2016 HMDA LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
BOULDER MSA AA**

Census Tract Income Level	Bank Loans				% of Owner- Occupied Units
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	0	0	0.0	0.0	2.8
Moderate	2	875	12.5	6.9	15.0
Middle	5	2,040	31.3	16.1	45.8
Upper	9	9,767	56.3	77.0	36.5
Unknown	0	0	0.0	0.0	0.0
<b>Home Purchase Loans</b>					
Low	0	0	0.0	0.0	2.8
Moderate	1	770	11.1	16.1	15.0
Middle	5	2,040	55.6	42.6	45.8
Upper	3	1,980	33.3	41.3	36.5
Unknown	0	0	0.0	0.0	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	2.8
Moderate	1	105	16.7	1.4	15.0
Middle	0	0	0.0	0.0	45.8
Upper	5	7,537	83.3	98.6	36.5
Unknown	0	0	0.0	0.0	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	2.8
Moderate	0	0	0.0	0.0	15.0
Middle	0	0	0.0	0.0	45.8
Upper	1	250	100.0	100.0	36.5
Unknown	0	0	0.0	0.0	0.0
<b>Multifamily Loans</b>					<b>% of Multifamily Units</b>
Low	0	0	0.0	0.0	8.7
Moderate	0	0	0.0	0.0	30.2
Middle	0	0	0.0	0.0	47.0
Upper	0	0	0.0	0.0	14.2
Unknown	0	0	0.0	0.0	0.0

**TABLE C-6  
DISTRIBUTION OF 2016 HMDA LOANS  
BY BORROWER INCOME LEVELS  
BOULDER MSA AA**

Borrower Income Level	Bank Loans				% of Families
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	0	0	0.0	0.0	22.1
Moderate	0	0	0.0	0.0	16.6
Middle	1	105	6.3	0.8	20.1
Upper	8	4,786	50.0	37.7	41.3
Unknown	7	7,791	43.8	61.4	0.0
<b>Home Purchase Loans</b>					
Low	0	0	0.0	0.0	22.1
Moderate	0	0	0.0	0.0	16.6
Middle	0	0	0.0	0.0	20.1
Upper	5	2,811	55.6	58.7	41.3
Unknown	4	1,979	44.4	41.3	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	22.1
Moderate	0	0	0.0	0.0	16.6
Middle	1	105	16.7	1.4	20.1
Upper	2	1,725	33.3	22.6	41.3
Unknown	3	5,812	50.0	76.1	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	22.1
Moderate	0	0	0.0	0.0	16.6
Middle	0	0	0.0	0.0	20.1
Upper	1	250	100.0	100.0	41.3
Unknown	0	0	0.0	0.0	0.0

**TABLE C-7  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
BOULDER MSA AA**

Census Tract Income Level	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	9	1,782	6.6	4.8	3.6
Moderate	38	12,217	27.7	33.2	22.1
Middle	51	12,204	37.2	33.2	41.8
Upper	39	10,557	28.5	28.7	32.5
Unknown	0	0	0.0	0.0	0.0

**TABLE C-8  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS BY REVENUE SIZE  
BOULDER MSA AA**

Business Revenue By Size	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
\$1MM or less	51	9,324	37.2	25.4	92.5
Over \$1MM	85	27,285	62.0	74.2	6.7
Not Known	1	150	0.7	0.4	0.8

D. 2016 and 2015 – Fort Collins MSA AA (Limited Review)

<b>TABLE D-1 DISTRIBUTION OF 2015 HMDA LOANS BY INCOME LEVEL OF GEOGRAPHY FORT COLLINS MSA AA</b>							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data		% of Owner- Occupied Units
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans</b>							
Low	0	0	0.0	0.0	0.7	1.7	1.0
Moderate	0	0	0.0	0.0	17.5	16.2	18.2
Middle	0	0	0.0	0.0	48.5	43.5	50.0
Upper	2	1,548	100.0	100.0	33.3	38.7	30.8
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Purchase Loans</b>							
Low	0	0	0.0	0.0	0.5	0.4	1.0
Moderate	0	0	0.0	0.0	18.0	15.3	18.2
Middle	0	0	0.0	0.0	47.3	44.6	50.0
Upper	2	1,548	100.0	100.0	34.1	39.7	30.8
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Refinance Loans</b>							
Low	0	0	0.0	0.0	0.8	0.7	1.0
Moderate	0	0	0.0	0.0	16.9	13.7	18.2
Middle	0	0	0.0	0.0	49.5	46.2	50.0
Upper	0	0	0.0	0.0	32.7	39.3	30.8
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	1.6	1.3	1.0
Moderate	0	0	0.0	0.0	16.9	15.3	18.2
Middle	0	0	0.0	0.0	50.7	47.8	50.0
Upper	0	0	0.0	0.0	30.9	35.5	30.8
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Multifamily Loans</b>							<b>% of Multifamily Units</b>
Low	0	0	0.0	0.0	6.1	23.3	8.1
Moderate	0	0	0.0	0.0	39.4	47.3	34.6
Middle	0	0	0.0	0.0	39.4	6.3	45.0
Upper	0	0	0.0	0.0	15.2	23.2	12.3
Unknown	0	0	0.0	0.0	0.0	0.0	0.0

**TABLE D-2  
DISTRIBUTION OF 2015 HMDA LOANS  
BY BORROWER INCOME LEVELS  
FORT COLLINS MSA AA**

Borrower Income Level	Bank Loans				Aggregate HMDA Data		% of Families
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans</b>							
Low	0	0	0.0	0.0	6.1	3.5	20.2
Moderate	0	0	0.0	0.0	18.9	14.5	17.6
Middle	0	0	0.0	0.0	23.7	21.8	22.3
Upper	2	1,548	100.0	100.0	35.0	40.0	39.9
Unknown	0	0	0.0	0.0	16.2	20.3	0.0
<b>Home Purchase Loans</b>							
Low	0	0	0.0	0.0	5.4	3.2	20.2
Moderate	0	0	0.0	0.0	18.9	15.1	17.6
Middle	0	0	0.0	0.0	23.5	22.9	22.3
Upper	2	1,548	100.0	100.0	37.8	45.0	39.9
Unknown	0	0	0.0	0.0	14.3	13.8	0.0
<b>Home Refinance Loans</b>							
Low	0	0	0.0	0.0	6.9	4.2	20.2
Moderate	0	0	0.0	0.0	18.9	15.2	17.6
Middle	0	0	0.0	0.0	23.6	22.5	22.3
Upper	0	0	0.0	0.0	31.9	38.5	39.9
Unknown	0	0	0.0	0.0	18.7	19.5	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	6.7	2.4	20.2
Moderate	0	0	0.0	0.0	19.9	16.5	17.6
Middle	0	0	0.0	0.0	27.2	30.1	22.3
Upper	0	0	0.0	0.0	39.9	42.2	39.9
Unknown	0	0	0.0	0.0	6.3	8.9	0.0

**TABLE D-3  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
FORT COLLINS MSA AA**

Census Tract Income Level	Business Loans				Aggregate CRA Data		% of Businesses
	#	\$(000)	#%	\$%	#%	\$%	
Low	0	0	0.0	0.0	1.3	1.8	1.1
Moderate	14	5,682	48.3	65.1	21.5	27.8	20.8
Middle	7	1,830	24.1	21.0	43.4	35.5	49.3
Upper	8	1,220	27.6	14.0	31.9	33.9	28.8
Unknown <sup>1</sup>	0	0	0.0	0.0	0.0	0.0	0.0

<sup>1</sup> Does not include tracts where the income level is unknown, which is 1.9 percent by number and 1.1 percent by dollar for aggregate lenders. Only includes tract locations not reported.

**TABLE D-4  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS BY REVENUE SIZE  
FORT COLLINS MSA AA**

Business Revenue By Size	Business Loans				Aggregate CRA Data <sup>2</sup>		% of Businesses
	#	\$(000)	#%	\$%	#%	\$%	
\$1MM or less	13	2,347	44.8	26.9	47.0	36.2	95.0
Over \$1MM	16	6,385	55.2	73.1	Not Reported		4.7
Not Known	0	0	0.0	0.0	Not Reported		0.3



**TABLE D-5  
DISTRIBUTION OF 2016 HMDA LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
FORT COLLINS MSA AA**

Census Tract Income Level	Bank Loans				% of Owner- Occupied Units
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	0	0	0.0	0.0	1.0
Moderate	0	0	0.0	0.0	18.2
Middle	3	1,026	75.0	80.4	50.0
Upper	1	250	25.0	19.6	30.8
Unknown	0	0	0.0	0.0	0.0
<b>Home Purchase Loans</b>					
Low	0	0	0.0	0.0	1.0
Moderate	0	0	0.0	0.0	18.2
Middle	2	356	66.7	58.7	50.0
Upper	1	250	33.3	41.3	30.8
Unknown	0	0	0.0	0.0	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	1.0
Moderate	0	0	0.0	0.0	18.2
Middle	1	670	100.0	100.0	50.0
Upper	0	0	0.0	0.0	30.8
Unknown	0	0	0.0	0.0	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	1.0
Moderate	0	0	0.0	0.0	18.2
Middle	0	0	0.0	0.0	50.0
Upper	0	0	0.0	0.0	30.8
Unknown	0	0	0.0	0.0	0.0
<b>Multifamily Loans</b>					<b>% of Multifamily Units</b>
Low	0	0	0.0	0.0	8.1
Moderate	0	0	0.0	0.0	34.6
Middle	0	0	0.0	0.0	45.0
Upper	0	0	0.0	0.0	12.3
Unknown	0	0	0.0	0.0	0.0

**TABLE D-6  
DISTRIBUTION OF 2016 HMDA LOANS  
BY BORROWER INCOME LEVELS  
FORT COLLINS MSA AA**

Borrower Income Level	Bank Loans				% of Families
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	0	0	0.0	0.0	20.2
Moderate	0	0	0.0	0.0	17.6
Middle	1	250	25.0	19.6	22.3
Upper	1	670	25.0	52.5	39.9
Unknown	2	356	50.0	27.9	0.0
<b>Home Purchase Loans</b>					
Low	0	0	0.0	0.0	20.2
Moderate	0	0	0.0	0.0	17.6
Middle	1	250	33.3	41.3	22.3
Upper	0	0	0.0	0.0	39.9
Unknown	2	356	66.7	58.7	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	20.2
Moderate	0	0	0.0	0.0	17.6
Middle	0	0	0.0	0.0	22.3
Upper	1	670	100.0	100.0	39.9
Unknown	0	0	0.0	0.0	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	20.2
Moderate	0	0	0.0	0.0	17.6
Middle	0	0	0.0	0.0	22.3
Upper	0	0	0.0	0.0	39.9
Unknown	0	0	0.0	0.0	0.0

**TABLE D-7  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
FORT COLLINS MSA AA**

Census Tract Income Level	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	1.0
Moderate	7	1,919	30.4	29.7	21.0
Middle	11	3,037	47.8	47.1	49.5
Upper	5	1,496	21.7	23.2	28.4
Unknown	0	0	0.0	0.0	0.0

**TABLE D-8  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS BY REVENUE SIZE  
FORT COLLINS MSA AA**

Business Revenue By Size	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
\$1MM or less	9	1,474	39.1	22.8	93.4
Over \$1MM	14	4,978	60.9	77.2	5.8
Not Known	0	0	0.0	0.0	0.8

E. 2016 and 2015 – Colorado Springs AA (Limited Review)

<b>TABLE E-1 DISTRIBUTION OF 2015 HMDA LOANS BY INCOME LEVEL OF GEOGRAPHY COLORADO SPRINGS AA</b>							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data		% of Owner- Occupied Units
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans</b>							
Low	0	0	0.0	0.0	2.4	1.8	2.5
Moderate	0	0	0.0	0.0	16.5	12.5	21.9
Middle	0	0	0.0	0.0	46.6	41.7	43.0
Upper	3	990	100.0	100.0	34.5	44.0	32.6
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Purchase Loans</b>							
Low	0	0	0.0	0.0	2.7	1.9	2.5
Moderate	0	0	0.0	0.0	16.3	11.3	21.9
Middle	0	0	0.0	0.0	47.7	43.7	43.0
Upper	2	740	100.0	100.0	33.2	43.1	32.6
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Refinance Loans</b>							
Low	0	0	0.0	0.0	2.1	1.3	2.5
Moderate	0	0	0.0	0.0	16.6	11.2	21.9
Middle	0	0	0.0	0.0	45.2	40.5	43.0
Upper	0	0	0.0	0.0	36.2	47.0	32.6
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	1.4	0.2	2.5
Moderate	0	0	0.0	0.0	18.1	10.5	21.9
Middle	0	0	0.0	0.0	44.0	34.0	43.0
Upper	0	0	0.0	0.0	36.4	55.3	32.6
Unknown	0	0	0.0	0.0	0.1	0.0	0.0
<b>Multifamily Loans</b>							<b>% of Multifamily Units</b>
Low	0	0	0.0	0.0	12.5	5.7	11.6
Moderate	0	0	0.0	0.0	44.4	42.6	42.0
Middle	0	0	0.0	0.0	31.9	27.5	35.4
Upper	1	250	100.0	100.0	11.1	24.2	11.0
Unknown	0	0	0.0	0.0	0.0	0.0	0.0

**TABLE E-2  
DISTRIBUTION OF 2015 HMDA LOANS  
BY BORROWER INCOME LEVELS  
COLORADO SPRINGS AA**

Borrower Income Level	Bank Loans				Aggregate HMDA Data		% of Families
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans</b>							
Low	0	0	0.0	0.0	6.4	3.5	20.1
Moderate	1	300	33.3	30.3	18.2	13.7	18.2
Middle	0	0	0.0	0.0	20.9	19.3	21.6
Upper	1	440	33.3	44.4	28.2	33.9	40.1
Unknown	1	250	33.3	25.3	26.3	29.5	0.0
<b>Home Purchase Loans</b>							
Low	0	0	0.0	0.0	6.9	3.8	20.1
Moderate	1	300	50.0	40.5	22.4	17.9	18.2
Middle	0	0	0.0	0.0	23.7	23.6	21.6
Upper	1	440	50.0	59.5	28.3	36.3	40.1
Unknown	0	0	0.0	0.0	18.7	18.3	0.0
<b>Home Refinance Loans</b>							
Low	0	0	0.0	0.0	5.6	3.3	20.1
Moderate	0	0	0.0	0.0	12.3	8.8	18.2
Middle	0	0	0.0	0.0	16.6	14.7	21.6
Upper	0	0	0.0	0.0	27.2	33.1	40.1
Unknown	0	0	0.0	0.0	38.3	40.2	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	8.2	3.0	20.1
Moderate	0	0	0.0	0.0	19.0	13.5	18.2
Middle	0	0	0.0	0.0	26.5	20.2	21.6
Upper	0	0	0.0	0.0	41.6	53.3	40.1
Unknown	0	0	0.0	0.0	4.8	10.0	0.0

**TABLE E-3  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
COLORADO SPRINGS AA**

Census Tract Income Level	Business Loans				Aggregate CRA Data		% of Businesses
	#	\$(000)	#%	\$%	#%	\$%	
<b>Low</b>	11	2,626	31.4	27.9	6.4	9.6	6.5
<b>Moderate</b>	7	2,732	20.0	29.0	24.2	31.6	23.3
<b>Middle</b>	3	1,850	8.6	19.7	33.6	26.3	35.9
<b>Upper</b>	14	2,200	40.0	23.4	34.2	31.6	34.3
<b>Unknown<sup>1</sup></b>	0	0	0.0	0.0	0.0	0.0	0.1

<sup>1</sup> Does not include tracts where the income level is unknown, which is 1.6 percent by number and 1.0 percent by dollar for aggregate lenders. Only includes tract locations not reported.

**TABLE E-4  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS BY REVENUE SIZE  
COLORADO SPRINGS AA**

Business Revenue By Size	Business Loans				Aggregate CRA Data <sup>2</sup>		% of Businesses
	#	\$(000)	#%	\$%	#%	\$%	
<b>\$1MM or less</b>	7	1,583	20.0	16.8	53.6	40.1	94.7
<b>Over \$1MM</b>	28	7,826	80.0	83.2	Not Reported		5.0
<b>Not Known</b>	0	0	0.0	0.0			0.2

**TABLE E-5  
DISTRIBUTION OF 2016 HMDA LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
COLORADO SPRINGS AA**

Census Tract Income Level	Bank Loans				% of Owner Occupied Units
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	1	112	50.0	15.8	2.5
Moderate	0	0	0.0	0.0	21.9
Middle	0	0	0.0	0.0	43.0
Upper	1	595	50.0	84.2	32.6
Unknown	0	0	0.0	0.0	0.0
<b>Home Purchase Loans</b>					
Low	1	112	50.0	15.8	2.5
Moderate	0	0	0.0	0.0	21.9
Middle	0	0	0.0	0.0	43.0
Upper	1	595	50.0	84.2	32.6
Unknown	0	0	0.0	0.0	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	2.5
Moderate	0	0	0.0	0.0	21.9
Middle	0	0	0.0	0.0	43.0
Upper	0	0	0.0	0.0	32.6
Unknown	0	0	0.0	0.0	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	2.5
Moderate	0	0	0.0	0.0	21.9
Middle	0	0	0.0	0.0	43.0
Upper	0	0	0.0	0.0	32.6
Unknown	0	0	0.0	0.0	0.0
<b>Multifamily Loans</b>					<b>% of Multifamily Units</b>
Low	0	0	0.0	0.0	11.6
Moderate	0	0	0.0	0.0	42.0
Middle	0	0	0.0	0.0	35.4
Upper	0	0	0.0	0.0	11.0
Unknown	0	0	0.0	0.0	0.0

**TABLE E-6  
DISTRIBUTION OF 2016 HMDA LOANS  
BY BORROWER INCOME LEVELS  
COLORADO SPRINGS AA**

Borrower Income Level	Bank Loans				% of Families
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	0	0	0.0	0.0	20.1
Moderate	0	0	0.0	0.0	18.2
Middle	0	0	0.0	0.0	21.6
Upper	1	595	50.0	84.2	40.1
Unknown	1	112	50.0	15.8	0.0
<b>Home Purchase Loans</b>					
Low	0	0	0.0	0.0	20.1
Moderate	0	0	0.0	0.0	18.2
Middle	0	0	0.0	0.0	21.6
Upper	1	595	50.0	84.2	40.1
Unknown	1	112	50.0	15.8	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	20.1
Moderate	0	0	0.0	0.0	18.2
Middle	0	0	0.0	0.0	21.6
Upper	0	0	0.0	0.0	40.1
Unknown	0	0	0.0	0.0	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	20.1
Moderate	0	0	0.0	0.0	18.2
Middle	0	0	0.0	0.0	21.6
Upper	0	0	0.0	0.0	40.1
Unknown	0	0	0.0	0.0	0.0



**TABLE E-7  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
COLORADO SPRINGS AA**

Census Tract Income Level	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	9	1,965	27.3	21.5	6.6
Moderate	9	2,269	27.3	24.8	23.4
Middle	8	3,424	24.2	37.5	35.6
Upper	7	1,479	21.2	16.2	34.4
Unknown	0	0	0.0	0.0	0.1

**TABLE E-8  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS BY REVENUE SIZE  
COLORADO SPRINGS AA**

Business Revenue By Size	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
\$1MM or less	2	312	6.1	3.4	93.6
Over \$1MM	31	8,825	93.9	96.6	5.8
Not Known	0	0	0.0	0.0	0.6

F. 2016 and 2015 – Eagle County AA (Limited Review)

<b>TABLE F-1 DISTRIBUTION OF 2015 HMDA LOANS BY INCOME LEVEL OF GEOGRAPHY EAGLE COUNTY AA</b>							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data		% of Owner- Occupied Units
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans</b>							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	1	840	9.1	13.3	6.1	13.4	1.9
Middle	2	808	18.2	12.8	14.3	12.6	14.4
Upper	8	4,658	72.7	73.9	79.7	74.0	83.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Purchase Loans</b>							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	6.1	13.3	1.9
Middle	2	808	33.3	20.3	15.1	13.0	14.4
Upper	4	3,178	66.7	79.7	78.9	73.7	83.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Refinance Loans</b>							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	1	840	20.0	36.2	6.1	13.3	1.9
Middle	0	0	0.0	0.0	13.5	11.8	14.4
Upper	4	1,480	80.0	63.8	80.4	74.9	83.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	5.2	17.1	1.9
Middle	0	0	0.0	0.0	13.5	17.6	14.4
Upper	0	0	0.0	0.0	81.3	65.3	83.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
<b>Multifamily Loans</b>							<b>% of Multifamily Units</b>
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0	10.3
Middle	0	0	0.0	0.0	0.0	0.0	38.8
Upper	0	0	0.0	0.0	100.0	100.0	50.9
Unknown	0	0	0.0	0.0	0.0	0.0	0.0

**TABLE F-2  
DISTRIBUTION OF 2015 HMDA LOANS  
BY BORROWER INCOME LEVELS  
EAGLE COUNTY AA**

Borrower Income Level	Bank Loans				Aggregate HMDA Data		% of Families
	#	\$(000)	#%	\$%	#%	\$%	
<b>Total Home Mortgage Loans</b>							
Low	0	0	0.0	0.0	0.6	0.2	12.6
Moderate	1	49	9.1	0.8	4.2	1.4	13.3
Middle	0	0	0.0	0.0	12.5	6.3	14.9
Upper	9	5,929	81.8	94.0	65.5	66.8	59.2
Unknown	1	328	9.1	5.2	17.2	25.3	0.0
<b>Home Purchase Loans</b>							
Low	0	0	0.0	0.0	0.3	0.1	12.6
Moderate	0	0	0.0	0.0	4.5	1.5	13.3
Middle	0	0	0.0	0.0	12.9	6.5	14.9
Upper	5	3,658	83.3	91.8	64.3	66.0	59.2
Unknown	1	328	16.7	8.2	18.0	25.9	0.0
<b>Home Refinance Loans</b>							
Low	0	0	0.0	0.0	1.0	0.3	12.6
Moderate	1	49	20.0	2.1	3.8	1.4	13.3
Middle	0	0	0.0	0.0	12.3	6.3	14.9
Upper	4	2,271	80.0	97.9	66.8	69.1	59.2
Unknown	0	0	0.0	0.0	16.1	23.0	0.0
<b>Home Improvement Loans</b>							
Low	0	0	0.0	0.0	0.0	0.0	12.6
Moderate	0	0	0.0	0.0	6.3	0.8	13.3
Middle	0	0	0.0	0.0	10.4	4.4	14.9
Upper	0	0	0.0	0.0	65.6	54.0	59.2
Unknown	0	0	0.0	0.0	17.7	40.8	0.0

**TABLE F-3  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
EAGLE COUNTY AA**

Census Tract Income Level	Business Loans				Aggregate CRA Data		% of Businesses
	#	\$(000)	#%	\$%	#%	\$%	
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	2	60	6.3	1.2	1.6	2.0	2.3
Middle	5	1,443	15.6	28.0	13.5	14.5	15.9
Upper	25	3,654	78.1	70.9	72.8	77.8	81.9
Unknown <sup>1</sup>	0	0	0.0	0.0	0.0	0.0	0.0

<sup>1</sup> Does not include tracts where the income level is unknown, which is 12.2 percent by number and 5.7 percent by dollar for aggregate lenders. Only includes tract locations not reported.

**TABLE F-4  
DISTRIBUTION OF 2015 SMALL BUSINESS LOANS BY REVENUE SIZE  
EAGLE COUNTY AA**

Business Revenue By Size	Business Loans				Aggregate CRA Data <sup>2</sup>		% of Businesses
	#	\$(000)	#%	\$%	#%	\$%	
\$1MM or less	23	3,110	71.9	60.3	51.2	38.0	90.3
Over \$1MM	9	2,048	28.1	39.7	Not Reported		9.1
Not Known	0	0	0.0	0.0			0.7

**TABLE F-5  
DISTRIBUTION OF 2016 HMDA LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
EAGLE COUNTY AA**

Census Tract Income Level	Bank Loans				% of Owner- Occupied Units
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	0	0	0.0	0.0	0.0
Moderate	1	426	9.1	7.8	1.9
Middle	2	1,049	18.2	19.3	14.4
Upper	8	3,961	72.7	72.9	83.7
Unknown	0	0	0.0	0.0	0.0
<b>Home Purchase Loans</b>					
Low	0	0	0.0	0.0	0.0
Moderate	1	426	14.3	10.0	1.9
Middle	1	701	14.3	16.4	14.4
Upper	5	3,137	71.4	73.6	83.7
Unknown	0	0	0.0	0.0	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	1.9
Middle	1	348	33.3	37.7	14.4
Upper	2	574	66.7	62.3	83.7
Unknown	0	0	0.0	0.0	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	1.9
Middle	0	0	0.0	0.0	14.4
Upper	1	250	100.0	100.0	83.7
Unknown	0	0	0.0	0.0	0.0
<b>Multifamily Loans</b>					<b>% of Multifamily Units</b>
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	10.3
Middle	0	0	0.0	0.0	38.8
Upper	0	0	0.0	0.0	50.9
Unknown	0	0	0.0	0.0	0.0

**TABLE F-6  
DISTRIBUTION OF 2016 HMDA LOANS  
BY BORROWER INCOME LEVELS  
EAGLE COUNTY AA**

Borrower Income Level	Bank Loans				% of Families
	#	\$(000)	#%	\$%	
<b>Total Home Mortgage Loans</b>					
Low	0	0	0.0	0.0	12.6
Moderate	0	0	0.0	0.0	13.3
Middle	0	0	0.0	0.0	14.9
Upper	10	5,186	90.9	95.4	59.2
Unknown	1	250	9.1	4.6	0.0
<b>Home Purchase Loans</b>					
Low	0	0	0.0	0.0	12.6
Moderate	0	0	0.0	0.0	13.3
Middle	0	0	0.0	0.0	14.9
Upper	7	4,264	100.0	100.0	59.2
Unknown	0	0	0.0	0.0	0.0
<b>Home Refinance Loans</b>					
Low	0	0	0.0	0.0	12.6
Moderate	0	0	0.0	0.0	13.3
Middle	0	0	0.0	0.0	14.9
Upper	3	922	100.0	100.0	59.2
Unknown	0	0	0.0	0.0	0.0
<b>Home Improvement Loans</b>					
Low	0	0	0.0	0.0	12.6
Moderate	0	0	0.0	0.0	13.3
Middle	0	0	0.0	0.0	14.9
Upper	0	0	0.0	0.0	59.2
Unknown	1	250	100.0	100.0	0.0

**TABLE F-7  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS  
BY INCOME LEVEL OF GEOGRAPHY  
EAGLE COUNTY AA**

Census Tract Income Level	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	1	25	3.3	0.5	2.3
Middle	5	1,616	16.7	31.7	16.2
Upper	24	3,462	80.0	67.8	81.5
Unknown	0	0	0.0	0.0	0.0

**TABLE F-8  
DISTRIBUTION OF 2016 SMALL BUSINESS LOANS BY REVENUE SIZE  
EAGLE COUNTY AA**

Business Revenue By Size	Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
\$1MM or less	15	1,527	50.0	29.9	88.1
Over \$1MM	14	3,510	46.7	68.8	10.6
Not Known	1	67	3.3	1.3	1.2

COMMUNITY REINVESTMENT ACT  
APPENDIX D

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 LMI individuals; community services targeted to LMI individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies. Effective September 1, 2005, the Board of Governors of the Federal Reserve System, adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize (i) low- or moderate-income geographies; (ii) designated disaster areas; or (iii) distressed or underserved nonmetropolitan middle-income geographies designated by the Board, based on: (a) rates of poverty, unemployment, and population loss; or (b) population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of LMI individuals.

**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-scope 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-scope 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”):** A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economical and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

**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"). These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

**Small loan(s) to farm(s):** A loan included in "loans to small farms" as defined in the instructions for preparation of the Call Report. These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

**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.