



PUBLIC DISCLOSURE

MARCH 24, 2014

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**COLLEGIATE PEAKS BANK
RSSD# 622756**

**105 CENTENNIAL PLAZA
BUENA VISTA, COLORADO 81211**

**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.

TABLE OF CONTENTS

Overall Institution	
Scope of Examination.....	2
Description of Institution	3
Description of the Bank’s Assessment Areas	3
Overall Conclusions with Respect to Performance Criteria	4
Mountain Assessment Area (Full-Scope Review)	
Description of the Assessment Area.....	6
Conclusions with Respect to Performance Criteria.....	8
Front Range Assessment Area (Full-Scope Review)	
Description of Assessment Area.....	11
Conclusions with Respect to Performance Criteria.....	13

INSTITUTION'S CRA RATING: *This institution is rated **Satisfactory***

Collegiate Peaks Bank (the bank) has a satisfactory record of helping to meet the credit needs of its assessment areas (AAs), including low- and moderate-income (LMI) geographies and individuals, in a manner consistent with its resources and operating philosophy and credit needs of the communities it serves.

SCOPE OF EXAMINATION

The bank's Community Reinvestment Act (CRA) performance was evaluated using the Federal Financial Institutions Examination Council Interagency Small Bank Examination Procedures. Four of the five criteria utilized in the evaluation of a small bank's lending performance were relevant to this review and are listed below:

- Net Loan-to-Deposit Ratio (NLTD)
- Lending Inside the AAs
- Geographic Distribution of Loans
- Lending to Borrowers of Different Income Levels and to Businesses of Different Revenue Sizes

The bank's responsiveness to complaints under the CRA, the fifth criterion used to assess small bank performance, was not evaluated since the bank had not received any CRA-related complaints during the review period.

Conclusions about the bank's performance were based on its average NLTD ratio since the prior examination and data compiled from a sample of loan files for each major product line. The product lines chosen were determined through discussions with management, a review of the Report of Condition and Income (Call Report), and a review of the number of loan originations since the prior CRA examination on February 22, 2010. Loan products evaluated included 42 residential real estate loans originated between January 1, 2012 and December 31, 2012, which were reported on the bank's Home Mortgage Disclosure Act (HMDA) Loan/Application Register. The examination also reviewed a statistically-derived sample of 73 commercial loans originated from all bank offices between July 1, 2013 and December 31, 2013.

The bank operates in two distinct markets, a rural mountain region and metropolitan Denver. Due to the differences in these markets, full-scope reviews were conducted for each AA.

To augment the CRA evaluation, interviews were conducted with members of the local communities to determine the specific credit needs, opportunities, and local market conditions within the bank's AAs and to help evaluate the bank's responsiveness in helping to meet those needs. The interviews were conducted with members of a local chamber of commerce and a small business development corporation.

DESCRIPTION OF INSTITUTION

The bank is a \$337.4MM institution headquartered in Buena Vista, Colorado, which is located approximately 120 miles southwest of Denver. In addition to the main location, the bank operates one branch in Salida, Colorado, two branches in Denver, Colorado, and one in Aurora, Colorado. The River North branch in Denver is new since the previous examination. The bank operates cash-dispensing automated teller machines at all bank locations.

The analysis of the bank's CRA performance considers the bank's financial capacity, local economic conditions, and demographics, including the competitive environment in which the bank operates. Based on its financial condition, size, resources, and credit product offerings, the bank has the ability to meet the credit needs of its AAs. Based on the December 31, 2013 Call Report, the bank reported total loans of \$200.6MM and total deposits of \$285.1MM. The bank offers traditional loan and deposit products to its commercial and consumer customers. As illustrated in Table 1 below, the bank is predominately a commercial lender.

TABLE 1 COLLEGIATE PEAKS BANK LOAN PORTFOLIO (as of 12/31/2013)		
Loan Type	Amount \$(000)	Percent of Total
Commercial	146,734	73.1
Residential Real Estate	45,021	22.5
Other	5,106	2.6
Agricultural	2,044	1.0
Consumer	1,691	0.8
Gross Loans	200,596	100.0

The bank's CRA performance was last evaluated on February 22, 2010, by the Federal Reserve Bank of Kansas City, at which time it was assigned a rating of satisfactory.

DESCRIPTION OF THE BANK'S ASSESSMENT AREAS

The bank has two distinct, non-contiguous AAs, described as the Mountain AA and the Front Range AA. The Mountain AA includes all of Chaffee County, which is comprised of five middle-income census tracts. The main location in Buena Vista and the branch in Salida operate in this AA. The Front Range AA is located in the Denver-Aurora-Broomfield Metropolitan Statistical Area (MSA). This area is larger in comparison to the Mountain AA and is made up of Adams, Arapahoe, Denver, Douglas, and Jefferson Counties. The bank has three full-service branches in this MSA, two in Denver and one in Aurora.

OVERALL CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank's performance under the CRA is considered satisfactory based on an assessment of its 16-quarter average NLTD ratio, level of lending within its AAs, geographic lending distribution, and its lending to borrowers of different income levels and to businesses of different revenue sizes.

Net Loan-to-Deposit Ratio:

The bank's NLTD ratio is considered reasonable given its size, financial condition, and the credit needs of the AAs. The bank's 16-quarter average NLTD ratio of 76.1 percent compares favorably to four similarly situated lenders within the Mountain AA, and six similarly situated lenders within the Front Range AA. The competitor banks located throughout the combined AAs had average NLTD ratios ranging from 43.5 percent to 82.6 percent over the same time period. The bank's average NLTD ratio was favorable when compared to the Colorado statewide, statewide rural, and national peer groups, which averaged 66.1 percent, 64.8 percent, and 70.8 percent, respectively, over the same time period.

Lending Inside the Assessment Areas:

This performance criterion evaluates the concentration of loans originated by the bank within the overall AAs. Based on the loans reviewed during the examination, the bank originated a majority of its HMDA-related and small business loans within its AAs, as illustrated in Table 2. Of the 115 loans reviewed, a substantial majority were made to borrowers located within the bank's AAs. The bank's record of lending inside its AAs is considered satisfactory.

The remaining conclusions of the bank's lending performance are based only on the loans originated inside the bank's AAs.

TABLE 2 LENDING INSIDE AND OUTSIDE THE COMBINED AAs								
Bank Loans	Inside				Outside			
	#	\$(000)	#%	\$%	#	\$(000)	#%	\$%
Home Purchase	29	7,861	96.7	94.9	1	420	3.3	5.1
Home Refinance	6	2,216	85.7	74.7	1	750	14.3	25.3
Home Improvement	4	1,499	80.0	96.8	1	50	20.0	3.2
Total HMDA Loans	39	11,576	92.9	90.5	3	1,220	7.1	9.5
Total Small Business Loans	66	15,416	90.4	97.3	7	434	9.6	2.7
Total Loans	105	26,992	91.3	94.2	10	1,654	8.7	5.8

Distribution by Income Level of Geographies:

This core performance criterion evaluates the bank's distribution of loans among geographies of various income levels, with emphasis placed on lending in the LMI geographies. The HMDA-related loans were compared to the percentage of owner-occupied housing units located in each geographic income category as well as the performance of other lenders who report HMDA data (aggregate lenders). The bank's business loans were compared to the percentage of small businesses located in each geographic income category.

The bank's geographic distribution of HMDA-related and business loans reflected a reasonable dispersion throughout the Front Range AA, given the economic and demographic factors of the area. The Mountain AA does not have any LMI census tracts; therefore, this criterion was not evaluated for the Mountain AA. The geographic distribution is discussed in more detail within the analysis for each AA.

Distribution by Borrower Income Level and Revenue Size of Businesses:

This core performance criterion evaluates the bank's distribution of lending to borrowers of different income levels, particularly LMI individuals, and focuses on the bank's level of lending to businesses of different sizes, primarily those with gross annual revenues of \$1 million or less. The HMDA-related loans to borrowers of different income levels were compared to the percentage of families located in the AAs by income level. The bank's business loans to businesses of different revenue sizes were compared to the percentage of small businesses in the AAs. Based on the demographics of the AAs, the bank's distribution of loans represented a reasonable penetration among individuals of different income levels and businesses of different sizes. A detailed analysis of the loan distribution is provided in the analysis of each AA.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICE REVIEW

An evaluation of the bank's fair lending controls, size, structure, product offerings, and credit market demographics was conducted to determine compliance with the substantive provisions of fair lending laws and regulations. No apparent signs of discrimination were identified, and the bank has not engaged in any illegal credit practices inconsistent with helping to meet community credit needs.

**MOUNTAIN ASSESSMENT AREA
(Full-Scope Review)**

Description of the Mountain Assessment Area¹

The Mountain AA includes all of Chaffee County, which is comprised of five underserved middle-income census tracts. The bank operates two locations in this AA, the main office in Buena Vista, Colorado, and a branch in Salida, Colorado. The AA is a rural, mountain region with the Collegiate Peaks mountain range on the west side and the Arkansas River on the eastern side of the valley. Outdoor recreation is abundant in this area and includes fly fishing, biking, camping, hot springs, rock climbing, and skiing. Known as the white water capital of the world, the Arkansas Headwaters Recreational Area in Buena Vista has one of the longest whitewater parks in the nation. This area is also popular for hikers, as there are over ten 14,000-foot peaks near the area. A community contact concurred that this area is known for, and reliant on, summer tourism.

According to the June 30, 2013, Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank had a 30.3 percent deposit market share in this AA and was ranked second out of six financial institutions operating in Chaffee County.

Population Trends and Characteristics

The AA population in 2010 was 17,809 based on American Community Survey (ACS) data. The United States Census estimates that the AA population increased slightly between 2010 and 2012 by 1.9 percent. This contrasts activity in other areas surrounding Chaffee County; for example, Park and Fremont Counties experienced a decrease of 1.1 percent and .1 percent, respectively over the same time period.

Chaffee County's population reflects an aging community. The 2010 ACS data indicates the largest age group within the population is aged 50 to 69. This population group also experienced the largest increase since 2000. In 2000, the largest age group was between the ages of 35 to 54. A community contact stated that the area is known as a retirement community. Many of the dwellings in the community are "second" homes that are owned by retirees who live in the area during the milder summer months.

Income Characteristics

This area is less affluent than other areas of the state. The AA median household income of \$42,941 is approximately 24 percent below the Colorado statewide median household income of \$56,456. Additionally, there is a higher concentration of LMI households in the AA (45.6 percent) compared to those in the Colorado statewide area (40.2 percent), although

¹ Sources of economic and demographic data include the 2012 Dun & Bradstreet (D&B), Commerce Department's Bureau of Economic Analysis, the ACS data, FDIC Regional Economic (RECON) data, and Moody's Economy.com.

households below the poverty level in the AA at 12.3 percent is similar to that of the state at 12.2 percent.

Economic and Employment Characteristics

The unemployment rate in Chaffee County was 5.6 percent as of September 2013. This figure was lower than the state of Colorado and the United States at 6.7 percent and 7.3 percent, respectively. A community contact stated that the major employers in the AA include the Buena Vista Correctional Facility, Wal-Mart, Heart of the Rockies Regional Medical Center, and the Buena Vista School District. The contact also referred to various new projects in Buena Vista on Main Street and along Highway 24 to alleviate traffic congestion during the busier summer months. These improvements will support continued vitality in the tourism industry, which contributes heavily to the area's economy. Additionally, Chaffee County Economic Development Corporation announced a \$2 million infrastructure expansion project for Eddyline Brewery. This expansion will support a projected 30 additional positions by year-end 2016. The community is committed to preserving its small town atmosphere while developing ways to keep the area vital for the future.

Housing Characteristics

In 2010, the AA housing stock was slightly older than that of other areas of the state; with a median age of 33 years, compared to the Colorado statewide median age of 29 years. Despite the older age, the median housing value in the AA was \$248,046 compared to \$236,600 for the state of Colorado. A community contact supported this data stating housing purchase costs are higher in the area, resulting in slower sales in the local housing market. The housing affordability ratio² in the area is 17.2 percent compared to 23.8 percent for the state. The contact added that more affordable rental properties in this area would be beneficial for the community, especially in the summer months.

Table 3, on page 8, summarizes the income-related demographic and economic characteristics of the bank's Mountain AA based on 2010 ACS and 2012 D&B data.

² Affordability ratios are calculated using the median household income and median housing values, with the lower ratios indicating less affordable housing.

**TABLE 3
 COLLEGIATE PEAKS BANK - MOUNTAIN AA DEMOGRAPHICS**

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	982	20.9
Moderate-income	0	0.0	0	0.0	0	0.0	961	20.5
Middle-income	5	100.0	4,699	100.0	413	8.8	1,008	21.5
Upper-income	0	0.0	0	0.0	0	0.0	1,748	37.2
Total AA	5	100.0	4,699	100.0	413	8.8	4,699	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Middle-income	9,842	5,689	100.0	57.8	1,707	17.3	2,446	24.9
Total AA	9,842	5,689	100.0	57.8	1,707	17.3	2,446	24.9
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Middle-income	1,893	100.0	1,773	100.0	67	100.0	53	100.0
Total AA	1,893	100.0	1,773	100.0	67	100.0	53	100.0
Percentage of Total Businesses:				93.7		3.5		2.8

Based on 2010 Census tract boundaries, 2010 ACS data, and 2012 D&B data.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Distribution by Borrower Income and Revenue Size of Business

Tables 4 and 5, on pages 9 and 10 respectively, illustrate the results of the analysis for lending to borrowers of different income levels and businesses of different revenue sizes. Emphasis is placed on the number of loans originated instead of dollar volume, as it more accurately reflects the number of borrowers that benefit from the bank's lending.

**TABLE 4
DISTRIBUTION OF 2012 HMDA LOANS BY BORROWER INCOME LEVELS
COLLEGIATE PEAKS BANK - MOUNTAIN AA**

Borrower Income Level	Bank Loans			Aggregate HMDA Data ¹		% of Families ²	
	#	\$(000)	#%	#\$%	#\$%		
Total Home Mortgage Loans³							
Low	1	23	20.0	8.6	4.7	2.8	20.9
Moderate	0	0	0.0	0.0	12.8	9.8	20.5
Middle	3	165	60.0	61.5	21.9	19.4	21.5
Upper	1	80	20.0	29.9	45.7	52.1	37.1
Unknown	0	0	0.0	0.0	14.9	15.9	0.0
Home Purchase Loans							
Low	0	0	0.0	0.0	3.5	2.0	20.9
Moderate	0	0	0.0	0.0	17.8	15.1	20.5
Middle	1	75	100.0	100.0	27.4	26.8	21.5
Upper	0	0	0.0	0.0	40.1	47.1	37.1
Unknown	0	0	0.0	0.0	11.2	9.0	0.0
Refinanced Loans							
Low	1	23	50.0	22.3	5.1	3.0	20.9
Moderate	0	0	0.0	0.0	11.3	8.2	20.5
Middle	1	80	50.0	77.7	19.6	17.0	21.5
Upper	0	0	0.0	0.0	47.9	53.8	37.1
Unknown	0	0	0.0	0.0	16.1	18.0	0.0
Home Improvement Loans							
Low	0	0	0.0	0.0	9.1	8.4	20.9
Moderate	0	0	0.0	0.0	0.0	0.0	20.5
Middle	1	10	50.0	11.1	36.4	26.0	21.5
Upper	1	80	50.0	88.9	36.4	47.8	37.1
Unknown	0	0	0.0	0.0	18.1	17.8	0.0

¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA filers.
² The percentage of families are based on 2010 ACS data.
³ Multifamily loans are not considered in the borrower analysis
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

HMDA-Related Loans

The bank's lending performance for HMDA-related loans to borrowers of different income levels is considered reasonable. Although the volume of HMDA loan originations in the Mountain AA was low, the bank's level of lending to low-income borrowers was higher than those of peer lenders and is similar to the percentage of families in the same income tier. A community contact stated that homes in the area are not selling due to inflated prices. Many homes in the area are listed between \$250,000 and \$350,000. These prices limit many people who are searching for more affordable housing in the \$175,000 range. In addition, the contact stated the area has limited land available to build housing. Further, the US Census figures indicate residential real estate building permit issuance in the area is decreasing. Considering these factors, the bank's opportunity to make HMDA-related loans within this AA is limited.

TABLE 5 DISTRIBUTION OF 2013 BUSINESS LOANS BY REVENUE SIZE COLLEGIATE PEAKS BANK - MOUNTAIN AA					
Business Revenue	Business Loans				% of Businesses by Revenue¹
	#	\$(000)	#%	\$%	
\$1MM or Less	14	1,972	70.0	74.8	93.7
Over \$1MM	6	663	30.0	25.2	3.5
Income Not Known	0	0	0.0	0.0	2.8

¹ Based on 2012 D&B data.
(Note: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

Small Business Loans

The bank's lending to small businesses is considered reasonable. As illustrated in Table 5, the bank's lending to small businesses is lower than the percentage of small businesses in the area. A community contact stated historically the area has older more established businesses that do not have a strong need for financing. In addition, the contact stated there is a need and desire for growth; however, there are limitations due to restrictions for building on public land. The contact did conclude by stating there has been a recent influx of new, younger business owners to the area who are beginning to purchase some of the older businesses and may require financing. With these new prospects, there is potential for additional lending opportunities to small businesses.

**FRONT RANGE ASSESSMENT AREA
(Full-Scope Review)**

Description of the Front Range Assessment Area³

The Front Range AA includes a significant portion of the Denver-Aurora-Broomfield MSA, including Adams, Arapahoe, Denver, Douglas, and Jefferson Counties. The AA is comprised of 69 low-, 136 moderate-, 189 middle-, 189 upper-, and 4 unknown-income census tracts. The bank operates two branches in Denver, Colorado, and one branch in Aurora, Colorado. The River North branch in Denver opened in October 2013. According to the June 30, 2013 FDIC Deposit Market Share Report, the bank had only a .2 percent deposit market share in this AA and was ranked 33rd out of 70 financial institutions operating in the area. The bank faces strong competition from other financial institutions in this area.

Population Trends and Characteristics

The AA population of the Denver-Aurora-Broomfield MSA equaled 2,433,772 based on 2010 ACS data. The counties in the Front Range AA comprise half of the ten counties that make up the MSA, but represent 95.6 percent of the total MSA population. In Denver and Adams Counties, where the branches are located, the population grew 5.7 percent and 4.1 percent, respectively, from 2010 to 2012 based on U.S. Census data.

The median age of the AA population is 35 years old, which is just below the statewide average of 38 years old. The next largest population in the AA is 17 years old and younger, who equal 25 percent of the population. This higher concentration of younger residents is somewhat attributable to the presence of reputable higher educational institutions such as the University of Denver, Metropolitan State University, and the University of Colorado, Denver Campus. Additionally, 42.2 percent of Denver County's population holds a bachelor's degree or higher, which surpasses the statewide average of 36.7 percent.

Income Characteristics

The AA median household income of \$59,552 is approximately 5.5 percent above the Colorado statewide median household income of \$56,456. LMI households in the AA at 40.6 percent, is comparable to the Colorado statewide LMI households at 40.2 percent. The percentage of households below the poverty level in the AA was 11.2 percent, which is only slightly below the state figure at 11.6 percent.

However, within the Front Range AA, two of the bank's branches are located in Denver County. The median household income in Denver County was lower (\$45,501) than the overall

³ Sources of economic and demographic data include the 2012 D&B, Commerce Department's Bureau of Economic Analysis, the U.S. Census Bureau, FDIC RECON data, Moody's Economy.com, and Metro Denver Economic Development Corporation.

AA (\$59,552) and statewide median household income (\$56,456). In addition, 16.9 percent of the households in Denver County were below the poverty level, which is higher than the overall AA and statewide household poverty levels at 11.2 percent and 11.6 percent, respectively. Furthermore, the majority of the low-income census tracts within the Front Range AA are located in Denver County.

Economic and Employment Characteristics

The AA has seen an influx of residents due to the relatively strong growth in high-paying professions and diverse employment base. According to the Metro Denver Economic Development Corporation, eight industries continue to drive the workforce in the area. This includes aerospace, aviation, bioscience, broadcasting and telecom, energy, financial services, healthcare, and information technology. The unemployment rate in the AA was 6.5 percent as of September 2013. This figure was lower than the state of Colorado and the United States at 6.7 percent and 7.3 percent, respectively.

Housing Characteristics

The Front Range AA has a higher percentage of owner-occupied and rental units than the statewide figures and the vacancy rate continues to decline. The influx of new residents to the area has stretched an already thin housing supply. Multifamily units in the area represent 26.7 percent of the housing stock, compared to 20.3 percent statewide. Denver County has the highest concentration of multifamily units within the AA at 38.8 percent. Based on information from the Downtown Denver Partnership, the Denver area has over 7,148 apartments planned, or under construction. The tight supply and increasing demand for housing resulted in a median housing value in the AA of \$244,794; higher than \$236,600 for the state of Colorado for 2010.

Table 6 on page 13, demonstrates income, housing, business, and census tract characteristics for the Front Range AA based on 2010 ACS data and 2012 D&B business data.

TABLE 6
COLLEGIATE PEAKS BANK - FRONT RANGE AA DEMOGRAPHICS

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	69	11.8	59,407	10.0	17,302	29.1	131,990	22.3
Moderate-income	136	23.2	131,509	22.2	19,912	15.1	101,510	17.2
Middle-income	189	32.2	191,021	32.3	10,228	5.4	119,536	20.2
Upper-income	189	32.2	209,762	35.5	4,869	2.3	238,663	40.3
Unknown-Income	4	0.7	0	0.0	0	0.0	0	0.0
Total AA	587	100.0	591,699	100.0	52,311	8.8	591,699	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	119,985	41,061	6.7	34.2	65,821	54.9	13,103	10.9
Moderate-income	249,483	121,564	19.7	48.7	107,130	42.9	20,789	8.3
Middle-income	338,187	216,309	35.1	64.0	99,559	29.4	22,319	6.6
Upper-income	302,120	237,679	38.5	78.7	47,661	15.8	16,780	5.6
Total AA	1,099,775	616,613	100.0	61.1	320,171	31.7	72,991	7.2
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	16,264	8.8	14,155	8.4	1,324	13.7	785	12.6
Moderate-income	38,114	20.7	33,838	20.2	2,806	29.1	1,470	23.6
Middle-income	55,795	30.4	51,676	30.8	2,285	23.7	1,834	29.4
Upper-income	73,121	39.8	67,913	40.4	3,089	32.0	2,119	34.0
Unknown-Income	498	0.3	325	0.2	148	1.5	25	0.4
Total AA	183,792	100.0	167,907	100.0	9,652	100.0	6,233	100.0
Percentage of Total Businesses:				91.4		5.3		3.3

Based on 2010 Census tract boundaries, 2010 ACS data, and 2012 D&B data.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Distribution by Income Level of Geographies

Tables 7 and 8, on pages 14 and 15 respectively, illustrate the results of the analysis of lending by income level of geographies. Emphasis is placed on the number of loans originated instead of dollar volume, as it better measures the number of applicants that benefit from the bank's loan products.

**TABLE 7
DISTRIBUTION OF 2012 HMDA LOANS BY INCOME LEVEL OF GEOGRAPHY
COLLEGIATE PEAKS BANK - FRONT RANGE AA**

Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000)	#%	\$%	#%	\$%	
Total Home Mortgage Loans							
Low	4	494	11.8	4.4	4.3	3.6	34.2
Moderate	9	1,735	26.5	15.3	14.7	11.3	48.7
Middle	8	2,305	23.5	20.4	32.3	27.3	63.9
Upper	13	6,774	38.2	59.9	48.7	57.8	78.7
Home Purchase Loans							
Low	4	494	14.3	6.3	5.3	3.3	34.2
Moderate	7	738	25.0	9.5	17.4	12.3	48.7
Middle	5	649	17.9	8.3	33.5	28.7	63.9
Upper	12	5,905	42.9	75.8	43.8	55.6	78.7
Home Refinance Loans							
Low	0	0	0.0	0	3.7	2.5	34.2
Moderate	2	997	50.0	47.2	13.4	9.6	48.7
Middle	2	1,116	50.0	52.8	31.7	26.8	63.9
Upper	0	0	0.0	0	51.1	61.1	78.7
Home Improvement Loans							
Low	0	0	0.0	0	4.1	1.9	34.2
Moderate	0	0	0.0	0	16.2	9.9	48.7
Middle	1	540	50.0	38.3	30.5	23.5	63.9
Upper	1	869	50.0	61.7	49.1	64.7	78.7
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA filers. ² The percentage of owner-occupied housing by tract are based on 2010 Census tract boundaries and 2010 ACS data. (NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)							

HMDA-Related Loans

CRA places emphasis on lending in LMI tracts. The bank's distribution of residential real estate loans was compared to the percentage of owner-occupied housing units in each geographic income category, as well as the lending performance of aggregate HMDA lenders. The bank's geographic distribution of total home mortgage loans was lower than the representation of owner-occupied units in both the low- and moderate-income tracts within the AA. However, when compared to aggregate data in the same tract categories, the bank exceeded peer performance.

Overall, the bank's lending in this loan category was low; 34 loans, relative to the number of census tracts within the area, 587, of which 205 are categorized as low- and moderate-income tracts. Additionally, the bank's River North branch, located in closer proximity to LMI tracts than the other two branches in this AA, was not yet open during the loan sampling period for this performance evaluation. Finally, the bank is operating in a highly competitive environment, with a business focus on commercial lending. Given consideration of these performance

context factors, the bank's loan penetration in LMI tracts is considered reasonable.

TABLE 8 DISTRIBUTION OF 2013 BUSINESS LOANS BY INCOME LEVEL OF GEOGRAPHY COLLEGIATE PEAKS BANK - FRONT RANGE AA					
Census Tract Income Level	Business Loans				% of Businesses²
	#	\$(000)	#%	\$%	
Low	3	900	6.5	7.0	8.8
Moderate	15	4,412	32.6	34.5	20.7
Middle	10	2,161	21.7	16.9	30.4
Upper	17	5,259	37.0	41.1	39.8
Unknown ³	1	50	2.2	0.5	0.3

¹ Based on 2010 Census tract boundaries and 2010 ACS data.
² Based on 2012 D&B data.
³ Does not include tracts where the income level is unknown. Only includes tract locations not known.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

Small Business Loans

The bank's distribution of business loans among geographies of various income levels was compared to the percentage of total businesses in those geographies, as shown in Table 8. The bank's level of lending in the low-income tracts is only slightly less than the percentage of businesses in those geographies; however, lending to businesses in the moderate-income tracts exceeds the percentage of total businesses in the same geography. The bank's lending performance in this category is considered reasonable.

Distribution by Borrower Income and Revenue Size of Businesses

Tables 9 and 10, on pages 16 and 17 respectively, illustrate the results of the analysis for lending to borrowers of different income levels and businesses of different revenue sizes. Emphasis is placed on the number of loans originated instead of dollar volume, as it better measures the number of borrowers that benefit from the bank's loan products.

**TABLE 9
DISTRIBUTION OF 2012 HMDA LOANS BY BORROWER INCOME LEVELS
COLLEGIATE PEAKS BANK - FRONT RANGE AA**

Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000)	#%	\$%	#%	\$%	
Total Home Mortgage Loans³							
Low	0	0	0.0	0.0	7.4	3.9	22.3
Moderate	2	241	5.9	2.1	16.7	11.9	17.2
Middle	0	0	0.0	0.0	21.1	18.9	20.2
Upper	8	5,008	23.5	44.3	38.0	46.4	40.3
Unknown	24	6,059	70.6	53.6	16.8	18.9	0.0
Home Purchase Loans							
Low	0	0	0.0	0.0	11.0	5.8	22.3
Moderate	2	241	7.2	3.1	22.5	16.9	17.2
Middle	0	0	0.0	0.0	22.5	22.1	20.2
Upper	6	3,681	21.4	47.3	33.7	45.7	40.3
Unknown	20	3,864	71.4	49.6	10.3	9.5	0.0
Refinanced Loans							
Low	0	0	0.0	0.0	5.8	3.2	22.3
Moderate	0	0	0.0	0.0	14.1	10.1	17.2
Middle	0	0	0.0	0.0	20.4	18.5	20.2
Upper	1	787	25.0	37.2	39.9	49.2	40.3
Unknown	3	1,326	75.0	62.8	19.8	19.0	0.0
Home Improvement Loans							
Low	0	0	0.0	0.0	10.0	4.1	22.3
Moderate	0	0	0.0	0.0	17.8	11.9	17.2
Middle	0	0	0.0	0.0	24.8	21.2	20.2
Upper	1	540	50.0	38.3	43.1	56.7	40.3
Unknown	1	869	50.0	61.7	4.3	6.1	0.0

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

HMDA-Related Loans

As discussed above in the geographic distribution, the total number of HMDA covered loans the bank made over the evaluation period was limited. Further, 70 percent of the loans the bank made in this category had borrowers with unknown incomes; evidencing loans used to finance properties for investment purposes. This activity supports the bank's focus on commercial lending. Removing these business purpose loans leaves only ten to use in the analysis of the bank's lending to borrowers of different income levels; thus, a meaningful analysis could not be conducted. The bank's level of lending to LMI borrowers is considered reasonable given consideration to performance context, including operating in a highly competitive environment.

**TABLE 10
DISTRIBUTION OF 2013 BUSINESS LOANS BY REVENUE SIZE
COLLEGIATE PEAKS BANK – FRONT RANGE AA**

Business Revenue	Business Loans				% of Businesses by Revenue ¹
	#	\$(000)	#%	\$%	
\$1MM or Less	31	7,788	67.4	60.9	91.4
Over \$1MM	15	4,993	32.6	39.1	5.3
Income Not Known	0	0	0.0	0.0	3.3

¹ Based on 2012 D&B data.

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

Small Business Loans

As illustrated in Table 10, the bank's lending to small businesses was lower than the percentage of businesses with revenue of \$1 million or less operating within the AA; however, the majority of the commercial loans the bank made in the AA were to small businesses. Additionally, the bank offers loans associated with the Small Business Administration's (SBA) loan guarantee program. To further analyze the bank's lending to small businesses within this AA, a review of all business loans the bank originated since the last examination revealed that over 67 percent were for amounts of \$250,000, or less, illustrating the bank's willingness to lend to smaller businesses. Given the high level of competition, including larger banks and other Small Business Administration guarantee lenders, the bank's level of small business lending to businesses with revenues of less than \$1 million is considered reasonable.

