



PUBLIC DISCLOSURE

OCTOBER 13, 2015

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**NORTHSTAR BANK OF COLORADO
RSSD# 776659**

**7979 EAST TUFTS AVENUE, SUITE 850
DENVER, COLORADO 80237**

**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'S COMMUNITY REINVESTMENT ACT RATING:

Northstar Bank of Colorado (the bank) is rated: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development (CD) Test is rated: Satisfactory

Major factors supporting the institution's rating include:

Lending Test:

- The bank's average net loan to deposit (NLTD) ratio reflects a reasonable effort to extend credit, given the bank's size, business activities, financial condition, and assessment areas (AAs) credit needs.
- A majority of loans are originated within the bank's delineated AAs.
- The geographic distribution of small business and small farm loans reflects a reasonable dispersion of lending throughout the bank's AAs.
- The distribution of loans reflects a reasonable penetration to businesses and farms of different revenue sizes within the bank's delineated AAs.

Community Development Test:

- The bank's level of qualified CD loans, investments, and services demonstrates an adequate responsiveness to community needs of its AAs through CD loans, investments, and services, considering the bank's financial capacity and the availability of such opportunities in the bank's AAs.

DESCRIPTION OF INSTITUTION

Northstar Bank of Colorado is headquartered in Denver, Colorado. The bank is the product of two banks that merged in August 2013, The Bank at Broadmoor (BAB) and Colorado Community Bank (CCB). The two banks were earlier acquired by Carlile Bancshares, Inc., Fort Worth, Texas (Carlile), on August 24, 2011, and December 28, 2012, respectively. The bank is 100 percent owned by Carlile. Carlile is also the parent company of Northstar Bank of Texas and Carlile Capital.

The bank currently has 18 Colorado branches across the Front Range and eastern Colorado. Three branches are in Denver, five branches are in southwestern Weld County, four branches are in Colorado Springs, four branches are on the eastern plains of Colorado, one branch is in Longmont, and another branch is in Loveland. All locations, with the exception of one branch on the eastern plains of Colorado, offer drive-through facilities and cash-only automated teller machines (ATMs). The bank also operates one commercial loan production office (LPO) at its

main office located in the Denver Tech Center.

Based on the bank's asset size, product offerings, and current financial condition, the bank has the ability to meet the credit needs of its AAs. The bank reported total assets of \$594.5 million, total loans of \$362.9 million, and total deposits of \$478.8 million based on the June 30, 2015 Report of Condition and Income (Call Report). Table 1 illustrates the distribution of the bank's loan portfolio by product type.

Loan Type	Amount \$(000)	Percent of Total
Commercial	238,140	65.7
Agricultural	74,337	20.5
Residential Real Estate	33,862	9.3
Other	14,959	4.1
Consumer	1,629	0.4
Gross Loans	362,927	100.0

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 for BAB on November 14, 2011, and CCB on November 26, 2012, both performed by the Federal Reserve Bank of Kansas City (Reserve Bank).

SCOPE OF EXAMINATION

The bank's CRA performance was reviewed using the lending and CD tests as defined under the Federal Financial Institutions Examination Council's Interagency (FFIEC) CRA Procedures for Intermediate Small Banks (ISBs). The ISB procedures call for an overall rating based on the bank's performance evaluated under two equally weighted tests: the lending and CD tests.

The lending test considered the bank's NLTD ratio, the level of lending inside its AAs, the distribution of loans by geographic income level, and lending to businesses and farms of different revenue sizes. The bank's responsiveness to CRA complaints, the fifth core lending test criterion used to assess lending performance, was not evaluated as the bank has not received any CRA-related complaints since the prior examination.

Conclusions regarding the lending test criteria were based on a review of the bank's major product lines. These were determined through discussions with bank management, a review of the bank's June 30, 2015 Call Report, and a review of all outstanding loan originations since the prior CRA examination. The bank's primary lending focus is on agriculture and commercial loan products. A random sample of 63 small business loans and 81 small farm loans were taken from a universe of 81 small business loans and 121 small farm loans originated between January 1, 2014 and December 31, 2014.

For evaluative purposes, the bank's small business and small farm lending was compared to Dun & Bradstreet (D&B) demographic data for 2014, while the geographic distribution analysis was based on the bank's penetration within different geographic income categories, particularly low- and moderate-income (LMI) geographies. These geographies were classified based on the FFIEC 2010 Tract Median Family Income (MFI), which were derived from the 2010 American Community Survey (ACS) data and the 2013 Office of Management and Budget Metropolitan Statistical Area (MSA) Designations. The borrower distribution analysis was based on the bank's penetration to small businesses and farms with gross annual revenues under \$1 million.

The CD test included a review of all CD loans, investments and grants, and services between July 26, 2011 and October 10, 2015. The bank's CD activities were compared to the performance of other ISBs in its AAs and the level of CD opportunities in the area, as well as the competition for such activities among local institutions.

The bank has delineated six individual AAs, including five in MSAs and one in a nonmetropolitan area. The Colorado Springs AA is part of the Colorado Springs MSA, and consists of El Paso County, which is one of two counties in the MSA. The Eastern Plains AA is located in the eastern rural part of the state and is comprised of Washington, Yuma, Logan, and Morgan Counties. The South Denver AA is part of the Denver-Aurora-Lakewood MSA. The southwestern Weld County AA consists of a portion of the Greeley MSA that encompasses all of Weld County. The Longmont AA is part of the Boulder MSA and includes the city of Longmont, Colorado. Finally, the Loveland AA includes the southeastern portion of Larimer County, which is part of the Fort Collins MSA. The bank's most dominant presence by deposit and loan volume is in the Colorado Springs AA and the Eastern Plains AA; therefore, full-scope reviews were conducted for both AAs with more weight afforded to the Eastern Plains AA. Limited-scope reviews were conducted for the remaining four AAs.

The number of reported small farm loans was insufficient to conduct a meaningful analysis in the bank's metropolitan AAs and was only reviewed in the bank's rural Eastern Plains AA where the evaluation of small farm loans was relevant. The bank's lending data for AAs receiving limited reviews can be reviewed in Appendix A.

Interviews were conducted with members of the communities within the bank's AAs to ascertain the specific credit needs of the AAs, the responsiveness of area banks to those credit needs, the availability of CD opportunities, and local economic conditions. Additional community contacts recently conducted by other regulatory agencies were also referenced.

OVERALL CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The analysis of the bank's Community Reinvestment Act (CRA) performance considered the bank's financial capacity, market demographic factors, and competitive environment. The bank's overall rating and conclusions are based on its performance in each individual AA, with the greatest weight placed on the Eastern Plains AA in rural Colorado followed closely by the bank's performance in the Colorado Springs AA. Small farm loans are weighted higher than

small business loans in the Eastern Plains market while only small business loans were evaluated in the remaining AAs. The performance evaluation first discusses the bank's overall lending performance, for all AAs, followed by more in-depth reviews of the bank's lending performance in the Eastern Plains and Colorado Springs AAs. Lastly, the bank's performance of CD lending, investment, and service activities were reviewed for both the Eastern Plains and Colorado Springs AAs..

LENDING TEST

The bank's overall record of meeting its AAs' credit needs through its lending activities is considered satisfactory based on the bank's performance in each of its delineated AAs. The bank's NLTD ratio reflects a reasonable effort to extend credit, while a majority of the bank's loans are originated within the bank's AAs. The geographic distribution of lending based on income level of census tract and the distribution of lending based on the revenue size of businesses and farms are both considered reasonable.

Net Loan to Deposit Ratio:

The bank's NLTD ratio reflects a reasonable effort to extend credit based on the bank's size, financial condition, current local economic conditions, and in context of the NLTD ratios of other local competitor and similarly-situated banks. The bank's 16-quarter average NLTD ratio of 56.9 percent is comparable to six similarly-situated lenders within the AAs whose NLTD ratios ranged from 45.7 percent to 90.2 percent over the same time period. Since the merger, the bank's NLTD ratio is trending upward with a 7-quarter average of 68.8 percent.

Assessment Area Concentration:

As demonstrated in Table 2 below, the bank originates a majority of its small business and small farm loans by both number and dollar amount in its delineated AAs. Only loans originated within the bank's AAs are considered for the remaining lending test components discussed within this Performance Evaluation.

Bank Loans	Inside				Outside			
	#	\$(000)	#%	\$%	#	\$(000)	#%	\$%
Small Business	54	11,491	85.7	76.9	9	3,447	14.3	23.1
Small Farm	71	7,277	87.7	81.3	10	1,672	12.3	18.7
TOTAL LOANS	125	18,768	86.8	78.6	19	5,119	13.2	21.4

Borrower and Geographic Distribution:

Based on AA demographics, the bank's distribution of loans to businesses and farms of different revenue sizes is considered reasonable. Although the distribution of small business

loans to businesses of different income levels in the Colorado Springs AA was poor, as discussed in the scoping section, more emphasis was placed on the bank's lending in the eastern plains AA where both small business and small farm loans were evaluated. For the geographic distribution, the bank's performance in each AA reflects a reasonable dispersion. A detailed analysis of the loan distribution is provided in the full-scope analysis of each AA.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the CD test is satisfactory. Overall the volume of CD loans, qualified investments, and services demonstrates an adequate responsiveness to CD needs throughout each of its AAs examined under a full-scope review considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AAs.

The CD test analyzed the bank's level of CD activities, which included qualified loans, investments, donations, and services. To qualify for CRA credit, the activity must relate to affordable housing for LMI individuals; assist in CD services targeted to LMI individuals; enhance economic development by financing small businesses and farms while assisting in the creation or retention of jobs for LMI individuals or in LMI geographies; or revitalize and stabilize LMI areas, designated disaster areas, or distressed or underserved nonmetropolitan middle-income areas.

Table 3 on page 7 outlines the number and dollar volume of CD activities initiated by the bank, including the pre-merger activities of BAB and CCB going back to the last CRA evaluation of each respective bank. Due to its strong Small Business Administration (SBA) lending program, the bank was able to qualify the majority of its loans for economic development. One of these loans in the amount of \$1,441,849 was just made outside the bank's south Denver AA, but does receive credit as the bank is responsive to the community needs within its communities. In addition, the bank continues to provide no fee accounts paying interest to local attorneys to benefit the Colorado Lawyer Trust Account Foundation, and to local realtors to benefit the Colorado Association of Realtor Housing Opportunity Fund. Interest earned on these accounts is used to provide services and affordable housing assistance to the state's low-income individuals. The bank also received community service credit by providing banking services to LMI individuals and families through the presence of three branch locations in LMI geographies, including one branch in a low-income tract in the Colorado Springs AA and one branch in the southwestern Weld AA and the lone branch in the Longmont AA that are in moderate-income tracts.

Additional details of the bank's specific CD activities are provided in the discussion of each AA receiving a full-scope review.

TABLE 3 COMMUNITY DEVELOPMENT ACTIVITIES NORTHSTAR BANK'S AAs									
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)	
Affordable Housing	0	0	0	0	0	0	0	0	0
Community Services	0	0	0	0	6	8	6	8	7
Economic Development	8	16,618	2	900	1	1	3	901	6
Revitalization and Stabilization	5	1,104	0	0	0	0	0	0	0
Totals	13	17,722	2	900	7	9	9	909	13

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.

**COLORADO SPRINGS, COLORADO
METROPLITAN STATISTICAL AREA – COLORADO SPRINGS ASSESSMENT AREA
(Full Review)**

**DESCRIPTION OF THE BANKS OPERATIONS IN THE COLORADO SPRINGS
ASSESSMENT AREA**

Within the Colorado Springs AA, the bank operates four full-service facilities with cash-only ATMs and drive-through locations. According to the June 30, 2015 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank has a 2.4 percent market share of deposits and ranks 10th out of 38 institutions in El Paso County, Colorado. The bank's deposits in this AA represent 35.6 percent of the bank's total deposits by dollar. Additionally, according to the bank's June 30, 2015 loan trial balance, this AA accounts for 23.8 percent of all outstanding loans by number and 25.4 percent by dollar amount.

DESCRIPTION OF THE COLORADO SPRINGS ASSESSMENT AREA¹

The Colorado Springs AA includes all of El Paso County, which is one of the two counties in the Colorado Springs MSA.

Population Trends and Characteristics

The population for El Paso County is 622,263 as of 2010. The population figure reflects a 20.4 percent increase since 2000. The AA population is 96.4 percent of the total MSA population of 645,613. The area also has a significant percent of persons living in military quarters in which 1.7 percent claim residency. The age of the general population is stable with a relatively high share of working age residents and is also very young with a median age of 33.8 years compared to 36.1 years and 37.3 years for the state and the country, respectively. Only 10.0 percent of the population is over 65 years of age.

Income Characteristics

In 2010, the MFI in this AA equaled \$67,962. This is slightly below the MSA figure of \$68,800 and the state figure of \$70,046. The AA's 2010 breakdown of low-, moderate-, middle-, and upper-income families mirrored the total statewide breakdown. The total AAs percentage of families below the poverty rate was 8.1 percent compared to 8.6 percent statewide. Real wages² in El Paso County have remained relatively flat for many years. In January 2005 the average real annual wage was \$36,046 compared to \$34,101 in March 2015. Income

¹ Sources of economic and demographic data include the Commerce Department's Bureau of Economic Analysis (BEA), the 2000 U.S. Census data, 2010 American Community Survey 5-year average, Bureau of Labor Statistics (BLS), American Fact Finder, Realty Trac Homefacts, Colorado Springs Regional Business Alliance, Southern Colorado Economic Forum quarterly updates, and Moody's Economy.com.

² Real wages refers to the value of money earned by workers in an economy at a particular time, after taking into account the effect of inflation on what can be bought with that money. (Cambridge Dictionary)

characteristics in the AA do not appear to be an impediment for borrowers to obtain credit.
Economic and Employment Characteristics

The Colorado Springs economy is heavily dependent on the military and associated defense industries. The area is home to five military installations: Fort Carson Army Base, Peterson and Schriever Air Force Bases, Cheyenne Mountain Air Force Station, and the Air Force Academy. Colorado Springs is an important hub for military technology and support for some of the Department of Defense's top strategic missions. Several hundred defense contractors, employing more than 10,000 highly skilled engineers and technicians, support the military missions. El Paso County has been one of the slowest counties in Colorado to recover from the recession, which is evidenced by the high unemployment rate displayed in Exhibit 1. Unemployment in El Paso County peaked at 9.2 percent in 2012 and has been steadily improving.

Area	2012	2013	2014
El Paso County	9.2	8.0	6.5
State of Colorado	7.8	6.8	5.2
U.S.	8.1	7.4	6.2

While the economy has recovered from the economic crisis, it remains soft. Federal spending cuts due to sequestration and the winding down of military operations overseas has led to a decline in Pentagon spending by 6.0 percent in fiscal year 2014 compared with the prior year. On the positive side, the Colorado Springs economy is transitioning away from its military dependence facilitated by the abundance of aerospace and high-tech companies which results in a highly educated and skilled workforce. However, this type of industry brings challenges to the area. A community contact stated that the most significant needs of the area are overcoming the workforce skills gap that high-tech companies bring. Information technology evolves so rapidly, that it can be difficult to find and retain qualified talent and provide necessary urban living opportunities. Nevertheless, small businesses can find these industry clusters friendly for fostering continued growth.

In addition to the military, local government and school districts, high-tech industries, health services, and tourism supplement the remaining economic base for the Colorado Springs area. The largest non-military employers in the area include Memorial Hospital, Penrose-St. Francis Health Services, Hewlett-Packard, Atmel Corporation, Progressive Insurance, United Services Automobile Association, Lockheed Martin Corporation, The Broadmoor, Verizon Business, and Northrop Grumman Corporation.

Housing Characteristics

The Colorado Springs housing market remains relatively strong and stable. Single-family permit activity was high in 2013 due to a wave of pent up demand, but has slowed in 2014. Some of the spike in demand was the rebuilding of fire damaged homes from the Black Forest and Mountain Shadows fires. The demand for multifamily housing is also high, driven by low vacancies, rising rents, and a shortage of new multifamily housing. This activity was high in 2014 as rental vacancies increased and average rents declined, which suggested the supply has caught up with demand. Home prices in the area are rising and home sales continue to improve. Foreclosure inventories are only about half as prevalent as they are around the rest

of the country. The median housing value is \$216,803 as of 2010 resulting in a low affordability ratio of 26.0 percent, only slightly higher than the Colorado affordability ratio of 23.9 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 El Paso County is 28 years, which is comparable to the state average and suggests that there is not a problem of dilapidated housing overall. The vacancy rate in the community is also lower at 8.7 percent than the state of Colorado at 11.8 percent.

Table 4 on page 11 summarizes the income-related demographic and economic characteristics of the bank's Colorado Springs AA.

**TABLE 4
COLORADO SPRINGS AA DEMOGRAPHICS**

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	7	5.4	5,437	3.5	1,446	26.6	30,825	20.1
Moderate-income	40	30.8	37,558	24.4	6,086	16.2	28,028	18.2
Middle-income	51	39.2	64,199	41.8	3,881	6.0	33,195	21.6
Upper-income	31	23.8	46,431	30.2	995	2.1	61,577	40.1
Unknown-Income	1	0.8	0	0.0	0	0.0	0	0.0
Total AA	130	100.0	153,625	100.0	12,408	8.1	153,625	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	13,074	3,804	2.5	29.1	7,112	54.4	2,158	16.5
Moderate-income	71,380	33,152	21.9	46.4	29,780	41.7	8,448	11.8
Middle-income	101,839	65,079	43.0	63.9	29,224	28.7	7,536	7.4
Upper-income	62,549	49,334	32.6	78.9	9,666	15.5	3,549	5.7
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	248,842	151,369	100.0	60.8	75,782	30.5	21,691	8.7
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low-income	2,230	6.6	1,938	6.2	203	12.4	89	9.4
Moderate-income	8,251	24.3	7,427	23.7	579	35.2	245	26.0
Middle-income	12,178	36.0	11,451	36.6	402	24.5	325	34.4
Upper-income	11,185	33.0	10,451	33.4	453	27.6	281	29.8
Unknown-Income	26	0.1	16	0.1	6	0.4	4	0.4
Total AA	33,870	100.0	31,283	100.0	1,643	100.0	944	100.0
Percentage of Total Businesses:				92.4		4.9		2.8

Based on 2010 American Survey 5-year estimate data, 2014 FFIEC census tract designations, and 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

Census Tract Income Levels/Characteristics

The low-income geographies are located in southern Colorado Springs, just west of the Colorado Springs Airport and are bound by highway 21 to the east, highway 24 to the north, Hancock Expressway to the south, and Interstate 25 on the west. This area also includes and is surrounded by the majority of moderate-income tracts including the downtown area of the city. The western and northern portions of the AA consist of middle- and upper-income tracts. In addition, Fort Carson includes 3 moderate-income tracts while Peterson Air Force Base and the Colorado Springs Airport are located on another moderate-income geography. As a result, small business lending in these tracts may be restrictive. The remaining moderate-income areas include 2 tracts in the eastern rural area of El Paso County.

Community Contacts

Members of the community were contacted to gain a perspective of the area economic conditions and possible credit needs. Those contacted included a senior analyst with the city of Colorado Springs, a senior vice president of economic development with a regional business alliance, and an executive director with a local housing agency. According to these contacts, the local economy was adversely impacted by the recession and it has been a slow recovery. The economy is highly dependent on the military presence, aerospace, electronics, and tourism. Continued cutbacks in defense spending and government procurements have put downward pressure on economic growth. One contact indicated that the city has a higher unemployment rate than elsewhere in the state, but that the single-family housing market is stable with high-end homes in high demand. Two of the contacts indicated that affordable housing including multifamily units for new residents and the elderly is a primary need in the community. One contact also noted that the city has a low tax base and along with decreasing revenues, the infrastructure in the city is in very bad condition. However, the downtown area was granted approval for a project that will help drive the economy for the next five to ten years. One contact mentioned that with more companies moving into the area, a significant need is overcoming workforce skills gaps. Information technology evolves quickly, which can make it difficult to find and retain qualified talent. All three contacts agreed that area banks are visible and involved in the community but can do more to help out, given the sluggish economy and unmet needs in the community. However, none of the contacts mentioned any specific investment or lending projects available.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE COLORADO SPRINGS ASSESSMENT AREA

LENDING TEST

The bank's lending test performance in the Colorado Springs AA is reasonable. The borrower distribution reflects a poor lending dispersion to businesses of different revenues sizes while the geographic distribution of lending among geographies of different income levels is reasonable.

Distribution by Revenue Sizes of Businesses

The bank's distribution of small business loans is considered poor. Table 5 on page 13 displays the dispersion of lending to businesses of different revenue sizes. The bank's distribution of small business loans made to small businesses lagged other aggregate lenders by 20.3 percent by number but is much closer by dollar volume, only 1.8 percent below the aggregate. The bank is a preferred SBA lender and several of the small business loans in the sample are guaranteed by the SBA. While not meeting the size definitions under the CRA, many of these loans are considered small businesses under the SBA eligibility guidelines. When stratifying the bank's lending by loan size, 76.2 percent of the bank's small business

loans 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 5
DISTRIBUTION OF 2014 BUSINESS LOANS BY REVENUE SIZE
COLORADO SPRINGS AA**

Business Revenue By Size	Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	\$%	#%	\$%	
\$1MM or less	6	1,492	28.6	40.7	48.9	42.5	92.4
Over \$1MM	15	2,173	71.4	59.3	Not Reported		4.9
Not Known	0	0	0.0	0.0	Not Reported		2.8

¹ The CRA defines small business loans as loans in the amount of \$1 million or less.
² Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.
³ Based on 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

Distribution by Income Level of Geographies

The bank's distribution of small business loans among different geographic income levels is considered reasonable. Table 6 on page 14 shows the bank's small business lending performance by geographic distribution compared to aggregate CRA reporters and D&B demographic data.

The bank's distribution of small business loans among different geographic income levels is considered reasonable. Although the bank did not originate any small business loans in the low-income tracts, a community contact indicated the area has not experienced the commercial growth as some of the other areas of the city and is an area that has been designated by the city for redevelopment. In the moderate-income tracts, the bank originated a similar percentage of loans by number, but by dollar volume is lagging. A consistent performance in middle-income tracts is also noted with a similar percentage of loans compared to the aggregate, but trailing by dollar amount. Given the somewhat restrictive lending environment and level of competition from other business banks in the Colorado Springs MSA, the weaker percentages by dollar amount is acceptable.

**TABLE 6
DISTRIBUTION OF 2014 SMALL BUSINESS LOANS
BY INCOME LEVEL OF GEOGRAPHY
COLORADO SPRINGS AA**

Census Tract Income Level	Small Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	\$%	#%	\$%	
Low	0	0	0.0	0.0	6.5	8.9	6.6
Moderate	5	504	23.8	13.7	24.3	32.0	24.3
Middle	7	560	33.3	15.3	33.5	29.6	36.0
Upper	9	2,602	42.9	71.0	33.9	28.3	33.0
Unknown	0	0	0.0	0.0	0.0	0.0	0.1
Not Reported	0	0	0.0	0.0	1.8	1.2	0.0

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

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

³ Based on 2014 FFIEC census tract designations and 2014 D&B data.

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

COMMUNITY DEVELOPMENT TEST

The bank's performance under the CD test within the Colorado Springs AA demonstrates an adequate responsiveness to CD needs. The bank's level of CD activity was compared to the availability of such opportunities in the AA, as well as competition for qualified activities by other financial institutions. In the AA, the bank had five CD loans for economic development in the amount of \$7,364,703. The bank does not have any CD investments, but did have four donations to community nonprofit organizations within its community and also provided five qualified CD services to three community service organizations and two entities that provide economic development.

The following examples demonstrate the banks support for specific local credit needs:

- In conjunction with the Pikes Peak Regional Development Corporation, the bank originated an SBA 504 loan for \$1.2 million to construct a building in an enterprise zone that will be occupied by several small businesses, providing permanent job creation for the area.
- A \$2.9 million loan to purchase an existing building by a local millwork company. This company employs 100 people in the community, with anticipated growth of another 20 employees.
- The bank made a \$2,500 donation to a homeless rescue mission that helps those who are in poverty, are homeless, or are addicted to drugs and alcohol.
- The bank's president has served on the board of directors of the same rescue mission for the last three years providing nearly 300 hours of volunteered services.

**LOGAN, MORGAN, WASHINGTON, AND YUMA COUNTIES, COLORADO
NONMETROPOLITAN STATEWIDE AREA – EASTERN PLAINS ASSESSMENT AREA
(Full Review)**

**DESCRIPTION OF THE BANKS OPERATIONS IN THE EASTERN PLAINS ASSESSMENT
AREA**

The Eastern Plains AA is the bank's only nonmetropolitan AA. Within the Eastern Plains AA, the bank operates four full-service locations, three of which have ATMs and drive through facilities. According to the June 30, 2015 FDIC Deposit Market Share Report, the bank has a 7.5 percent market share of deposits and ranks 3rd out of 16 institutions in the AA. The AA deposits represent 23.4 percent of the bank's total deposit portfolio. By loans outstanding as of June 30, 2015, the AA accounts for 42.6 percent of all bank loans, but only represents 19.7 percent by dollar volume outstanding.

DESCRIPTION OF THE EASTERN PLAINS ASSESSMENT AREA³

The Eastern Plains AA includes all of Logan County, Morgan County, Washington County, and Yuma County. All of these counties are located in the upper northeastern portion of Colorado.

Population Trends and Characteristics

The total population for the Eastern Plains AA is 65,725 as of 2010, an increase of 5.3 percent since 2000. Morgan County boasts the largest population in the AA at 28,159, followed by Logan County at 22,709 and Yuma County at 10,043. Washington County has the lowest population at 4,814. The area also has a significant percent of persons living in correctional institutions at 5.9 percent. The median age of the AA at 38.3 years closely mirrors that of 36.1 years and 37.3 years for the state and the country, respectively. The area does boast a higher population over the age of 65 years at 15.0 percent, compared to the state average of 11.0 percent, which may affect loan demand as older residents have less need for credit.

Income Characteristics

In 2010, the AAs MFI equaled \$49,854, which is considerably below the state of Colorado's figure of \$70,046, and the nonmetropolitan area MFI of \$57,817. A similar trend is provided in the 2013 per capita personal income (PCPI) for Morgan, Logan, and Washington Counties. The PCPI in these counties ranged from 79 percent to 86 percent of the \$46,897 PCPI for

³ Sources of economic and demographic data include the Commerce Department's Bureau of Economic Analysis (BEA), the 2000 U.S. Census data, 2010 American Community Survey 5-year average, FDIC Regional Economic (RECON) data, Bureau of Labor Statistics (BLS), 2012 Census of Agriculture, American Fact Finder, Realty Trac's Homefacts, Logan County Economic Development Corporation, Yuma County Economic Development, Morgan County Economic Development, Washington County, Colorado, and Moody's Economy.com

Colorado. The PCPI was higher in Yuma County (111.0 percent), which can be predominately higher in less densely populated counties, and can be a reflection of higher farm revenues. The AAs family poverty rate is 10.9 percent, which was higher than the state poverty rate of 8.6 percent.

Economic and Employment Characteristics

Unemployment rates in the Eastern Plains AA have been below state and national figures for the last three years, as shown in Exhibit 2. Morgan County’s unemployment rate peaked at 7.4 percent in July 2013 due to a shut-down at the Leprino cheese plant. The four counties that encompass the Eastern Plains AA are some of the highest agricultural producers in the state of Colorado. The top crop and livestock items for the area include wheat for grain, winter wheat, corn for grain, hay/grass silage, cattle/calves and hogs/pigs. Although the AA experienced a 15.5 percent decrease in the number of farms, the average farm size increased by 11.7 percent from the year 2007 to 2012. Significant growth (43.3 percent) has occurred in the area for market value of products sold.

EXHIBIT 2 ANNUAL UNEMPLOYMENT RATES			
Area	2012	2013	2014
Morgan County	6.5	6.3	4.5
Logan County	6.5	5.6	4.3
Yuma County	3.8	3.7	2.6
Washington County	4.6	4.5	3.2
State of Colorado	7.8	6.8	5.2
U.S.	8.1	7.4	6.2

Morgan County is ranked third among Colorado counties for value of crops and livestock produced. However, there are other industries such as manufacturing, education, health care and retail trade, which employ a large amount of people in the area. A local community contact indicated that although the area has fared well since the recession, the most significant long-term community need is to increase business and industrial growth. The city’s industrial park is at full capacity, and new commercial development is needed for more large businesses or industries to move into the area. Major employers in Morgan County include: Cargill Meat Solutions (meat processing), Leprino Foods (cheese processing), Western Sugar (sugar processing), Colorado Plains Medical Center, East Morgan County Hospital, Walmart, and Xcel Energy.

Logan County is also one of the leading agricultural producers in the state of Colorado. However, manufacturing, renewable energy and business services are also important segments of the economy. These sectors, combined with the city of Sterling’s “retail hub” status, have diversified Logan County’s economy and work force. The Peetz Wind Farm is the cornerstone of renewable energy development in Logan County. In 2010, Logan County purchased 100 acres of Colorado state land for the purpose of creating a new industrial park east of Sterling. The major employers in the area include the Sterling Correctional Facility, Sterling Regional MedCenter, RE-1 Valley School District, Walmart, and Sykes Enterprises (business services).

Yuma County is the leading corn producer in Colorado representing 25.0 percent of the state’s total output. Additionally, there is a large presence of dairy, beef, and swine businesses in the

area. The availability of water from the Ogallala aquifer, Bonny State Reservoir and center pivot irrigation systems have greatly increased crop production in Yuma County. Although agriculture plays an important part of the economy, other industries such as manufacturing, health care, education, wholesale, and retail trade are prevalent in the area. The largest employers in Yuma County include Murphy Brown (swine production), local school districts, and local hospitals.

Washington County's economy also relies on agriculture as most of the land is dedicated to family farming and ranching. The major employers in the area include Washington County government, Hall Grain Company, and Otis School Districts.

Housing Characteristics

The median home price in 2010 for the four counties in the Eastern Plains AA ranged from \$114,300 to \$136,200. The average median home price for the entire AA was \$125,118, compared to \$211,112 for the nonmetropolitan areas of the state.

Census Tract Income Levels/Characteristics

Table 7 on page 18 shows the general income, housing, and business characteristics of area tracts by income level category. The AA does not include any low-income tracts and only two tracts are moderate-income tracts; one in Sterling, Colorado (Logan County), and the other in Fort Morgan, Colorado (Morgan County). The latter is at some distance from any of the bank's four branch locations. Four of the 15 middle-income tracts have been designated as FFIEC underserved nonmetropolitan middle-income tracts and may be eligible for CD revitalization and stabilization qualified credits.

Community Contacts

Interviews with members of the local community were used to identify local economic conditions and to help determine specific credit needs of the area. Those contacted included a local city clerk, and an executive director with an economic development corporation. Both contacts indicated that the local economy has performed relatively well since the recession. Agriculture is the primary economic resource for the community; however, both contacts revealed the abundance of untapped resources in the area such as natural gas and oil. One contact also noted that the Fort Morgan community has capital project needs, specifically street improvements and improvements to the city's storm drainage system. More of these infrastructure projects are needed to support business and industrial growth since the industrial park in Fort Morgan is at full capacity. Housing is another need for the community, with a shortage of rental properties and many older homes in the area that need repair. Both contacts agreed that area banks are very involved with their community. When asked, neither contact mentioned any specific projects or services that the local financial institutions should strive to support.

Table 7 below summarizes the income-related demographic and economic characteristics of the bank's Eastern Plains AA.

TABLE 7 EASTERN PLAINS 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	3,896	23.0
Moderate-income	2	11.1	1,979	11.7	350	17.7	3,904	23.0
Middle-income	15	83.3	14,293	84.3	1,462	10.2	3,904	23.0
Upper-income	1	5.6	687	4.1	29	4.2	5,255	31.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	18	100.0	16,959	100.0	1,841	10.9	16,959	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	3,582	1,526	9.1	42.6	1,774	49.5	282	7.9
Middle-income	22,608	14,478	86.3	64.0	5,957	26.3	2,173	9.6
Upper-income	1,171	771	4.6	65.8	174	14.9	226	19.3
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	27,361	16,775	100.0	61.3	7,905	28.9	2,681	9.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	503	15.0	453	14.9	31	16.1	19	17.4
Middle-income	2,757	82.3	2,511	82.4	158	82.3	88	80.7
Upper-income	88	2.6	83	2.7	3	1.6	2	1.8
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	3,348	100.0	3,047	100.0	192	100.0	109	100.0
Percentage of Total Businesses:			91.0		5.7		3.3	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	15	1.6	15	1.6	0	0.0	0	0.0
Middle-income	889	92.8	866	92.8	23	92.0	0	0.0
Upper-income	54	5.6	52	5.6	2	8.0	0	0.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	958	100.0	933	100.0	25	100.0	0	0.0
Percentage of Total Farms:			97.4		2.6		0.0	

Based on 2010 American Survey 5-year estimate data, 2014 FFIEC census tract designations, and 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE EASTERN PLAINS ASSESSMENT AREA

LENDING TEST

The bank's lending test performance in the Eastern Plains AA is reasonable. Both the borrower and geographic distributions reflect a reasonable dispersion to businesses and farms of different revenue sizes and among geographies of different income levels. Based on lending volume, more weight is given to the bank's small farm loans followed by small business loans in determining the bank's lending performance in the Eastern Plains AA. Furthermore, more emphasis is given to the borrower distribution over the geographic distribution because of the limited number of moderate- and upper-income tracts and the lack of low-income tracts in the AA.

Lending to Businesses and Farms of Different Revenue Sizes

The distribution of lending to businesses and farms of different revenue sizes is reasonable. Table 8 below displays the distribution of small business and small farm loans to businesses and farms of different revenue sizes. The table compares the percentage of bank loans to the percentage of loans made by other lenders and to specific demographic data.

TABLE 8 DISTRIBUTION OF 2014 BUSINESS AND FARM LOANS BY REVENUE SIZE EASTERN PLAINS AA							
Business Revenue By Size	Business Loans¹				Aggregate CRA Data²		% of Businesses³
	#	\$(000)	#%	\$%	#%	\$%	
\$1MM or less	14	513	87.5	41.3	48.6	36.9	91.0
Over \$1MM	2	729	12.5	58.7	Not Reported		5.7
Not Known	0	0	0.0	0.0	Not Reported		3.3
Farm Revenue By Size	Farm Loans¹				Aggregate CRA Data²		% of Farms³
	#	\$(000)	#%	\$%	#%	\$%	
\$1MM or less	54	3,421	91.5	68.2	58.8	59.8	97.4
Over \$1MM	5	1,594	8.5	31.8	Not Reported		2.6
Not Known	0	0	0.0	0.0	Not Reported		0.0

¹ The CRA defines small business loans as loans in the amount of \$1 million or less and small farm loans in the amount of \$500 thousand or less.
² Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.
³ Based on 2014 D&B data.
(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 is considered reasonable. The bank originated the majority of its loans by number with this figure well above aggregate CRA reporters and just under the number of businesses operating in the AA with revenues less than \$1 million.

However, the dollar volume is considerably lower and similar to other aggregate lenders, indicating that a few larger size businesses are receiving large loans. When stratifying the business loans by dollar amount, the bank made 93.7 percent of its loans 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 estimated support of smaller businesses.

Small Farm Loans

The bank's performance of lending to small farms also reflects a reasonable distribution. The bank originated a high volume of small farm loans by number when compared to other aggregate lenders and the number percentages compares only slightly below the number of small farms in the area. Again, by dollar percentage, the bank's performance is more comparable to other CRA lenders and below the demographic percentage. To further analyze the bank's lending to small farms within the AA, a review of all small farm loans the bank originated since the prior examination revealed that over 67.5 percent were for amounts of \$250,000 or less, illustrating the bank's willingness to lend to small farms.

Distribution by Income Level of Geographies

The distribution of small business and small farm loans in geographies of different income levels is reasonable. Table 9 on page 21 shows both the bank's small business and small farm loans by tract level. Again, the table compares the percentage of bank loans to the percentage of loans made by other CRA lenders who report CRA data and the percentage of businesses in each tract.

**TABLE 9
DISTRIBUTION OF 2014 SMALL BUSINESS AND SMALL FARM LOANS
BY INCOME LEVEL OF GEOGRAPHY
EASTERN PLAINS AA**

Census Tract Income Level	Small Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	\$%	#%	\$%	
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	1	21	6.3	1.7	14.9	16.8	15.0
Middle	15	1,220	93.8	98.3	76.0	79.3	82.3
Upper	0	0	0.0	0.0	4.0	2.0	2.6
Not Reported	0	0	0.0	0.0	5.1	2.0	0.0
Census Tract Income Level	Small Farm Loans ¹				Aggregate CRA Data ²		% of Farms ³
	#	\$(000)	#%	\$%	#%	\$%	
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	1.4	1.2	1.6
Middle	56	4,959	94.9	98.9	93.1	95.6	92.5
Upper	3	56	5.1	1.1	4.8	3.0	5.6
Not Reported	0	0	0.0	0.0	0.7	0.2	0.0

¹ CRA data reports only business loans in the amount of \$1 million or less and farm loans in the amount of \$500 thousand or less.

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

³ Based on 2014 FFIEC census tract designations and 2014 D&B data.

(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 among different geographic income levels is considered reasonable. The bank's Eastern Plains AA did not include any low-income census tracts. The bank's small business lending in moderate-income tracts, trails aggregate lenders and the percent of businesses by over 8.6 percent and 8.7 percent, respectively. As mentioned previously, one of the moderate-income tracts is located some distance from the bank's branch network in the area and also has the higher population of residents between the two moderate-income tracts. The bank also did not originate any loans in the AAs only upper-income tract either, which is also located in Morgan County. The majority of lending both by number and dollar volume occurred within the predominant middle-income tracts.

Small Farm Loans

The bank's lending to small farms reflects a reasonable distribution. The bank did not originate any small farm loans in the moderate-income tracts. Both moderate tracts are located within incorporated towns and are very small or hobby farms. With only 1.6 percent of farms found in these tracts, lending opportunities are limited in this geography. The bank's percentage of lending to farms in the middle-income tract exceeds the percentage of small farms in the AA. The bank's lending to small farms in the upper-income census tract is similar to the percentage of farms in the AA.

COMMUNITY DEVELOPMENT TEST

The bank's CD performance demonstrates outstanding responsiveness to the CD needs of the Eastern Plains AA. The bank's level of CD activity was compared to the availability of such opportunities in the AA, as well as competition for qualified activities by other financial institutions. Within the AA, the bank had five CD loans in the amount of \$1,104,000 all of which qualified for revitalization and stabilization of underserved geographies. The bank also had two prior-period investments totaling \$900,000 for revitalization and stabilization along with two donations of \$1,100; one for economic development and the other one for community services. CD services included two services on organizations that promote economic development and one that provides financial education to local area students.

Below are a few examples that demonstrate the bank's support of local CD needs:

- The bank originated a \$150,000 loan for the Town of Akron for infrastructure improvements. The town is located in Washington County, which has been designated as an underserved geography.
- A \$546,000 loan to the Yuma District Hospital which provides medical services to this underserved geography. The loan was to purchase a CT scanning machine for the hospital in Yuma County.
- A \$30,000 loan to help new ownership of the only locally owned grocery store in Akron, Colorado, re-open and serve the needs of the community. This store is located in Washington County, which has been designated as an underserved geography. Additionally, the business was successful in retaining long-term employees of the store.
- The bank purchased \$900,000 of bonds in 2006 for a local school district in Yuma. These bonds assist the district in reducing their outstanding financial obligations in a school district where the majority of the students participate in free or reduced school lunch programs.

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

**DESCRIPTION OF BANK'S OPERATIONS IN LIMITED REVIEW COLORADO MSA
ASSESSMENT AREAS**

South Denver Assessment Area

The South Denver AA is part of the Denver-Aurora-Lakewood MSA and includes the headquarters and three full-service facilities with cash-only ATMs and drive-through facilities. According to the June 30, 2015 FDIC Deposit Market Share Report, the bank held just under 0.1 percent of the market share ranking 41st out of 62 other FDIC-insured institutions in the AA and accounting for 10.4 percent of all bank deposits. The AA also accounts for 10.7 percent by number and 35.6 percent by dollar volume of the loans outstanding as of the June 30, 2015, loan trial balance. The dollar volume is significantly higher than the number volume as the Denver LPO originates very large commercial loan requests.

Southwestern Weld Assessment Area

The Southwestern Weld County AA is part of the Greeley MSA that encompasses a portion of southwestern Weld County. The bank has five full-service facilities with cash-only ATMs and drive-through facilities. According to the June 30, 2015 FDIC Deposit Market Share Report this AA contains 22.0 of the bank's deposits and a 3.1 percent of the market share of deposits. This ranks the bank 10th out of 24 depository institutions in the AA. By loan volume, the AA holds 14.1 percent of the bank's outstanding loans by number volume and 12.7 percent by dollar volume.

Longmont Assessment Area

The Longmont AA is part of the Boulder MSA, and includes all of Longmont, Colorado, which is located in the northeastern portion of the county. The bank's one branch office is located in Longmont, and offers full-service banking and a drive-through facility. The Longmont AA represents 2.4 percent of the bank's total deposits and holds a 0.6 percent market share; ranking 18th out of 21 banks in the AA according to the June 2015 FDIC Deposit Market Share Report. By loan volume as of the June 30, 2015 loan trial balance, the AA accounts for 0.5 percent of all bank originations by number with a dollar volume of 1.0 percent.

Loveland Assessment Area

The Loveland AA is part of Fort Collins MSA and encompasses the southeastern portion of Larimer County. The bank has one full-service location with an ATM and drive-through facility. According to the June 30, 2015 FDIC Deposit Market Share Report, the bank had a market share of 2.0 percent of the AA's deposits, ranking 10th out of 16 depository institutions in the AA. The AA also has 5.0 percent of the bank's loans still outstanding. These loans represent

1.4 percent by dollar amount as of the June 30, 2015, bank's loan trial balance.

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

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. Based on the small bank sampling methodology used, the volume of loans in the Longmont and Loveland AAs was insufficient to conduct a meaningful analysis. Supporting demographic and loan information can be found in the tables in Appendix A. The conclusions regarding the bank's performance, which did not alter the overall rating, are as follows:

Assessment Area	Lending Test	Community Development Test
South Denver AA	Consistent	Consistent
Southwestern Weld AA	Consistent	Below
Longmont AA	Not Rated	Below
Loveland AA	Not Rated	Below

COMMUNITY REINVESTMENT ACT APPENDIX A
DEMOGRAPHIC AND LENDING TABLES FOR LIMITED-SCOPE REVIEWS

South Denver Assessment Area – 2014

TABLE A-1 SOUTH DENVER AA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	52	14.8	46,233	13.5	13,327	28.8	79,396	23.1
Moderate-income	76	21.6	69,447	20.2	10,702	15.4	55,563	16.2
Middle-income	100	28.4	94,254	27.5	5,194	5.5	65,094	19.0
Upper-income	123	34.9	133,130	38.8	3,238	2.4	143,011	41.7
Unknown-Income	1	0.3	0	0.0	0	0.0	0	0.0
Total AA	352	100.0	343,064	100.0	32,461	9.5	343,064	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	95,874	32,846	9.1	34.3	52,820	55.1	10,208	10.6
Moderate-income	139,613	66,050	18.4	47.3	61,636	44.1	11,927	8.5
Middle-income	185,362	110,206	30.7	59.5	61,907	33.4	13,249	7.1
Upper-income	198,215	150,293	41.8	75.8	36,057	18.2	11,865	6.0
Total AA	619,064	359,395	100.0	58.1	212,420	34.3	47,249	7.6
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	11,250	10.8	9,815	10.4	998	15.1	437	12.3
Moderate-income	19,460	18.6	17,176	18.2	1,564	23.7	720	20.3
Middle-income	28,492	27.2	26,055	27.6	1,460	22.1	977	27.5
Upper-income	45,028	43.0	41,211	43.6	2,418	36.7	1,399	39.4
Unknown-Income	402	0.4	232	0.2	152	2.3	18	0.5
Total AA	104,632	100.0	94,489	100.0	6,592	100.0	3,551	100.0
Percentage of Total Businesses:				90.3	6.3	3.4		

Based on 2010 ACS five-year estimate data, 2014 FFIEC census tract designations, and 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE A-2
DISTRIBUTION OF 2014 SMALL BUSINESS LOANS BY REVENUE SIZE
SOUTH DENVER AA**

Business Revenue By Size	Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	\$%	#%	\$%	
\$1MM or less	11	4,014	78.6	73.4	47.5	33.9	90.3
Over \$1MM	3	1,456	21.4	26.6	Not Reported		6.3
Not Known	0	0	0.0	0.0			3.4

¹ The CRA defines small business loans as loans in the amount of \$1 million or less.
² Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.
³ Based on 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE A-3
DISTRIBUTION OF 2014 SMALL BUSINESS LOANS
BY INCOME LEVEL OF GEOGRAPHY
SOUTH DENVER AA**

Census Tract Income Level	Small Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	\$%	#%	\$%	
Low	0	0	0.0	0.0	11.6	15.7	10.8
Moderate	4	2,006	28.6	36.7	19.2	21.8	18.6
Middle	1	225	7.1	4.1	24.1	20.8	27.2
Upper	9	3,240	64.3	59.2	43.5	39.2	43.0
Unknown	0	0	0.0	0.0	0.5	1.9	0.0
Not Reported	0	0	0.0	0.0	1.1	0.5	0.4

¹ CRA data reports only business loans in the amount of \$1 million or less.
² Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.
³ Based on 2014 FFIEC census tract designations and 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

Southwestern Weld County AA – 2014

TABLE A-4 SOUTHWESTERN WELD COUNTY AA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	7	11.3	4,487	9.4	1,504	33.5	10,327	21.7
Moderate-income	11	17.7	10,455	22.0	2,011	19.2	8,336	17.5
Middle-income	20	32.3	18,606	39.1	888	4.8	10,180	21.4
Upper-income	23	37.1	14,032	29.5	512	3.6	18,737	39.4
Unknown-Income	1	1.6	0	0.0	0	0.0	0	0.0
Total AA	62	100.0	47,580	100.0	4,915	10.3	47,580	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	8,453	3,336	7.1	39.5	4,108	48.6	1,009	11.9
Moderate-income	18,854	8,647	18.3	45.9	8,404	44.6	1,803	9.6
Middle-income	27,417	19,401	41.1	70.8	6,141	22.4	1,875	6.8
Upper-income	19,051	15,845	33.5	83.2	2,036	10.7	1,170	6.1
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	73,775	47,229	100.0	64.0	20,689	28.0	5,857	7.9
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	629	6.5	518	5.8	76	14.6	35	11.3
Moderate-income	1,931	19.9	1,774	20.0	101	19.3	56	18.1
Middle-income	3,672	37.8	3,424	38.5	133	25.5	115	37.1
Upper-income	3,483	35.8	3,168	35.7	211	40.4	104	33.5
Unknown-Income	2	0.0	1	0.0	1	0.2	0	0.0
Total AA	9,717	100.0	8,885	100.0	522	100.0	310	100.0
Percentage of Total Businesses:				91.4			5.4	3.2
Based on 2010 ACS five-year estimate data, 2014 FFIEC census tract designations, and 2014 D&B data. (NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)								

**TABLE A-5
DISTRIBUTION OF 2014 SMALL BUSINESS LOANS BY REVENUE SIZE
SOUTHWESTERN WELD COUNTY AA**

Business Revenue By Size	Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	\$%	#%	\$%	
\$1MM or less	1	39	100.0	100.0	45.2	36.2	91.4
Over \$1MM	0	0	0.0	0.0	Not Reported		5.4
Not Known	0	0	0.0	0.0			3.2

¹ The CRA defines small business loans as loans in the amount of \$1 million or less.
² Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.
³ Based on 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE A-6
DISTRIBUTION OF 2014 SMALL BUSINESS LOANS
BY INCOME LEVEL OF GEOGRAPHY
SOUTHWESTERN WELD COUNTY AA**

Census Tract Income Level	Small Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	\$%	#%	\$%	
Low	0	0	0.0	0.0	5.7	10.7	6.5
Moderate	0	0	0.0	0.0	17.5	16.1	19.9
Middle	1	39	100.0	100.0	34.7	28.2	37.8
Upper	0	0	0.0	0.0	42.1	45.0	35.8

¹ CRA data reports only business loans in the amount of \$1 million or less.
² Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.
³ Based on 2014 FFIEC census tract designations and 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

Longmont Assessment Area – 2014

**TABLE A-7
LONGMONT AA DEMOGRAPHICS**

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	3	15.0	2,905	12.0	799	27.5	6,817	28.1
Moderate-income	6	30.0	7,267	30.0	720	9.9	4,799	19.8
Middle-income	10	50.0	12,594	51.9	628	5.0	4,879	20.1
Upper-income	1	5.0	1,497	6.2	22	1.5	7,768	32.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	20	100.0	24,263	100.0	2,169	8.9	24,263	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	5,026	2,087	8.9	41.5	2,665	53.0	274	5.5
Moderate-income	11,626	6,895	29.3	59.3	4,414	38.0	317	2.7
Middle-income	18,577	12,737	54.1	68.6	4,773	25.7	1,067	5.7
Upper-income	2,209	1,831	7.8	82.9	267	12.1	111	5.0
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	37,438	23,550	100.0	62.9	12,119	32.4	1,769	4.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	744	12.1	685	12.0	28	10.5	31	17.3
Moderate-income	2,390	38.9	2,167	38.0	148	55.6	75	41.9
Middle-income	2,535	41.2	2,408	42.2	64	24.1	63	35.2
Upper-income	480	7.8	444	7.8	26	9.8	10	5.6
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6,149	100.0	5,704	100.0	266	100.0	179	100.0
Percentage of Total Businesses:			92.8		4.3		2.9	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	6	5.3	5	4.5	1	33.3	0	0.0
Moderate-income	24	21.1	22	19.8	2	66.7	0	0.0
Middle-income	79	69.3	79	71.2	0	0.0	0	0.0
Upper-income	5	4.4	5	4.5	0	0.0	0	0.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	114	100.0	111	100.0	3	100.0	0	0.0
Percentage of Total Farms:			97.4		2.6		0.0	

Based on 2010 ACS five-year estimate data, 2014 FFIEC census tract designations, and 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE A-8
DISTRIBUTION OF 2014 SMALL BUSINESS LOANS BY REVENUE SIZE
LONGMONT AA**

Business Revenue By Size	Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	\$%	#%	\$%	
\$1MM or less	0	0	0.0	0.0	50.0	47.2	92.8
Over \$1MM	0	0	0.0	0.0	Not Reported		4.3
Not Known	0	0	0.0	0.0	Not Reported		2.9

¹ The CRA defines small business loans as loans in the amount of \$1 million or less.
² Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.
³ Based on 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE A-9
DISTRIBUTION OF 2014 SMALL BUSINESS LOANS
BY INCOME LEVEL OF GEOGRAPHY
LONGMONT AA**

Census Tract Income Level	Small Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	\$%	#%	\$%	
Low	0	0	0.0	0.0	11.3	15.3	12.1
Moderate	0	0	0.0	0.0	36.4	47.3	38.9
Middle	0	0	0.0	0.0	43.8	28.1	41.2
Upper	0	0	0.0	0.0	8.6	9.3	7.8

¹ CRA data reports only business loans in the amount of \$1 million or less and farm loans in the amount of \$500 thousand or less.
² Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.
³ Based on 2014 FFIEC census tract designations and 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

Loveland Assessment Area – 2014

**TABLE A-10
LOVELAND 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	5,291	18.2
Moderate-income	6	31.6	6,833	23.5	816	11.9	5,475	18.9
Middle-income	7	36.8	10,853	37.4	525	4.8	6,605	22.8
Upper-income	6	31.6	11,344	39.1	269	2.4	11,659	40.2
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	19	100.0	29,030	100.0	1,610	5.5	29,030	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	12,524	7,289	23.2	58.2	4,386	35.0	849	6.8
Middle-income	15,708	11,168	35.6	71.1	3,473	22.1	1,067	6.8
Upper-income	15,208	12,912	41.2	84.9	1,389	9.1	907	6.0
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	43,440	31,369	100.0	72.2	9,248	21.3	2,823	6.5
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	2,092	28.0	1,933	27.7	95	31.4	64	33.7
Middle-income	2,403	32.1	2,276	32.6	68	22.4	59	31.1
Upper-income	2,988	39.9	2,781	39.8	140	46.2	67	35.3
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	7,483	100.0	6,990	100.0	303	100.0	190	100.0
Percentage of Total Businesses:				93.4		4.0		2.5

Based on 2010 ACS five-year estimate data, 2014 FFIEC census tract designations, and 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE A-11
DISTRIBUTION OF 2014 SMALL BUSINESS LOANS BY REVENUE SIZE
LOVELAND AA**

Business Revenue By Size	Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	%	#%	%	
\$1MM or less	1	724	50.0	67.4	42.8	33.4	93.4
Over \$1MM	1	350	50.0	32.6	Not Reported		4.0
Not Known	0	0	0.0	0.0			2.5

¹ The CRA defines small business loans as loans in the amount of \$1 million or less.
² Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.
³ Based on 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE A-12
DISTRIBUTION OF 2014 SMALL BUSINESS LOANS
BY INCOME LEVEL OF GEOGRAPHY
LOVELAND AA**

Census Tract Income Level	Small Business Loans ¹				Aggregate CRA Data ²		% of Businesses ³
	#	\$(000)	#%	%	#%	%	
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	25.7	28.0	28.0
Middle	0	0	0.0	0.0	25.8	18.5	32.1
Upper	2	1,075	100.0	100.0	48.5	53.4	39.9

¹ CRA data reports only business loans in the amount of \$1 million or less.
² Aggregate loan data reflects all loan originations in the bank's AA reported by all CRA filers.
³ Based on 2014 FFIEC census tract designations and 2014 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)