



STRATEGIC PLAN

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

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Community Reinvestment Act Performance Evaluation

Northern Trust Bank, N. A.
Charter Number: 17949

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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, and should not 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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Overall CRA Rating

Institution's CRA Rating: This institution is rated "**Outstanding.**"

The major factors that support this rating include:

- In the state of Arizona, the bank:
 - Substantially met its lending goals for outstanding performance.
 - Met its investment goals for outstanding performance.
 - Met its service goals for outstanding performance.

- In the state of Colorado, the bank's:
 - Lending test performance is good.
 - Investment test performance is excellent.
 - Service test performance is good.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Block Numbering Area (BNA): A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home Mortgage Loans: Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

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

Limited Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any primary metropolitan statistical area (PMSA), metropolitan statistical area (MSA), or consolidated metropolitan area (CMSA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

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

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

Tier One Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Description of Institution

Northern Trust Bank, N.A. (NTB) is a \$1.2 billion interstate bank headquartered in Phoenix, Arizona and a subsidiary of Northern Trust Corporation (NTC). NTC is a \$41 billion multibank holding company based in Chicago, Illinois, with \$2.2 trillion in trust assets under administration and subsidiaries in 15 states and six countries. In February 2002, Northern Trust Bank of Colorado, a \$98 million state-chartered affiliate, merged into Northern Trust Bank of Arizona, N.A. The resulting institution was renamed Northern Trust Bank, N.A.

NTB's business strategy focuses primarily on trust and private banking services. The bank's approach is not to compete on the basis of retail banking products and convenience, but to compete on the basis of personal service. Its customer base is primarily comprised of trust customers, high-income professionals, and the emerging affluent. Banking business is primarily developed through cross selling to and referrals from existing customers. The bank's offices are located near its trust customer base and referral sources, generally in upscale financial centers or near retirement areas. Loan product offerings include mortgage loans for one-to-four family and multifamily residences, home equity lines of credit, commercial loans and lines of credit, and consumer loans. Deposit product offerings consist of various interest-bearing and noninterest-bearing accounts for personal and business use.

Based on December 31, 2003 financial data, NTB has total assets of \$1.2 billion, with \$884 million in total deposits and \$97 million in Tier 1 capital. Trust assets under administration total \$6.9 billion. The bank has \$1.0 billion in total loans, with a loans-to-assets ratio of 87 percent and a loans-to-deposits ratio of 116 percent. The loan portfolio is comprised primarily of real estate loans (85 percent), with the remainder in commercial and industrial loans (8 percent), consumer loans (5 percent), and other loans (2 percent). Real estate loans consist of one-to-four family residential loans (81 percent), commercial real estate loans (15 percent), construction and development loans (3 percent), and multifamily residential loans (1 percent).

NTB delivers trust and banking services through a total of 12 offices and 11 automated teller machines (ATMs) within the metropolitan areas (MAs) of Phoenix-Mesa, Arizona; Tucson, Arizona; and Denver, Colorado. Within the Phoenix MA, the bank operates six full-service offices, three limited-service offices at retirement centers, and eight ATMs. Within the Tucson MA, the bank operates two full-service offices and two ATMs. In addition, the bank operates one full-service office and one ATM in the Denver MA.

The bank's business strategy does not generate customers on a walk-in basis; therefore, NTB's approach to community reinvestment is structured around outreach activities. Through these outreach activities, the bank builds and maintains relationships with local community organizations and leaders to help meet the credit and community development needs of its assessment areas (AAs). Most of the bank's affordable mortgage loan business is generated by referrals from partnerships with these organizations. Other community reinvestment activities, such as community development investments and services, are also manifested from these relationships.

There are no legal, financial, or other impediments that would prevent the bank from meeting the credit needs of its AAs.

NTB was rated "Satisfactory" at its last CRA evaluation dated May 20, 2002. The last evaluation reflected the bank's performance during 1999, 2000, and 2001.

Scope of the Evaluation

Evaluation Period/Products Evaluated

In the state of Arizona, we evaluated NTB's performance in the Metro Phoenix and Metro Tucson AAs using strategic plan examination procedures. The evaluation period for these AAs covers 2002 and 2003. Performance goals for these AAs are set forth in the bank's three-year strategic plan effective January 1, 2001 and approved by the OCC on January 9, 2001. The strategic plan includes performance goals for home mortgage loans, small business loans, community development loans, qualified investments, and community development services. A copy of the strategic plan is available in the bank's public file.

In the state of Colorado, we evaluated NTB's performance in the Metro Denver AA using large bank examination procedures. The evaluation period for this AA is February 18, 2002, the date of merger into NTB, through December 31, 2003. Under the lending test, we considered home purchase and home mortgage refinance loans, small loans to businesses, and community development loans. We did not consider home improvement loans, small loans to farms, or multifamily loans since they do not represent significant products of the bank. The Metro Denver AA is included in NTB's strategic plan effective January 1, 2004.

Qualified investments in both states include investments allocated to the bank from NTC and Norlease, Inc. Norlease, Inc is a leasing subsidiary of The Northern Trust Company, the lead bank of NTC.

Data Integrity

We assessed NTB's processes and internal controls for collecting, reporting, and verifying the accuracy of data on home mortgage loans, small loans to businesses, and community development loans, and for identifying qualified investments and community development services. We found the bank's processes and controls to be adequate and its data reliable.

Selection of Areas for Full-Scope Review

We performed full-scope reviews of NTB's performance in all three AAs: the Metro Phoenix and Metro Tucson AAs in the state of Arizona and the Metro Denver AA in the state of Colorado. Refer to Appendix A for additional information.

Ratings

NTB's overall rating is a blend of the state ratings. When determining the overall rating, we gave significantly more weight to the state of Arizona than the state of Colorado. This weighting is reflective of the bank's volume of loan and deposit activity in each state. The state of Arizona represents 92 percent of the bank's deposits and 90 percent of its rated area loans.

Fair Lending Review

We found no evidence of illegal discrimination or other illegal credit practices.

State Ratings

State of Arizona

CRA Rating for Arizona: Outstanding

The major factors that support this rating include:

- The bank substantially met its lending goals for outstanding performance in 2002 and 2003.
- The bank met its investment goals for outstanding performance in 2002 and 2003.
- The bank met its service goals for outstanding performance in 2002 and 2003.

Description of Institution's Operations in Arizona

NTB operates in two AAs in the state of Arizona: the Metro Phoenix AA and the Metro Tucson AA. Refer to the Market Profiles in Appendix C for information on the bank's operations, detailed demographics, and other performance context information for these two AAs.

Scope of Evaluation in Arizona

We performed full-scope reviews of NTB's performance in the Metro Phoenix and Metro Tucson AAs using strategic plan examination procedures. Refer to Appendix A for additional information.

NTB's rating for the state of Arizona is based on the measurement criteria specified in its strategic plan. While separate lending goals are specified for each AA, the performance measurement criteria are based on aggregate AA goals for rating purposes. Investment and service goals are specified for the aggregate AA only.

The strategic plan specifies measurement criteria that constitute both satisfactory and outstanding performance, as follows:

- Satisfactory performance (substantially all goals have been met):
 - At least 90 percent of the aggregate loan goals in each category met with reasonable explanations for shortfalls in any area less than 90 percent;
 - All service goals met; and
 - At least 90 percent of total investment goals met.
- Outstanding performance (all goals have been exceeded):
 - At least 115 percent of the aggregate loan goals in each category met;
 - All service goals met; and
 - All total investment goals met.

We conducted one community contact with an affordable housing organization in the Metro Tucson AA and reviewed information on five recent community contacts conducted by the OCC in the Metro Phoenix AA. The contacts in the Metro Phoenix AA consisted of two small business development organizations, one affordable housing organization, one economic development organization, and one community development organization. We also reviewed a comprehensive analysis of the Metro Phoenix and Metro Tucson AAs prepared by NTB in conjunction with its strategic plan for 2004 through 2006. Refer to the Market Profiles in Appendix C for information on credit and community development needs and opportunities ascertained from this information.

LENDING GOALS

NTB substantially met its lending goals for outstanding performance in 2002 and 2003.

2002 Performance:

Refer to Tables 1a, 2a, and 3a in the state of Arizona section of Appendix D for data and facts used to evaluate the bank's actual performance in comparison to its lending goals for 2002.

Aggregate mortgage loans to low- and moderate-income borrowers exceed the criterion for outstanding performance in number and significantly exceed the criterion for outstanding performance in dollar amount. Aggregate mortgage loans in low- and moderate-income census tracts exceed the criterion for satisfactory performance in number and exceed the criterion for outstanding performance in dollar amount.

Aggregate small business loans exceed the criterion for satisfactory performance in number and exceed the criterion for outstanding performance in dollar amount. Aggregate new loans exceed the satisfactory criterion in number and exceed the outstanding criterion in dollar amount. Aggregate renewed loans exceed the satisfactory criterion in number and significantly exceed the outstanding criterion in dollar amount. In the subcategory of aggregate new loans for \$100,000 or less, both the number and dollar amount exceed the satisfactory criterion. In the subcategory of aggregate new loans over \$100,000 to \$250,000, both the number and dollar amount substantially meet the satisfactory criterion. In the subcategory of aggregate new loans over \$250,000 to \$1 million, both the number and dollar amount significantly exceed the outstanding criterion. Aggregate new loans to businesses with revenues of \$1 million or less meet the satisfactory criterion in number and exceed the satisfactory criterion in dollar amount. Aggregate new loans in low- and moderate-income census tracts exceed the satisfactory criterion in number and significantly exceed the outstanding criterion in dollar amount.

Aggregate community development loans significantly exceed the criterion for outstanding performance in number and exceed the criterion for satisfactory performance in dollar amount.

2003 Performance:

Refer to Tables 1b, 2b, and 3b in the state of Arizona section of Appendix D for data and facts used to evaluate the bank's actual performance in comparison to its lending goals for 2003.

Aggregate mortgage loans to low- and moderate-income borrowers significantly exceed the criterion for outstanding performance in both number and dollar amount. Aggregate mortgage loans in low- and moderate-income census tracts significantly exceed the criterion for outstanding performance in both number and dollar amount.

Aggregate small business loans exceed the criterion for satisfactory performance in number and exceed the criterion for outstanding performance in dollar amount. Aggregate new loans meet the outstanding criterion in number and significantly exceed the outstanding criterion in dollar amount. Aggregate renewed loans do not substantially meet the satisfactory criterion in number but exceed the satisfactory criterion in dollar amount. In the subcategory of aggregate new loans for \$100,000 or less, the number substantially meets, and the dollar amount exceeds, the outstanding criterion. In the subcategory of aggregate new loans over \$100,000 to \$250,000, the number exceeds the satisfactory criterion and the dollar amount exceeds the outstanding criterion. In the subcategory of aggregate new loans over \$250,000 to \$1 million, both the number and dollar amount significantly exceed the outstanding criterion. Aggregate new loans to businesses with revenues of \$1 million or less exceed the satisfactory criterion in number and exceed the outstanding criterion in dollar amount. Aggregate new loans in low- and moderate-income census tracts significantly exceed the outstanding criterion in both number and dollar amount.

Aggregate community development loans meet the criterion for satisfactory performance in number and substantially meet the criterion for outstanding performance in dollar amount.

INVESTMENT GOALS

NTB met its investment goals for outstanding performance in 2002 and 2003.

Refer to Table 4 in the state of Arizona section of Appendix D for data and facts used to evaluate the bank's actual performance in comparison to its investment goals for 2002 and 2003.

Total investments in 2002 exceed the criterion for outstanding performance. Short-term and long-term investments both exceed the outstanding criterion.

Total investments in 2003 significantly exceed the criterion for outstanding performance. Short-term investments exceed the satisfactory criterion and long-term investments significantly exceed the outstanding criterion.

SERVICE GOALS

NTB met its service goals for outstanding performance in 2002 and 2003.

Refer to Table 5 in the state of Arizona section of Appendix D for data and facts used to evaluate the bank's actual performance in comparison to its service goals for 2002 and 2003.

In both 2002 and 2003, the number of technical assistance hours significantly exceeds, and the number of seminars exceeds, the criterion for outstanding performance.

State Ratings (continued)

State of Colorado

CRA Rating for Colorado:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	Outstanding
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- The bank's geographic distribution of loans is good among geographies of different income levels.
- The bank's borrower distribution of loans is adequate among borrowers of different income levels.
- The bank's level and responsiveness of community development lending is excellent and has a positive impact on the lending test rating.
- The bank's level and responsiveness of qualified investments is excellent.
- The bank's service delivery systems are reasonably accessible to geographies and individuals of different income levels, and its provision of community development services is excellent and has a positive impact on the service test rating.

Description of Institution's Operations in Colorado

NTB operates in one AA in the state of Colorado: the Metro Denver AA. Refer to the Market Profile in Appendix C for information on the bank's operations, detailed demographics, and other performance context information for this AA.

Scope of Evaluation in Colorado

We performed a full-scope review of NTB's performance in the Metro Denver AA using large bank examination procedures. Refer to Appendix A for additional information.

We reviewed information on four recent community contacts conducted by the OCC in the Metro Denver AA. The contacts consisted of two affordable housing organizations and two small business development organizations. We also reviewed a comprehensive analysis of the Metro Denver AA prepared by NTB in conjunction with its strategic plan for 2004 through 2006. Refer to the Market Profile in Appendix C for information on credit and community development needs and opportunities ascertained from this information.

LENDING TEST

The bank's performance under the lending test in Colorado is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the Metro Denver AA is good.

Census 2000 changed the boundaries and income levels of many existing geographies, deleted some geographies, and created some new geographies. These changes were effective January 1, 2003. Therefore, two separate analyses were performed for the bank's lending in 2002 and 2003. The results of these analyses were combined to obtain an overall rating under the lending test.

Lending Activity

The bank's lending activity in the state of Colorado reflects good responsiveness to the credit needs of its AA. Refer to Table 1 in the state of Colorado section of Appendix D for the facts and data used to evaluate the bank's lending activity. To provide perspective regarding the relative levels of lending volume in the AA, we also compared the bank's deposit market rank and market share to its market rank and market share for each loan product. Because of the large number of lenders compared to banks in the AA, we based our analysis on the bank's percentile rankings in the loan and deposit markets rather than the actual values of market share and market rank.

NTB's lending activity in the Metro Denver AA is good. The bank's market share percentile ranking for home purchase loans, home mortgage refinance loans, and small loans to businesses exceeds its percentile ranking for deposit market share. FDIC deposit market share data as of June 30, 2003 show that the bank ranks at the 34th percentile for deposit market share in the Metro Denver AA. Based on 2002 peer mortgage loan data for the Metro Denver AA, the bank ranks at the 68th percentile for home purchase loans and the 59th percentile for home mortgage refinance loans. According to 2002 peer small business loan data, the bank ranks at the 76th percentile for small loans to businesses in the Metro Denver AA.

Distribution of Loans by Income Level of the Geography

The bank's distribution of loans in the state of Colorado is good among geographies of different income levels. The geographic distribution of loans in the Metro Denver AA is good. Because the bank's market share of home mortgage loans and small loans to businesses in the Metro Denver AA is not significant enough to perform a meaningful analysis, we did not consider market share data in evaluating the bank's geographic distribution of loans.

Home Mortgage Loans

The bank's geographic distribution of home mortgage loans in the state of Colorado is good. Refer to Tables 2 and 4 in the state of Colorado section of Appendix D for the

facts and data used to evaluate the geographic distribution of the bank's home mortgage loans.

NTB's geographic distribution of home purchase loans in the Metro Denver AA is good considering the affordable housing barriers that exist in the AA (refer to Market Profile in Appendix C). The percentage of the bank's home purchase loans in low-income geographies exceeds the percentage of owner-occupied housing units within those geographies in both 2002 and 2003. The percentage of the bank's home purchase loans in moderate-income geographies is below the percentage of owner-occupied housing units within those geographies in both 2002 and 2003.

NTB's geographic distribution of home mortgage refinance loans in the Metro Denver AA is also good considering the affordable housing barriers that exist in the AA. The percentage of the bank's home mortgage refinance loans in low-income geographies exceeds the percentage of owner-occupied housing units within those geographies in both 2002 and 2003. The percentage of the bank's home mortgage refinance loans in moderate-income geographies is below the percentage of owner-occupied housing units within those geographies in both 2002 and 2003.

Small Loans to Businesses

The bank's geographic distribution of small loans to businesses in the state of Colorado is excellent. Refer to Table 6 in the state of Colorado section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's small loans to businesses.

NTB's geographic distribution of small loans to businesses in the Metro Denver AA is excellent. The percentage of the bank's small loans to businesses in low-income geographies exceeds the percentage of businesses within those geographies in both 2002 and 2003. The percentage of the bank's small loans to businesses in moderate-income geographies also exceeds the percentage of businesses within those geographies in both 2002 and 2003.

Lending Gap Analysis

Based on maps and reports that overlay the volume of the bank's home mortgage loans and small loans to businesses by geography, no unexplained conspicuous gaps exist in NTB's geographic distribution of loans in the Metro Denver AA.

Inside/Outside Ratio

The bank's distribution of loans inside and outside the Metro Denver AA is good. A majority of NTB's reported loans are within its AA. Of the bank's loans located within the state of Colorado, 65 percent of home purchase loans, 78 percent of home mortgage refinance loans, and 96 percent of small loans to businesses are within the Metro Denver AA. The bank's lending within its AA positively impacts the overall analysis of its geographic distribution of loans.

Distribution of Loans by Income Level of the Borrower

The bank's distribution of loans in the state of Colorado is adequate among borrowers of different income levels. The borrower distribution of loans in the Metro Denver AA is adequate. Because the bank's market share of home mortgage loans and small loans to businesses in the Metro Denver AA is not significant enough to perform a meaningful analysis, we did not consider market share data in evaluating the bank's borrower distribution of loans.

Home Mortgage Loans

The bank's distribution of home mortgage loans among individuals of different income levels is adequate in the state of Colorado. Refer to Tables 8 and 10 in the state of Colorado section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loans.

NTB's borrower distribution of home purchase loans in the Metro Denver AA is good considering the moderately high poverty rate and limited availability of affordable housing in the AA (refer to Market Profile in Appendix C). The percentage of the bank's home purchase loans to low-income individuals is below the percentage of families defined as such in both 2002 and 2003. The percentage of the bank's home purchase loans to moderate-income individuals is also below the percentage of families defined as such in both 2002 and 2003.

NTB's borrower distribution of home mortgage refinance loans in the Metro Denver AA is adequate considering the moderately high poverty rate and limited availability of affordable housing in the AA. The percentage of the bank's home mortgage refinance loans to low-income individuals is below the percentage of families defined as such in both 2002 and 2003. The percentage of the bank's home mortgage refinance loans to moderate-income individuals is also below the percentage of families defined as such in both 2002 and 2003.

Small Loans to Businesses

The bank's distribution of small loans to businesses of different revenue sizes is adequate in the state of Colorado. Refer to Table 11 in the state of Colorado section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's small loans to businesses.

NTB's borrower distribution of small loans to businesses is adequate. The percentage of the bank's small loans to small businesses (i.e., businesses with revenues of \$1 million or less) is below the percentage of businesses defined as such in both 2002 and 2003. This is reasonable considering that 67 percent of the small loans to small business in the AA have average loan amounts of \$12,000 or less and are made by credit card lenders that dominate the market with small business credit card products with which the bank cannot compete.

Community Development Lending

The bank's community development lending in the state of Colorado is excellent and has a positive impact on the overall lending test conclusions. The community development lending has a positive impact on the conclusions for the Metro Denver AA. Refer to Table 1 in the state of Colorado section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. To provide perspective regarding the relative level of community development lending, we allocated a portion of the bank's Tier 1 capital to the AA based on its pro rata share of deposits.

NTB has a high level of community development lending that is responsive to the credit and community development needs in the Metro Denver AA. The dollar amount of the loans represents 19 percent of allocated Tier 1 capital. Over 70 percent of the dollar amount addresses the AA's primary need for affordable housing and nearly 30 percent addresses the need for community services that benefit low- and moderate-income individuals.

INVESTMENT TEST

The bank's performance under the investment test in Colorado is rated "Outstanding." Based on the full-scope review, the bank's performance in the Metro Denver AA is excellent.

Refer to Table 14 in the state of Colorado section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments. To provide perspective regarding the relative level of qualified investments, we allocated a portion of the bank's Tier 1 capital to the AA based on its pro rata share of deposits. Refer to Market Profile in Appendix C for information on availability of qualified investment opportunities in the Metro Denver AA.

NTB has an excellent level of qualified investments that are responsive to the credit and community development needs of the Metro Denver AA. The dollar amount of total investments within the AA represents 48 percent of allocated Tier 1 capital. Nearly 93 percent of the investments consist of low-income housing tax credit funds, which address the AA's primary need for affordable housing. The prior period investments continue to have an impact on the AA by continuing to finance affordable housing for low-income individuals.

NTB's level of qualified investments located outside of the Metro Denver AA has a positive impact on the overall investment test conclusions for the state of Colorado. Because the bank addressed the community development needs within its AA, we also considered its qualified investments located within the broader statewide area. The dollar amount of total investments outside the AA represents 23 percent of allocated Tier 1 capital. These investments consist of low-income housing tax credit funds, which address the need for affordable housing.

SERVICE TEST

The bank's performance under the service test in Colorado is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the Metro Denver AA is good.

Retail Banking Services

The bank's systems for delivering retail banking services in the state of Colorado are reasonably accessible to geographies and individuals of different income levels. Refer to Table 15 in the state of Colorado section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

NTB's service delivery systems in the Metro Denver AA are adequate. The following highlights the bank's systems in the AA:

- The bank has one office, which is in a middle-income geography located in downtown Denver. During the evaluation period, the bank opened or closed no offices.
- The bank offers various alternative systems for delivering retail banking services, including an on-premise ATM, automated telephone banking, computer banking, direct deposit, bank by mail, night depository, courier services, and bilingual bank staff and forms. Because no data were available concerning the effectiveness of these systems to low- and moderate-income geographies and individuals, we did not place significant weight on those systems in the overall service test conclusions.
- The bank maintains normal business hours and offers a variety of loan and deposit products, including an affordable housing loan program and low-cost deposit accounts. To supplement its branch-based services and hours, the bank maintains a network of partnerships with local community development organizations through which it markets products and services targeted to low- and moderate-income geographies and individuals. These services include bank officers taking loan applications in person at the office of the referring partner.

Community Development Services

The bank's provision of community development services in the state of Colorado is excellent and has a positive impact on the overall service test conclusions.

NTB provides a high level of community development services that are responsive to the credit and community development needs of the Metro Denver AA. The following highlights the bank's community development services in the AA:

- Bank employees provided nearly 500 hours in leadership and technical assistance on financial matters to community development organizations, often serving as chairperson or other member of boards of directors and various committees. Over 95 percent of the service hours addresses the need for community services that benefit low- and moderate-income individuals and the remaining 5 percent addresses the primary need for affordable housing.
- The bank provides direct financial services in the form of low-cost basic checking accounts that are targeted to low- and moderate-income individuals.
- In partnership with a nonprofit housing organization, the bank conducted a first-time homebuyers seminar targeted to low- and moderate-income individuals.

Appendix A: Scope of Evaluation

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	State of Arizona: 1/01/02 to 12/31/03 State of Colorado: 2/18/02 to 12/31/03
Financial Institution	
Products Reviewed	
Northern Trust Bank, N. A. (NTB) Phoenix, Arizona	Home Mortgage Loans Small Loans to Businesses Community Development Loans Qualified Investments Community Development Services
Affiliate(s)	
Affiliate Relationship	
Products Reviewed	
Northern Trust Corporation (NTC) Norlease, Inc.	Holding Company Subsidiary of Affiliate Qualified Investments Qualified Investments
List of Assessment Areas and Type of Examination	
Assessment Area	
Type of Exam	
Other Information	
State of Arizona: Metro Phoenix AA Metro Tucson AA State of Colorado: Metro Denver AA	Strategic Plan: Full Scope Full Scope Large Bank: Full Scope

Appendix B: Summary of State Ratings

Rated Area	Rating
Overall Bank	Outstanding
State of Arizona	Outstanding
State of Colorado	Satisfactory

Appendix C: Market Profiles for Full-Scope Areas

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STATE OF COLORADO	C-6
METRO DENVER AA	C-6

State of Arizona

Metro Phoenix AA

Demographic Information for Full-Scope Area: Metro Phoenix AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	629	5.72	27.66	35.14	31.00	0.48
Population by Geography	2,928,081	4.94	28.82	37.28	28.94	0.01
Owner-Occupied Housing by Geography	725,462	1.54	21.40	41.35	35.71	0.00
Businesses by Geography	168,735	5.94	26.52	32.34	35.16	0.05
Farms by Geography	3,103	2.42	21.59	38.51	37.45	0.03
Family Distribution by Income Level	730,666	18.98	18.50	21.79	40.73	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	273,863	7.54	41.87	36.77	13.81	0.00
Median Family Income = \$51,126						
HUD Adjusted Median Family Income for 2003 = \$58,300						
Households Below the Poverty Level = 9%						
		Median Housing Value = \$129,032				
		Unemployment Rate = 4.9%				

* The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 U.S. Census, 2003 Dun and Bradstreet, 2003 HUD Updated Median Family Income, and 2003 U.S. Dept. of Labor.

The Metro Phoenix AA consists of a portion of Maricopa County, which is one of two counties comprising the Phoenix-Mesa, Arizona MA. The AA comprises 95 percent of the population in Maricopa County and is defined as the contiguous geographies within the following city and town boundaries: Chandler, El Mirage, Gilbert, Glendale, Guadalupe, Luke Air Force Base, Mesa, Paradise Valley, Peoria, Phoenix, Scottsdale, Sun City, Sun City West, Sun Lakes, Surprise, Tempe, and Youngtown. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- and moderate-income geographies.

NTB operates six full-service offices within the AA. One office is located in Mesa, one in Phoenix, two in Scottsdale, one in Sun City, and one in Sun Lakes. Three limited-service offices are located at retirement centers in Mesa, Scottsdale, and Sun City. The bank also has eight ATMs, which are located at the six full-service offices and two retirement centers. As of June 30, 2003, 83 percent of NTB's deposits within the state of Arizona were derived from its offices in this AA. During 2003, 51 percent of the bank's home mortgage loans and 60 percent of its small business loans within the state of Arizona were derived from this AA.

As of June 30, 2003, NTB's deposits in the AA totaled \$627 million. Based on FDIC deposit market share data, this equates to a 1.62 percent deposit market share and ranks the bank as the ninth largest deposit taking institution in the AA. The data also show that there is intense banking competition in the AA. There are 60 banks with a

total of 605 offices in the AA. Together, the top three banks dominate the market with 70 percent deposit market share.

Based on 2002 peer lending data, the competition for home mortgage loans and small business loans is also intense. There are 743 mortgage lenders and 253 small business lenders in the AA. NTB ranks 124th with a market share of 0.12 percent in home mortgage loans and 19th with a market share of 0.30 percent in small business loans. The top 10 mortgage lenders, which capture a combined market share of 42 percent, consist of large nationwide and regional banks and mortgage companies. The top three small business lenders, which dominate the AA with a combined market share of 51 percent, consist of a nationwide bank and two credit card banks.

During 2003, the unemployment rate for the AA averaged 4.9 percent, compared to the state unemployment rate of 5.6 percent and the national unemployment rate of 6.0 percent. Major industries include services (39 percent), retail trade (15 percent), finance, insurance, and real estate (10 percent), and construction (7 percent).

Unmet credit and community development needs exist in the AA. The primary need is for affordable housing for low- and moderate-income individuals. Other needs include small business loans and community development loans, investments, and services. Opportunities exist to make affordable housing and small business loans, and to make loans to, invest in, and provide services to various projects, programs, and organizations that have a community development purpose. However, because of the significant number and size of banks and other lenders in the AA, competition for these opportunities is high. The significant barriers to affordable housing described below also hinder the ability to meet the need for affordable housing.

Significant barriers to affordable housing exist in the AA. These include high and increasing real estate prices, very limited availability of private land, lack of statewide housing policy and local government interest in low- and moderate-income housing development, lack of coordinated response to problems and effective partnerships, negative community attitude and stigma toward affordable housing, and exclusionary zoning ordinances. Housing affordability in the state of Arizona is characterized as an "impending crisis." These issues are considered wide-ranging and complex, and beyond the abilities of the financial institution industry to resolve.

State of Arizona (continued)

Metro Tucson AA

Demographic Information for Full-Scope Area: Metro Tucson AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	193	3.63	30.57	33.16	32.64	0.00
Population by Geography	832,347	3.57	33.93	33.46	29.04	0.00
Owner-Occupied Housing by Geography	210,905	1.64	24.41	36.87	37.08	0.00
Businesses by Geography	39,368	4.33	33.49	34.36	27.81	0.00
Farms by Geography	816	2.08	31.37	32.72	33.82	0.00
Family Distribution by Income Level	211,019	19.77	18.47	21.20	40.56	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	80,693	5.90	46.09	33.28	14.73	0.00
Median Family Income = \$44,446		Median Housing Value = \$112,159				
HUD Adjusted Median Family Income for 2003 = \$48,600		Unemployment Rate = 4.3%				
Households Below the Poverty Level = 13%						

* The NA category consists of geographies that have not been assigned an income classification.
 Source: 2000 U.S. Census, 2003 Dun and Bradstreet, 2003 HUD Updated Median Family Income, and 2003 U.S. Dept. of Labor.

The Metro Tucson AA consists of a portion of the Tucson, Arizona MA, which is comprised of Pima County. The AA comprises 99 percent of the population in the Tucson MA and is defined as the contiguous geographies within the following city and town boundaries: Tucson, Marana, Arivaca, Green Valley, Avra Valley, Picture Rocks, Oro Valley, and Three Points. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- and moderate-income geographies.

NTB operates two full-service offices within the AA. The bank also has two ATMs, one located at each of the two offices. As of June 30, 2003, 17 percent of NTB's deposits within the state of Arizona were derived from its offices in this AA. During 2003, 18 percent of the bank's home mortgage loans and 30 percent of its small business loans within the state of Arizona were derived from this AA.

As of June 30, 2003, NTB's deposits in the AA total \$125 million. Based on FDIC deposit market share data, this equates to a 1.55 percent deposit market share and ranks the bank as the 11th largest deposit taking institution in the AA. The data also show that there is strong banking competition in the AA. There are 20 banks with a total of 145 offices in the AA. Together, the top three banks dominate the market with 64 percent deposit market share.

Based on 2002 peer lending data, the competition for home mortgage loans and small business loans is also strong. There are 463 mortgage lenders and 95 small business

lenders in the AA. NTB ranks 83rd with a market share of 0.17 percent in home mortgage loans and 19th with a market share of 0.58 percent in small business loans. The top 10 mortgage lenders, which capture a combined market share of 52 percent, consist of large nationwide and regional banks and mortgage companies. The top three small business lenders, which dominate the AA with a combined market share of 51 percent, consist of a nationwide bank and two credit card banks.

During 2003, the unemployment rate for the AA averaged 4.3 percent, compared to the state unemployment rate of 5.6 percent and the national unemployment rate of 6.0 percent. Major industries include services (41 percent), retail trade (16 percent), finance, insurance, and real estate (10 percent), and construction (7 percent).

Unmet credit and community development needs exist in the AA. The primary need is for affordable housing for low- and moderate-income individuals. Other needs include small business loans and community development loans, investments, and services. Opportunities exist to make affordable housing and small business loans, and to make loans to, invest in, and provide services to various projects, programs, and organizations that have a community development purpose. However, because of the significant number and size of banks and other lenders in the AA, competition for these opportunities is high. The significant barriers to affordable housing described below also hinder the ability to meet the need for affordable housing.

Significant barriers to affordable housing exist in the AA. These include high and increasing real estate prices, very limited availability of private land, lack of statewide housing policy and local government interest in low- and moderate-income housing development, lack of coordinated response to problems and effective partnerships, negative community attitude and stigma toward affordable housing, and exclusionary zoning ordinances. Housing affordability in the state of Arizona is characterized as an "impending crisis." These issues are considered wide-ranging and complex, and beyond the abilities of the financial institution industry to resolve.

State of Colorado

Metro Denver AA

Demographic Information for Full-Scope Area: Metro Denver AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	514	4.09	27.43	38.91	28.79	0.78
Population by Geography	2,109,282	4.72	28.04	39.46	27.67	0.12
Owner-Occupied Housing by Geography	548,915	1.96	22.03	42.18	33.82	0.00
Businesses by Geography	177,247	4.15	25.96	36.51	32.73	0.66
Farms by Geography	3,110	1.74	21.74	39.36	37.04	0.13
Family Distribution by Income Level	531,126	18.33	18.86	23.74	39.06	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	197,550	7.85	41.99	36.93	13.24	0.00
Median Family Income HUD Adjusted Median Family Income for 2003 Households Below the Poverty Level	= \$61,185 = \$68,000 = 7%				Median Housing Value = \$181,960 Unemployment Rate = 6.3%	

* The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 U.S. Census, 2003 Dun and Bradstreet, 2003 HUD Updated Median Family Income, and 2003 U.S. Dept. of Labor.

The Metro Denver AA consists of the entire Denver, Colorado MA, which is defined by the boundaries of five counties: Adams, Arapahoe, Denver, Douglas, and Jefferson. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- and moderate-income geographies.

NTB operates one full-service office and one ATM within the AA. As of June 30, 2003, 100 percent of NTB's deposits within the state of Colorado were derived from this office. During 2003, 71 percent of the bank's home mortgage loans and 94 percent of its small business loans within the state of Colorado were derived from this AA.

As of June 30, 2003, NTB's deposits in the AA totaled \$65 million. Based on FDIC deposit market share data, this equates to a 0.19 percent deposit market share and ranks the bank as the 60th largest deposit taking institution in the AA. The data also show that there is intense banking competition in the AA. There are 91 banks with a total of 558 offices in the AA. Together, the top three banks capture 43 percent deposit market share.

Based on 2002 peer lending data, the competition for home mortgage loans and small business loans is also intense. There are 755 mortgage lenders and 223 small business lenders in the AA. NTB ranks 245th with a market share of 0.02 percent in home mortgage loans and 54th with a market share of 0.04 percent in small business loans. The top 10 mortgage lenders, which capture a combined market share of 41

percent, consist of large nationwide and regional banks and mortgage companies. The top three small business lenders, which dominate the AA with a combined market share of 44 percent, consist of a nationwide bank and two credit card banks.

During 2003, the unemployment rate for the AA averaged 6.3 percent, compared to the state unemployment rate of 6.0 percent and the national unemployment rate of 6.0 percent. Major industries include services (38 percent), retail trade (12 percent), finance, insurance, and real estate (10 percent), and construction (8 percent).

Unmet credit and community development needs exist in the AA. The primary need is for affordable housing for low- and moderate-income individuals. Other needs include small business loans and community development loans, investments, and services. Opportunities exist to make affordable housing and small business loans, and to make loans to, invest in, and provide services to various projects, programs, and organizations that have a community development purpose. However, because of the significant number and size of banks and other lenders in the AA, competition for these opportunities is high. The significant barrier to affordable housing described below also hinders the ability to meet the need for affordable housing.

The increasing cost of housing is a significant barrier to affordable housing in the AA. The Denver MA has experienced a heightened interest in urban living. This increased demand for housing in urban Denver has in effect squeezed out affordable housing. The challenges of providing safe and decent housing within the AA are characterized as “overwhelming” by community leaders.

Appendix D: Tables of Performance Data

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State of Arizona

Table 1a: 2002 Mortgage Loans¹

Category/AA	Goals		Performance			
	#	\$ (000)	#	% of Goal	\$ (000)	% of Goal
Low- and Moderate-Income Borrowers						
Metro Phoenix	43	3,010	64	149	5,068	168
Metro Tucson	17	1,105	12	71	950	86
Aggregate	57	4,115	76	133	6,018	146
Low- and Moderate-Income Tracts						
Metro Phoenix	19	1,330	21	111	1,899	143
Metro Tucson	9	585	6	67	614	105
Aggregate	28	1,915	27	96	2,513	131

¹ Represents home mortgage loans as defined in CRA regulation.

Table 1b: 2003 Mortgage Loans¹

Category/AA	Goals		Performance			
	#	\$ (000)	#	% of Goal	\$ (000)	% of Goal
Low- and Moderate-Income Borrowers						
Metro Phoenix	47	3,290	72	153	6,083	185
Metro Tucson	19	1,235	24	126	1,943	157
Aggregate	62	4,525	96	155	8,026	177
Low- and Moderate-Income Tracts						
Metro Phoenix	21	1,470	36	171	3,597	245
Metro Tucson	10	650	19	190	1,708	263
Aggregate	31	2,120	55	177	5,305	250

¹ Represents home mortgage loans as defined in CRA regulation.

Table 2a: 2002 Small Business Loans¹

Category/AA	Goals		Performance			
	#	\$ (000)	#	% of Goal	\$ (000)	% of Goal
Metro Phoenix						
New Loan Total	127	22,695	127	100	24,966	110
\$100,000 or less	73	4,015	70	96	3,960	99
>\$100,000 to \$250,000	26	4,680	22	85	3,735	80
>\$250,000 to \$1,000,000	28	14,000	35	125	17,271	123
Renewed Loan Total	102	18,156	112	110	27,868	153
Total Small Business Loans	229	40,851	239	104	52,834	129
Metro Tucson						
New Loan Total	67	8,690	71	106	13,133	151
\$100,000 or less	41	1,640	37	90	1,931	118
>\$100,000 to \$250,000	17	2,550	15	88	2,511	98
>\$250,000 to \$1,000,000	9	4,500	19	211	8,691	193
Renewed Loan Total	54	6,952	51	94	7,648	110
Total Small Business Loans	121	15,642	122	101	20,781	133
Aggregate						
New Loan Total	194	31,385	198	102	38,099	121
\$100,000 or less	114	5,655	107	94	5,891	104
>\$100,000 to \$250,000	43	7,230	37	86	6,246	86
>\$250,000 to \$1,000,000	37	18,500	54	146	25,962	140
Renewed Loan Total	156	25,108	162	104	35,646	142
Total Small Business Loans	350	56,493	360	103	73,745	131
Aggregate New Loans to Businesses with Revenue <= \$1,000,000	116	17,400	105	91	18,346	105
Aggregate New Loans in Low- or Moderate-Income Census Tracts	31	4,650	33	106	8,101	174

¹ Term as defined in CRA regulation.

Table 2b: 2003 Small Business Loans¹

Category/AA	Goals		Performance			
	#	\$ (000)	#	% of Goal	\$ (000)	% of Goal
Metro Phoenix						
New Loan Total	140	25,120	160	114	32,298	129
\$100,000 or less	80	4,400	87	109	5,536	126
>\$100,000 to \$250,000	29	5,220	36	124	6,807	130
>\$250,000 to \$1,000,000	31	15,500	37	119	19,955	129
Renewed Loan Total	112	20,096	83	74	22,848	114
Total Small Business Loans	252	45,216	243	96	55,146	122
Metro Tucson						
New Loan Total	74	9,650	89	120	15,500	161
\$100,000 or less	45	1,800	52	116	2,641	147
>\$100,000 to \$250,000	19	2,850	16	84	2,845	100
>\$250,000 to \$1,000,000	10	5,000	21	210	10,014	200
Renewed Loan Total	59	7,720	32	54	5,256	68
Total Small Business Loans	133	17,370	121	91	20,756	119
Aggregate						
New Loan Total	214	34,770	249	116	47,798	137
\$100,000 or less	125	6,200	139	111	8,177	132
>\$100,000 to \$250,000	48	8,070	52	108	9,652	120
>\$250,000 to \$1,000,000	41	20,500	58	141	29,969	146
Renewed Loan Total	171	27,816	115	67	28,104	101
Total Small Business Loans	385	62,586	364	95	75,902	121
Aggregate New Loans to Businesses with Revenue <= \$1,000,000	128	19,200	128	100	22,769	119
Aggregate New Loans in Low- or Moderate-Income Census Tracts	34	5,100	53	156	9,747	191

¹ Term as defined in CRA regulation.

Table 3a: 2002 Community Development Loans¹

AA	Goals		Performance			
	#	\$ (000)	#	% of Goal	\$ (000)	% of Goal
Metro Phoenix	4	1,330	7	175	1,417	107
Metro Tucson	4	1,330	7	175	1,070	80
Aggregate	8	2,660	14	175	2,487	93

¹Term as defined in CRA regulation.

Table 3b: 2003 Community Development Loans¹

AA	Goals		Performance			
	#	\$ (000)	#	% of Goal	\$ (000)	% of Goal
Metro Phoenix	5	1,460	3	60	552	38
Metro Tucson	5	1,460	6	120	2,708	185
Aggregate	10	2,920	9	90	3,260	112

¹Term as defined in CRA regulation.

Table 4: 2002-2003 Investments¹

Year/Category	Goals \$ (000)	Performance	
		\$ (000)	% of Goal
2002			
Short-Term Investments²	147	154	105
Long-Term Investments³	7,453	7,822	105
Total	7,600	7,976	105
2003			
Short-Term Investments²	154	146	95
Long-Term Investments³	7,746	9,273	120
Total	7,900	9,419	119

¹ Qualified Investments, as defined in CRA regulation.

² Short-term investments consist of annual community development grants and deposit in a community development credit union.

³ Long-term investments include municipal bonds supporting low- and moderate-income school districts, affordable housing tax credits, loan pool funds of community development organizations, equity in a small business investment company, and low- and moderate-income mortgage backed securities.

Table 5: 2002-2003 Services¹

Year/Category	Goals #	Performance	
		#	% of Goal
2002			
Technical Assistance (hours)²	700	1,027	147
Seminars (sessions)³	15	17	113
2003			
Technical Assistance (hours)²	700	935	134
Seminars (sessions)³	15	16	107

¹ Community development services, as defined in CRA regulation.

² Technical assistance provided by bank officers to community-based and other nonprofit organizations involved in affordable housing development, economic development, social services targeted to low- and moderate-income individuals, and other community revitalization initiatives.

³ Seminars on financial literacy, including first-time homeownership and basic banking and credit.

State of Colorado

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of Evaluation). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units

throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to

\$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

State of Colorado (continued)

Table 1. Lending Volume

LENDING VOLUME		Geography: COLORADO				Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003						
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Metro Denver AA 2002	100.00	68	21,541	25	8,258	0	0	2	1,208	95	31,007	100.00
Metro Denver AA 2003	100.00	73	30,270	17	5,688	0	0	1	225	91	36,183	100.00

*Loan Data as of December 31 of each year. Rated area refers to either the state or multi-state MA rating area.

**The evaluation period for Community Development Loans is from February 18, 2002 to December 31, 2003.

***Deposit Data as of June 30, 2003. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: COLORADO				Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003									
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Metro Denver AA 2002	30	100.00	3.67	13.33	19.89	16.67	45.25	6.67	31.19	63.33	0.03	0.10	0.04	0.00	0.06
Metro Denver AA 2003	20	100.00	1.96	5.00	22.03	5.00	42.18	25.00	33.82	65.00	N/A	N/A	N/A	N/A	N/A

*Based on 2002 Peer Mortgage Data; 2003 Peer Mortgage Data not available (N/A).

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

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information for 2002 and 2000 Census information for 2003.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: COLORADO				Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Metro Denver AA 2002	7	100.00	3.67	0.00	19.89	0.00	45.25	28.57	31.19	71.43	0.08	0.00	0.00	0.04	0.18	
Metro Denver AA 2003	2	100.00	1.96	0.00	22.03	0.00	42.18	0.00	33.82	100.00	N/A	N/A	N/A	N/A	N/A	

*Based on 2002 Peer Mortgage Data; 2003 Peer Mortgage Data not available (N/A).

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

***Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information for 2002 and 2000 Census information for 2003.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: COLORADO				Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Metro Denver AA 2002	31	100.00	3.67	9.68	19.89	16.13	45.25	29.03	31.19	45.16	0.01	0.04	0.02	0.01	0.02	
Metro Denver AA 2003	51	100.00	1.96	3.92	22.03	1.96	42.18	35.29	33.82	58.82	N/A	N/A	N/A	N/A	N/A	

*Based on 2002 Peer Mortgage Data; 2003 Peer Mortgage Data not available (N/A).

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

***Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information for 2002 and 2000 Census information for 2003.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: COLORADO					Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans						
Full Review:																
Metro Denver AA 2002	25	100.00	7.79	8.00	20.66	24.00	37.35	20.00	33.92	48.00	0.04	0.04	0.04	0.02	0.05	
Metro Denver AA 2003	17	100.00	4.15	5.88	25.96	29.41	36.51	35.29	32.73	29.41	N/A	N/A	N/A	N/A	N/A	

*Based on 2002 Peer Small Business Data; 2003 Peer Small Business Data not available (N/A).

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

***Source Data - Dun and Bradstreet (2003).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: COLORADO					Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Metro Denver AA 2002	30	100.00	18.79	3.57	18.71	7.14	24.56	17.86	37.94	71.43	0.04	0.02	0.01	0.02	0.08	
Metro Denver AA 2003	20	100.00	18.33	16.67	18.86	11.11	23.74	0.00	39.06	72.22	N/A	N/A	N/A	N/A	N/A	

*Based on 2002 Peer Mortgage Data; 2003 Peer Mortgage Data not available (N/A).

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

***Percentage of Families is based on the 1990 Census information for 2002 and 2000 Census information for 2003.

****As a percentage of loans with borrower income information available. No information was available for 6.67% of loans originated and purchased by NTB in 2002. No information was available for 10.00% of loans originated and purchased by NTB in 2003.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: COLORADO				Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003									
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
Full Review:																
Metro Denver AA 2002	7	100.00	18.79	0.00	18.71	0.00	24.56	0.00	37.94	100.00	0.07	0.00	0.00	0.00	0.21	
Metro Denver AA 2003	2	100.00	18.33	0.00	18.86	0.00	23.74	0.00	39.06	100.00	N/A	N/A	N/A	N/A	N/A	

*Based on 2002 Peer Mortgage Data; 2003 Peer Mortgage Data not available (N/A).

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

***Percentage of Families is based on the 1990 Census information for 2002 and 2000 Census information for 2003..

****As a percentage of loans with borrower income information available. No information was available for 14.29% of loans originated and purchased by NTB in 2002. No information was available for 0.00% of loans originated and purchased by NTB in 2003.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: COLORADO				Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
Full Review:																
Metro Denver AA 2002	31	100.00	18.79	0.00	18.71	13.33	24.56	10.00	37.94	76.67	0.02	0.00	0.01	0.01	0.03	
Metro Denver AA 2003	51	100.00	18.33	4.08	18.86	6.12	23.74	10.20	39.06	79.59	N/A	N/A	N/A	N/A	N/A	

*Based on 2002 Peer Mortgage Data; 2003 Peer Mortgage Data not available (N/A).

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

***Percentage of Families is based on the 1990 Census information for 2002 and 2000 Census information for 2003.

****As a percentage of loans with borrower income information available. No information was available for 3.23% of loans originated and purchased by NTB for 2002. No information was available for 3.92% of loans originated and purchased by NTB for 2003

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: COLORADO			Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$1 Million or Less
Full Review:									
Metro Denver AA 2002	25	100.00	63.51	52.00	40.00	16.00	44.00	0.04	0.07
Metro Denver AA 2003	17	100.00	61.54	35.29	23.53	29.41	47.06	N/A	N/A

*Based on 2002 Peer Small Business Data; 2003 Peer Small Business Data not available (N/A).

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

***Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2002 and 2003).

****Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 8.00% of small loans to businesses originated and purchased by the bank for 2002. No information was available for 5.88% of small loans to businesses originated and purchased by the bank for 2003.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: COLORADO			Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Metro Denver AA	3	3,093	7	605	10	3,698	67.78	0	0
Outside Metro Denver AA	2	955	2	803	4	1,758	32.22	2	1,320

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: COLORADO																	
Evaluation Period: FEBRUARY 18, 2002 TO DECEMBER 31, 2003																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography*			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Metro Denver AA 2002	100.00	1	100	0.00	0.00	00.00	100.00	0	0	0	0	0	0	6.86	23.97	43.35	25.82
Metro Denver AA 2003	100.00	1	100	0.00	0.00	100.00	0.00	0	0	0	0	0	0	4.72	28.04	39.46	26.67

*Percentage of Population is the population in a particular geography divided by the population in the area based on 1990 Census information for 2002 and 2000 Census information for 2003.