



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

April 15, 2002

Community Reinvestment Act Performance Evaluation

Commerce Bank, National Association
Charter Number: 18112

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Kansas City, MO 64106

Office of the Comptroller of the Currency

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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 following table indicates the performance level of **Commerce Bank, National Association** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Commerce Bank, National Association Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending Test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

Lending Test

- Excellent penetration to low- and moderate-income (LMI) borrowers for home mortgage loans.
- An exceptionally strong level of community development lending within its Assessment Areas (AAs).
- Good geographic distribution of small business loans.
- Excellent overall performance for areas in Missouri that received limited-scope reviews.

Investment Test

- An excellent volume of community development investments in the AAs.
- Investments are highly responsive to identified AA needs of LMI residents.

Service Test

- Branch offices are accessible to essentially all geographies and residents.
- Office hours are reasonable and services offered do not vary by location.
- Commerce provides a good level of community development services.

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 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 (CD): 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 area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, 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 area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), 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 multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

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

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the 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

Commerce Bank, National Association (Commerce), headquartered in Kansas City, Missouri, operates 155 banking offices throughout Missouri and Kansas. As of December 31, 2001, Commerce reported total assets of \$11 billion and Tier 1 Capital of \$810 million. The bank is a wholly-owned subsidiary of Commerce Bancshares, Inc. (CBI), Kansas City, Missouri, a \$13 billion multi-bank holding company. CBI operates full-service banks in Illinois, Kansas, Missouri and a credit card bank in Omaha, Nebraska. CBI also owns Commerce Mortgage Corporation (CMC), a mortgage loan originator and service provider and Capital for Business, a venture capital firm.

The bank's business strategy is focused on commercial and retail lending activities. As of December 31, 2001, net loans represented 76 percent of total deposits and 60 percent of total assets. This does not include approximately \$451 million in home mortgages originated by CMC within the bank's AAs and sold on the secondary market. The loan portfolio (by dollars outstanding), consisted of 48 percent commercial, 24 percent consumer, 23 percent one-to-four family residential, 4 percent other loans, and 1 percent agricultural loans. There are no significant financial or legal barriers limiting the bank's ability to help meet the identified credit and investment needs of its assessment areas.

Commerce, an interstate bank, offers a full range of banking products and services in 14 AAs in Missouri and 5 AAs in Kansas. The St. Louis, Missouri and Kansas City, Missouri-Kansas MA's represent the bank's largest markets.

Commerce received a CRA rating of "Outstanding Record of Meeting Community Credit Needs" during its prior evaluation, dated April 19, 1999.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the Lending Test was from January 1, 1999 through December 31, 2001. Lending products reviewed included the small business loans, community development loans, home mortgage and refinance loans, and home improvement loans.

The evaluation period for community development investments was from April 4, 1999 through April 22, 2002. The evaluation period for community development services was from January 1, 1999 through December 31, 2001. The Investment Test included a review of investments, grants, and donations made within the AAs that meet the definition of community development investments. The Service Test included a review of retail and community development services provided in the bank's AAs.

Data Integrity

The OCC performed a review to determine the accuracy of the bank's loan data. The review noted no significant errors and found the bank's data reliable.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, we selected a sample of AAs within that state for full-scope reviews. Refer to the "Scope" section under each State Rating for details regarding how the areas were selected. Every multistate metropolitan area in which the bank has branches in more than one state received a full-scope review.

Ratings

The bank's overall rating is a blend of the Kansas City multistate metropolitan area (Kansas City MA) rating and state ratings. The Missouri and Kansas state ratings are weighted toward those areas that received full-scope reviews. Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

Fair Lending Review

We tested for compliance with anti-discrimination laws and regulations. Our review included a comparative file analysis of denied Native American applicants for home improvement loans and approved White applicants for home improvement loans. Additionally, we reviewed internal controls used to ensure fair access to credit.

We identified no violations of the substantive provisions of the anti-discrimination laws and regulations. Commerce has a good record of complying with the Equal Credit Opportunity Act, Fair Housing Act, and HMDA. Internal controls including employee training, management information reports, and ongoing monitoring have been effective at ensuring compliance with fair lending laws and regulations.

Multistate Metropolitan Area Rating

Kansas City Metropolitan Area

CRA rating for the Kansas City MA (MO-KS)¹:

The lending test is rated: Outstanding

The investment test is rated: Outstanding

The service test is rated: High Satisfactory

The major factors that support this rating include:

- Commerce demonstrated good responsiveness to credit needs within the Kansas City MA. Commerce ranks sixth among all lenders in small business lending and achieved its strongest home mortgage penetration in home improvement lending, ranking third among all lenders. Market share ranking is lower than the bank's deposit market share but is considered good given the significant number of lenders in the market competing for both small business and home mortgage lending products.
- The distribution of home mortgage loans to LMI borrowers is excellent and Commerce achieved good penetration of loans to businesses with revenues of less than \$1 million. The geographic distribution of small business loans is good and stronger than home mortgage lending performance.
- The level of community development lending is excellent and greatly enhanced the bank's lending performance in the Kansas City MA.
- Additionally, the bank's flexible loan programs provided increased opportunities for home ownership, especially among LMI borrowers.
- Commerce demonstrated excellent responsiveness to the AA's community development investment needs. The bank displayed leadership in originating complex funding for a Small Business Investment Corporation (SBIC).
- The distribution of branches is reasonably accessible to geographies and individuals of different income levels. Commerce provided an excellent level of community development services benefiting LMI residents and geographies.

¹ This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

Description of Institution's Operations in the Kansas City MA

Commerce operates 50 branches in its Kansas City AA, with a majority concentrated in Jackson County, Missouri and Johnson County, Kansas. The bank originated 34 percent of its total deposits in the Kansas City AA. Commerce held approximately 9.8 percent of all the deposits that financial institutions reported in the Kansas City MA. Major competitors are UMB Bank, N.A. and Bank of America, N.A. with 11.5 percent and 10.4 percent deposit market shares, respectively. For Jackson County, Commerce ranked ninth in deposit market share among 56 financial institutions. A significant portion of the bank's reported loan originations, 15 percent by number and 21 percent by dollar volume, were attributed to this AA. This was second only to its St. Louis AA.

Refer to the Market Profile for the Kansas City AA in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews. We used this information to provide some insight into the lending opportunities available for different loan types among geographies and borrowers of different income levels.

Scope of Evaluation in Kansas City MA

We gave equal weight to home mortgage and small business lending performance. Both are primary product lines for the bank and represent 43 percent and 53 percent, respectively, of the bank's total reported loan originations during this evaluation period. An analysis of Commerce's small farm loan originations for the Kansas City MA is not meaningful since this loan type represented only 3 percent of its total loan originations. Small farm loans are not an identified credit need for this predominately metropolitan area.

We conducted one community contact with a government agency and reviewed eight other contacts performed by other regulatory agencies with community groups, financial intermediaries and government agencies within the past 12 months. Identified community credit needs within the AA include: venture capital financing for start-up businesses, rehabilitation loans for small businesses, and home improvement loans for LMI residents.

LENDING TEST

The bank's performance under the lending test is rated "Outstanding."

Lending Activity

Refer to Table 1 Lending Volume in the Kansas City MA section of Appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's lending levels reflect good responsiveness in relation to area credit needs and the bank's deposit market share. Small business and home mortgage loans are essential to the local economy. Commerce has a deposit market share of approximately 10 percent, ranking third among 136 financial institutions in the AA.

Business lending activity in the Kansas City MA is good. Commerce reported 3,794 business loans totaling \$416 million. Commerce originated approximately 5 percent of all reported 2000 business loans in the Kansas City MA, ranking sixth among 134 lenders reporting CRA data.

Home mortgage lending activity in the Kansas City MA is good. Commerce reported 3,070 home mortgage loans totaling \$284 million during the evaluation period. In 2000, Commerce ranked third in market share for home improvement loans with approximately 6 percent of the market. Commerce did not capture a significant market share for home purchase loans (ranked 65th) or home refinance (ranked 31st). However, competition in this market for these product types is strong with the top 10 lenders, including numerous nationwide mortgage lenders and savings and loan associations, having less than 10 percent of the overall market.

Distribution of Loans by Income Level of the Geography

Commerce's geographic distribution of lending is adequate. Penetration in LMI geographies for small business loans is good and is stronger than home mortgage loans, which is considered adequate. Refer to Tables 2 - 6 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's loan originations and purchases in the Kansas City MA.

Home Mortgage Loans

Commerce's geographic distribution of home mortgage loans is adequate. For all product types, the percentage of loans in both the LMI geographies is less than the percentage of owner-occupied housing located in these areas. Lending performance in moderate-income geographies is stronger across all product types. In low-income geographies, the opportunities for home mortgage lending are limited due to the small percentage of owner-occupied housing (3 percent) in these areas. Commerce achieved its strongest market share in overall home improvement lending and in lending to moderate-income areas. Commerce did not achieve any significant market share in either the home purchase or home refinance products. We did not perform an analysis of multifamily loans. Due to the limited number of originations, an analysis of this product type would not be meaningful.

Small Loans to Businesses

The geographic distribution of small loans to businesses located in LMI geographies is good, despite performance that is lower than the percentage of businesses located in these areas. Commerce ranks sixth in overall market share. Market share in moderate-

income geographies exceeds its overall market share, and low-income geographies is somewhat lower than its overall market share.

Lending Gap Analysis

Our geographic distribution analysis included a review for any unexplained lending gaps in the Kansas City MA, particularly in LMI areas. Commerce achieved penetration in 82 percent of the low- and 96 percent of moderate-income tracts. Demographic information shows those tracts with no penetration are sparsely populated, have a limited number of owner-occupied units or businesses, and contain the highest concentration of families below the poverty level. This analysis had a neutral impact on the overall geographic distribution of lending.

Inside/Outside Ratio

We calculated this ratio at the bank level. The bank originated a substantial majority of its loans in its AA. Refer to the Scope of Evaluation section for additional details.

Distribution of Loans by Income Level of the Borrower

Commerce's distribution of loans to borrowers of different income levels and businesses of different sizes is excellent. The bank achieved excellent penetration to LMI borrowers with its home mortgage lending and adequate penetration to businesses with revenues of \$1 million or less. Refer to Tables 8 – 11 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's loan originations and purchases in the Kansas City MA.

Home Mortgage Loans

Commerce's distribution of home mortgage loans to borrowers of different income levels is excellent. For all product types, the percentage of loans to moderate-income borrowers exceeds or is near to area demographics. The percentage of loans to low-income borrowers compares favorably to area demographics, considering a poverty rate of 7 percent in this AA.

Commerce ranked third among area lenders in overall market share for home improvement loans. Market share to LMI borrowers is slightly lower than the bank's overall market share. Commerce did not capture a significant portion of the market share for either home purchase or home refinance loans. Competition for home mortgage loans is strong with numerous financial institutions and nationwide lenders actively lending in this market.

Small Loans to Businesses

The distribution of loans to businesses of different sizes is good. While the percentage of loans to small businesses (i.e. gross annual revenues of \$1 million or less) is less than the percentage of small businesses in the AA, the bank's overall market share is

good ranking sixth among area lenders. The bank's market share for loans to small businesses is greater than its overall market share. In addition, the bank originated a substantial majority of its loans for amounts of \$100,000 or less with an average loan size of \$67,000.

Community Development Lending

Commerce originated a high level of community development loans that greatly enhanced its lending performance in the Kansas City MA, particularly in low- and moderate-income areas. This level of community development lending had a positive impact on the Lending Test rating for the Kansas City MA. Refer to Table 1 Lending Volume in the Kansas City MA section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. However, Table 5 does not separately list CD loans.

Commerce originated 70 community development loans totaling over \$129 million during the evaluation period.

- Twenty-six loans totaling \$118 million for projects that assisted with the redevelopment or stabilization of LMI areas in the core downtown areas of Kansas City, Missouri or within the Bi-State Empowerment Zone.
- Twenty-six loans totaling \$5.8 million assisted organizations in the acquisition and/or construction of affordable housing units for LMI families.
- Sixteen loans totaling \$5 million for organizations that provide community and social services such as health care, day care, youth education, and job training to LMI individuals.
- Two loans totaling \$45,000 for an organization that provides start-up capital to small businesses.

Product Innovation and Flexibility

Commerce, through its mortgage company affiliate, offers a wide array of home mortgage loan programs with flexible terms to assist low- and moderate-income borrowers in achieving home ownership. Affordable mortgage loan programs include national, state, and local government-sponsored programs that offer fixed rates, low down payments, closing costs, and down payment assistance. Under all flexible home mortgage loan programs offered, Commerce originated 294 home mortgage loans totaling \$24 million. These totals include lending in all AA's in Missouri and Kansas. The bank was unable to provide totals for this activity by AA.

Commerce also offers a closing cost grant program to assist LMI borrowers in qualifying for these loan programs. The bank's grant assistance program for LMI borrowers

covers up to \$1,200 in eligible closing costs. The total amount of assistance granted in the Kansas City MA during this evaluation period was \$14,000.

Commerce participated in the Missouri First Linked Deposit Business Loan Program. The program links state funds deposited in the lending institution to reduce interest rates to the borrower. The program was established to provide financing for small businesses creating jobs in Missouri and gives priority to firms located in enterprise zones and economically depressed areas. Commerce participated in the program during fiscal years 1999 and 2000; the state did not fund the program in 2001.

INVESTMENT TEST

The bank's performance under the Investment Test is rated "Outstanding." Refer to Table 14 in the "Multistate Metropolitan Area(s)" section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Commerce showed excellent responsiveness to the AA's community development needs with \$9.7 million in equity investments and donations. The bank funded \$6.5 million during this evaluation period and had \$3.2 million outstanding from prior evaluation periods. Investments were diversified, showing leadership in complex SBIC financing and supporting affordable housing for LMI residents. Some of the investments described in this section benefited, or have the potential to benefit, multiple AAs. For this analysis, we allocated these investments to AAs based on the portion of bank deposits attributed to each AA.

Community contacts indicate credit needs in the Kansas City MA are venture capital financing for start-up businesses, rehabilitation or home improvement loans to assist small businesses and LMI residential areas, and affordable housing. Several of these needs translated into opportunities for investments. Commerce focused its investments in small business development and equity investments in affordable housing equity funds. Commerce also provided sizable donations to support community development organizations providing services to LMI individuals in the AA.

The bank purchased \$10 million in Housing and Urban Development (HUD) Participation Certificates. These partnership certificates are used to fund nationwide community development block grants and urban development projects. Commerce allocated \$3.4 million of this investment to the Kansas City MA.

Commerce purchased two Missouri Housing Development Commission bond issues for \$3.4 million. Commerce allocated \$1.1 million of this investment to the Kansas City MA. This includes \$411,000 for the current period and \$658,000 during prior evaluation periods. These bonds were issued to provide funding for government-guaranteed mortgage securities backed by pools of single-family mortgages to be made to LMI individuals in Missouri.

CBI and its venture capital affiliate, Capital for Business (CFB), has two licensed Small Business Investment Companies. CFB effectively partners CBI's resources with other investors' contributions to create more financing opportunities. These investments often involve complex financing arrangements. In the Kansas City MA, CFB's direct equity investments totaled over \$2 million from prior evaluation periods and \$111,000 during the current evaluation period. These SBIC investments provided capital for expansion or operating expenses of seven businesses in the Kansas City AA.

In addition to promoting economic development through SBIC financing, Commerce provided strong support of affordable housing initiatives, which benefited the AA. Commerce purchased a \$1.1 million FNMA bond for low-income (Section 42) housing in Johnson County, Kansas.

Commerce has participated in all four subscriptions of a Missouri statewide affordable housing equity fund beginning in 1994. The bank has funded \$629,000 of its \$800,000 commitment. Commerce allocated portions of this investment amongst all of the Missouri AAs, except for the St. Louis AA, which has its own affordable housing equity fund. Commerce allocated \$325,000 of the investment's funded portion to the Kansas City MA. This includes \$236,000 during the current period and \$89,000 during prior evaluation periods. Several of the projects have produced affordable housing for LMI individuals in the Kansas City MA.

Commerce provided \$1.1 million in grants and donations to qualified community development organizations. The majority of these dollars assisted organizations that provide needed services to LMI individuals, including financial counseling, housing, food, health care, and social services.

SERVICE TEST

The bank's performance under the Service Test in the Kansas City MA is rated "High Satisfactory." Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Commerce's branches are accessible to geographies and individuals of different income levels throughout the AA. The percentage of branches in moderate-income tracts is comparable to the percentage of population residing in those CTs. The bank has no branches in low-income geographies. However, one branch is in a CT with no income designation in downtown Kansas City, Missouri, an area surrounded by LMI CTs and accessible via the city's public transportation system. In addition, four branches are located in middle-income tracts and one branch in an upper-income tract that borders moderate-income CTs.

Commerce's record of opening and closing offices had no impact on LMI geographies. The bank did not close any branches during our evaluation period. Commerce opened or acquired five offices; however, none were in LMI CTs.

Hours of operation and services are comparable at each bank location regardless of tract income level. All branches are open Monday through Friday. A significant majority of offices offer drive-up facilities with extended hours on Friday and are open on Saturday. All six grocery store branches also offer Sunday hours.

Commerce operates a total of 110 ATMs throughout the Kansas City MA. One of the ATMs is located in a low-income CT, and 13 others are located in moderate-income CTs. The bank has an ATM in two CTs with no income designations, which are surrounded by LMI CTs and accessible via the city's public transportation system. Twenty-three of the ATMs are located in middle- or upper-income CTs that border LMI tracts or CTs with no income designation. Forty-eight branches have ATMs, all of which accept deposits. In addition, 25 stand-alone ATMs accept deposits.

Commerce participates in Kansas' VISION Program and Missouri's QUEST Program, which gives welfare recipients the ability to withdraw welfare payments by debit card at the bank's ATMs. Other alternative delivery systems include, but are not limited to: Internet banking, telebanking, and a 24-hour account information line. Commerce also offered free, on-line tax preparation and electronic filing for taxpayers with an annual gross income of \$20,000 or less. Commerce could not demonstrate the impact of alternative delivery systems in LMI geographies, or use of these systems by LMI individuals.

Commerce offers free checking accounts, a low minimum balance and free-checking product, and a low minimum balance savings and IRA products.

Community Development Services

Commerce provided an excellent level of community development services in the Kansas City MA. Bank officers regularly participate in a variety of organizations that primarily benefit LMI individuals or geographies, or promote economic development. Bank officers provide their financial expertise to numerous community development organizations.

Bank officers provided a substantial amount of financial education and advice in the AA. Employees taught financial education classes in several local elementary schools that primarily serve LMI families. A bank employee gave several homeownership-training presentations for a local Community Development Corporation (CDC) that provides neighborhood revitalization and housing opportunities for LMI individuals. Bank officers provided financial advice to community organizations that offer health care, housing, and other social services to LMI residents. Officers provided financial advice to organizations that offer flexible small business loans and promote economic development in LMI areas.

State Rating

State of Missouri

CRA Rating for Missouri²:

The lending test is rated: Outstanding

The investment test is rated: Outstanding

The service test is rated: Outstanding

The major factors that support this rating include:

- Commerce demonstrated good responsiveness to credit needs within the St. Louis MA. The bank ranked fifth among all lenders in home improvement and small business lending.
- The distribution of home mortgage loans to LMI borrowers is excellent. The geographic distribution of small business loans is good and stronger than the geographic distribution home mortgage lending.
- The level of community development lending is high and greatly enhanced the lending performance. Flexible loan programs provided increased opportunities for home ownership, especially among LMI individuals.
- The bank's lending performance in the limited-scope AAs is stronger than performance in the St. Louis MA. The bank achieved excellent distribution of home mortgage loans to LMI geographies and borrowers. Also, the distribution of small business loans by geography and business revenue was excellent.
- The bank showed excellent responsiveness to the community development investment needs in Missouri. Commerce provided strong support for LMI affordable housing initiatives, especially in the St. Louis, Missouri AA.
- Branch offices are readily accessible to all portions of the bank's AAs. For areas receiving limited-scope reviews, the branch distribution in LMI tracts exceeded the percentage of population living in those tracts. Commerce provided an excellent level of community development services to the AAs.

² For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Description of Institution's Operations in the State of Missouri

Commerce operates 90 branches and 176 ATMs within 15 AAs in the state of Missouri. This excludes the Missouri portion of the Kansas City MA, which is presented separately in this evaluation. The Missouri AAs include five metropolitan areas: St. Louis, Columbia, Joplin, Springfield, and St. Joseph; and nine nonmetropolitan areas, Hannibal, Cape Girardeau, Poplar Bluff, St. Francois County, Mexico/Moberly, California/Tipton, Bolivar/Lebanon, Cassville/Aurora, and Branson. Sixty percent of the bank's total deposits were attributed to these AAs. In addition, the bank originated 65 percent, by number, and 66 percent, by dollar volume, of its total reported loans in these AAs.

Commerce had the third highest deposit market share (\$8 billion or 9 percent) among all FDIC-insured financial institutions operating in Missouri, including the Missouri portions of the Kansas City MA. Major competitors are Firststar Bank, N.A. and Bank of America, N.A., with 13 percent and 11 percent deposit market shares, respectively.

The largest number of branches (44 percent) and ATMs (56 percent) in Missouri is attributable to the St. Louis MA. The St. Louis MA is the largest in Missouri, accounting for 35 percent of the bank's total deposits and 18 percent of the reported loan originations.

Refer to the market profiles for the St. Louis MA in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in the State of Missouri

We evaluated the bank's performance in the State of Missouri by performing a full-scope review of the St. Louis MA and limited-scope reviews of the Columbia, Joplin, Springfield, St. Joseph MAs and nine NonMA AAs combined. We selected the St. Louis MA for a full-scope review because 60 percent of the deposits in Missouri and 28 percent of the loans (excluding the Kansas City MA) are attributed to the St. Louis MA. This represents the largest volume of deposits and loans to any one AA in the state of Missouri.

In the Lending Test assessment, we gave equal weight to home mortgage and small business lending performance. Both are primary product lines for the bank and represent 47 percent and 53 percent, respectively, of the bank's total reported loan originations during this evaluation period. An analysis of Commerce's small farm loan originations for the St. Louis MA is not meaningful since this loan type represented less than 1 percent of its total loan originations. Small farm loans are not an identified credit need for this predominately metropolitan area.

We reviewed six community contacts with business groups, government agencies, and affordable LMI housing organizations. Primary credit needs are: financing for start-up

and small businesses, rehabilitation loans for the downtown business district of St. Louis, affordable housing, home improvement loans, and debt consolidation loans. Contacts also identified the need for more education and technical assistance for small business owners and financial training for LMI residents.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in the state of Missouri is rated "Outstanding." Based on full-scope reviews, the bank's performance in the St. Louis MA is good.

Lending Activity

Refer to Table 1 Lending Volume in the state of Missouri section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Lending levels reflect a good responsiveness in relation to area credit needs and the bank's deposit market share. Small business lending and home mortgage lending is essential to the local economy. Commerce's deposit market share of 11 percent (\$3 billion) ranks third among 63 financial institutions with offices in the AA. Those institutions with a greater market share are larger interstate banks that captured 23 percent and 17 percent of the market, respectively.

Business lending activity is good. Commerce reported 4,575 business loans totaling \$627.5 million over the evaluation period. Commerce originated 4.5 percent of all reported 2000 business loans in the St. Louis AA, ranking fifth among 135 lenders.

Home mortgage lending is adequate. Commerce reported 4,069 home mortgage loans totaling \$406.6 million during the evaluation period. The bank's market share is strongest in the home improvement area ranking fifth among 154 lenders with approximately 6 percent of the market. Commerce did not capture a significant market share for home purchase (ranked 63rd) or home refinance (ranked 18th).

Distribution of Loans by Income Level of the Geography

Commerce's geographic distribution of lending is good. Penetration in LMI geographies for small business loans is excellent and for home mortgage loans is adequate. Refer to Tables 2 – 6 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's loan origination and purchases in the St. Louis MA.

Home Mortgage Loans

The geographic distribution of home purchase loans is adequate. The percentage of loans in LMI geographies is less than the percentage of owner-occupied housing located in these areas. In low-income geographies, the opportunities for home ownership lending are limited due to the small percentage of owner-occupied housing (3 percent) in the low-income areas.

The geographic distribution of home improvement loans is good, despite performance that is less than demographics. Commerce ranks fifth in overall market share. Market share to LMI geographies is lower than the bank's overall market share.

The geographic distribution of home refinance loans is adequate. The percentage of loans in LMI geographies is less than the percentage of owner-occupied units in these areas. Market share to LMI geographies is lower than the bank's overall market share in the St. Louis MA.

We did not perform an analysis of multifamily housing loans. Due to the limited number of originations, an analysis of this product would not be meaningful.

Small Loans to Businesses

The geographic distribution of small loans to businesses located in low-income geographies is excellent and in moderate-income geographies is adequate. Commerce's penetration in low-income geographies exceeds the percentage of businesses located in the low-income geographies. Performance in the moderate-income geographies is less than comparable demographic data. Commerce's market share in low-income geographies exceeds its overall market share, and to moderate-income geographies is somewhat lower than its overall market share.

Lending Gap Analysis

Our geographic distribution analysis included a review for any unexplained lending gaps in the St. Louis MA, particularly in LMI areas. Our analysis found Commerce achieved penetration in 85 percent of the low- and 95 percent the of moderate-income tracts. Demographic information shows those tracts with no penetration are sparsely populated, have a limited number of owner-occupied units or businesses, and contain the highest concentration of families below the poverty level. This analysis had a neutral impact on the overall geographic distribution of lending.

Inside/Outside Ratio

We calculated this ratio at the bank level. The bank originated a substantial majority of its loans in its AA. Refer to the Scope of Evaluation section for additional details.

Distribution of Loans by Income Level of the Borrower

Commerce's distribution of loans to borrowers of different income levels is excellent. The distribution of loans to businesses of different sizes is good. The bank achieved excellent penetration to LMI borrowers with its home mortgage lending. Penetration to businesses with revenues of \$1 million or less was adequate. Refer to Tables 8 –11 in Appendix D for the facts and data used to evaluate the borrower distribution for the bank's loan originations and purchases in the St. Louis MA.

Home Mortgage Loans

Commerce's distribution of home mortgage loans to borrowers of different income levels is excellent. For all product types, the percentage of loans to moderate-income borrowers exceeds market demographics. The percentage of loans to low-income borrowers is excellent despite performance that is lower than demographics. Performance compares favorably to market demographics considering a poverty rate of 7 percent in this AA.

Commerce ranked fourth among area lenders in overall market share for home improvement loans. Market share for LMI borrowers is lower than the bank's overall market share. Commerce did not capture a significant portion of the market share for either home purchase or home refinance loans. Competition for home mortgage loans is strong with numerous financial institutions and nationwide lenders competing in this market. No single lender in the top ten captured a market share greater than 9 percent for either the home purchase or home refinance loan products.

Small Loans to Businesses

The distribution of loans to businesses of different sizes is good. While the percentage of loans to small businesses (i.e., gross annual revenues of \$1 million or less) is less than the percentage of small businesses in the AA, the bank's overall market share is good, ranking fifth among area lenders, including three nationwide lenders in the top five. In addition, a majority of the bank's loans originated for amounts of \$100,000 or less with an average loan size of \$87,000.

Community Development Lending

Commerce originated a high level of community development loans that enhanced its lending performance in the St. Louis MA, particularly in LMI areas. This level of community development lending had a positive impact on the Lending Test rating for the St. Louis MA. Refer to Table 1 Lending Volume in the St. Louis MA section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. However, Table 5 does not separately list CD loans.

Commerce originated 38 community development loans totaling \$54.9 million over the evaluation period.

- Twelve loans totaling \$50 million for projects that assisted in the revitalization and stabilization of LMI areas by retaining business and employment to individuals who are primarily LMI wage earners. The bank made six of these loans to businesses located in the City of St. Louis Empowerment and Enterprise Zones.
- Seventeen loans totaling \$4 million assisted organizations that provide community and social services to the LMI residents such as homeless shelters, meals, clothing, and job training.
- Nine loans totaling \$708,000 assisted organization in the acquisition and/or construction of affordable housing for LMI families.

Product Innovation and Flexibility

Commerce, through its mortgage company affiliate, offers a wide array of home mortgage loan programs with flexible terms to assist LMI borrowers in achieving home ownership. Affordable mortgage loan programs include national, state, and local government-sponsored programs that offer fixed rates, low down payments, closing costs, and down payment assistance.

Commerce also offers a closing cost grant program to assist LMI borrowers in qualifying for these loan programs. The bank's grant assistance program for LMI borrowers covers up to \$1,200 in eligible closing costs. The total amount of assistance granted in the St. Louis AA was \$13,600.

Commerce participated in the Missouri First Linked Deposit Business Loan Program. The program links state funds deposited in the lending institution to reduce interest rates to the borrower. The program was established to provide financing for small businesses creating jobs in Missouri and gives priority to firms located in enterprise zones and economically depressed areas. Commerce participated in the program during fiscal years 1999 and 2000; the state did not fund the program in 2001.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Columbia, Joplin, Springfield, and St. Joseph MAs and in the Non-MA Missouri combined AA is consistent with the bank's overall "Outstanding" performance under the lending test in the state of Missouri. Refer to the Tables 1 – 12 in the state of Missouri section of Appendix D for the facts and data that support these conclusions.

Factors that support a stronger performance in the limited-scope areas include:

- The geographic distribution of home mortgage loans to LMI areas in the Columbia, Joplin, and St. Joseph MAs is good as evidenced by the percentage of loans originated compared with area demographics. The geographic distribution of small business loans in the Joplin MA is excellent and exceeds area demographics.
- Borrower distribution for small business lending is stronger in all limited-scope AAs except Joplin, where performance was not inconsistent with the St. Louis MA. This is based on the higher percentage of loans originated to businesses with revenues of less than \$1 million compared with the percentage of businesses in the AAs that have revenues of less than \$1 million. Further, Commerce achieved a greater overall market share rank in these limited-scope areas, including a number one ranking for lending to businesses with revenues of less than \$1 million in both the Springfield and St. Joseph MAs.
- The type and amount of community development lending in the limited-scope AAs is excellent and enhanced the bank's overall performance. The majority of community development loans were for the acquisition or rehabilitation of affordable housing for LMI residents.
- Although small loans to farms were not part of the analysis for AAs receiving full-scope reviews, we noted excellent performance in borrower distribution and in market share across all limited-scope AAs.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Missouri is rated "Outstanding." Based on full-scope reviews, the bank's performance in the St. Louis MA is excellent. Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Also, refer to the Investment Test for the Kansas City MA for detailed descriptions of investments that benefited, or have the potential to benefit, broader statewide or regional areas including the bank's Missouri AAs. These investments included the CBI affiliate, Capital for Business; the Missouri Housing Development Commission; and the HUD Participation Certificates. Proportional allocations are included in the totals in Table 14 for each Missouri AA. Commerce allocated these investments amongst the AAs based on the portion of the bank's deposit base attributed to each AA.

Commerce and its affiliates showed excellent responsiveness to community development needs in the state of Missouri, providing \$25.2 million in qualified investments. Investments were diverse, demonstrating leadership and complexity in SBIC financing and showing strong support of affordable housing initiatives, especially in the St. Louis MA.

Commerce had \$16.3 million in qualified community development investments in its St. Louis MA. The bank funded \$13.2 million during the current evaluation period and had \$3.1 million outstanding from prior evaluation periods. Commerce focused its investments in small business development and equity investments in affordable housing equity funds. Commerce also provided sizable donations to support community development organizations providing services to LMI individuals in the AA. Prior investments continue to have an impact on the AA, supporting capitalization of viable businesses, which provide LMI jobs, and affordable housing for LMI individuals.

Commerce, through its affiliate CBI and CBI's venture capital subsidiary, CFB, provided strong support of small business development and expansion through SBIC investments in local businesses. Refer to the Investment Test for the Kansas City MA for details of this SBIC venture capital subsidiary. For the St. Louis MA, CFB's direct equity investments totaled \$8.2 million, \$1.6 million from prior evaluation periods and \$6.6 million during the current evaluation period. These SBIC investments provided capital for 11 businesses in the St. Louis MA.

Commerce actively participated in the St. Louis Equity Fund, a major sponsor of LMI affordable housing projects in the St. Louis MA. The bank has funded \$1.159 million, \$710,000 from prior evaluation periods and \$449,000 during the current evaluation period.

The St. Louis MA's allocation of the two Missouri Housing Development Commission bond issues was \$1.2 million. This represents \$820,000 outstanding from prior evaluation periods and \$412,000 for the current evaluation period. Refer to the Kansas City AA for details of these LMI housing bonds.

The HUD Participation Certificates allocated to the St. Louis MA totaled \$3.5 million for the current evaluation period. Refer to the Kansas City MA for details of this investment.

Commerce and its affiliates provided \$1.3 million in grants and donations to qualified community development organizations. The majority of these dollars assisted organizations that provide needed services to LMI individuals, including financial counseling, housing, food, health care, and social services.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Joplin MA and the combined nonMA is not inconsistent with the bank's overall "Outstanding" performance under the investment test.

In the Columbia MA, Springfield MA, and the St. Joseph MA AAs the bank's performance is weaker than the bank's overall performance in the state. This fact did not change the overall investment rating for Missouri. The investment performance in these AAs is considered good based on the amount of qualified investments relative to

the bank's operations in these AAs and the fewer opportunities for qualified investments. Refer to Table 14 in Appendix C for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in the state of Missouri is rated "Outstanding." Based on a full scope review, the bank's performance under the Service Test in the St. Louis MA is excellent.

Retail Banking Services

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Commerce's distribution of branches is readily accessible to all geographies and individuals of different income levels throughout the St. Louis MA. The percentage of branches in low-income tracts is comparable to the percentage of population residing in those tracts. The percentage of branches located in moderate-income tracts is lower than the percentage of population residing in those tracts. However, four branches are located in middle-income tracts and two branches are located in upper-income tracts that border LMI CTs.

Commerce's record of opening and closing offices had no impact on LMI geographies in the AA. No branches were closed during our evaluation period. Commerce opened or acquired four offices; however, none were in LMI CTs.

Hours of operation and services are comparable at each bank location regardless of tract income. All branches are open Monday through Friday. A significant majority of offices offer drive-up facilities with extended hours on Friday and are open on Saturday.

Commerce operates a total of 96 ATMs throughout the St. Louis MA. Five ATMs are located in low-income CTs, and seven others are located in moderate-income CTs. Eight ATMs are located in middle- or upper-income CTs that border LMI tracts or CTs with no income designation. Thirty-three branches have ATMs, all of which accept deposits. In addition, 28 stand-alone ATMs accept deposits.

Alternative delivery systems available in the St. Louis MA include the Missouri QUEST Program for welfare recipients to withdraw payments by debit card at bank ATMs. Other alternative delivery systems include Internet banking, telebanking, and a 24-hour account information line. Commerce could not demonstrate the impact of alternative delivery systems in LMI geographies, or use of these systems by LMI individuals.

Commerce offers a free checking product, and a low minimum balance and free-checking product. The bank also offers low minimum balance savings and IRA products.

Community Development Services

Commerce provided a good level of community development services in the St. Louis MA. Bank officers regularly participate in a variety of organizations that promote economic development or primarily benefit LMI individuals or geographies. Bank officers provide financial expertise to several different community development organizations in the AA.

Bank employees focused their efforts on providing financial advice. Employees provided financial advice to a community organization that provides services to moderate-income individuals and develops district ordinances in an urban area. Other examples include financial advice to community organizations that provide affordable housing to LMI individuals, organizations that promote economic development by financing small businesses, and to organizations that promote revitalization efforts in LMI geographies.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in Columbia MA, Joplin MA, Springfield MA, St. Joseph MA and combined Non-MAs in Missouri is not inconsistent with the bank's overall "Outstanding" performance under the service test in Missouri.

Performance in the Columbia, Joplin, St. Joseph, and Springfield MAs is stronger than the bank's overall rating of "Outstanding" performance in the state. Stronger performance in these geographies is based on the distribution of branches within LMI tracts exceeding the percentage of population living in those tracts. The branch distribution in these AAs had a substantial impact on the bank's overall outstanding performance under the service test in Missouri. Refer to Table 15 in the state of Missouri section of Appendix D for the facts and data that support these conclusions.

State Rating

State of Kansas

CRA Rating for Kansas³:

The lending test is rated: High Satisfactory

The investment test is rated: Low Satisfactory

The service test is rated: High Satisfactory

The major factors that support this rating include:

- Commerce demonstrated good responsiveness to credit needs within the Lawrence MA. The distribution of loans to businesses with revenues of less than \$1 million and to home mortgage borrowers is good. The geographic distribution of all product types is adequate, but not unreasonable given the demographic make-up of this AA.
- Commerce originated a high level of community development loans that enhanced the lending performance in the Lawrence MA. Flexible loan programs provided increased opportunities for home ownership, especially among LMI residents.
- The bank generated a modest volume of community development investments. However, investments were responsive to the identified needs.
- Bank branches are accessible to essentially all portions of the AAs. The bank provides a high level of community development services.

Description of Institution's Operations in the State of Kansas

Commerce operates 15 branches and 33 ATMs within four AAs in the state of Kansas. This excludes the Kansas portion of the Kansas City MA. Six branches and fifteen ATMs are located in the Lawrence MA. Three branches and nine ATMs are located in the nonmetropolitan Manhattan AA. Approximately six percent of the bank's total deposits are attributable to the state of Kansas. Nine percent, by number, and eight percent, by dollar volume, of the bank's total reported loans are in the state of Kansas.

Commerce ranked sixth among all FDIC-insured financial institutions in the state of Kansas with 2.3 percent of deposits. This includes deposits attributable to the Kansas portion of the Kansas City multistate metropolitan area. Major competitors are Capitol Federal Savings Bank, Bank of America, N.A. and Intrust, N.A. with 10.6 percent, 6.2

³ For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

percent, and 4.3 percent deposit market shares, respectively. In the Lawrence MA, Commerce ranked fourth in deposit market share (8.4 percent of deposits) among 22 financial institutions.

Refer to the market profiles for the Lawrence MA in Appendix C for detailed demographics and other performance context information for this AA that received a full-scope review.

Scope of Evaluation in the State of Kansas

We evaluated the bank's performance in the State of Kansas by performing a full-scope review in the Lawrence MA and a limited-scope review in the Independence, Pittsburgh/Columbus, and Manhattan AAs. We selected the Lawrence MA for a full-scope review because 24 percent of the deposits in the State of Kansas and 22 percent of the loans are attributed to the Lawrence MA. Both the Independence and Pittsburgh/Columbus geographies represent new AAs for the bank since the last evaluation. Activities in these AAs do not cover the entire evaluation period.

We gave equal weight to home mortgage and small business lending performance. Both are primary product lines for the bank and represent 50 percent and 46 percent, respectively, of the bank's total reported loan originations during this evaluation period. An analysis of Commerce's small farm loan originations for the Lawrence MA is not meaningful since this loan type represented less than 1 percent of total loan originations. Small farm loans are not an identified credit need for this AA.

We conducted one community contact in this AA with a local government official. Identified primary credit needs are housing construction and rehabilitation loans to provide affordable housing for LMI residents.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in the state of Kansas is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Lawrence MA is adequate.

Lending Activity

Refer to Table 1 Lending Volume in the state of Kansas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Lending levels reflect an adequate responsiveness in relation to area credit needs and the bank's deposit market share. Commerce's deposit market share of 8 percent ranks fourth among 22 financial institutions.

Home mortgage lending activity is adequate as Commerce originated 451 home mortgage loans totaling \$59.7 million. The bank did not achieve a significant overall market share; however, only seven financial institutions in the Lawrence MA are subject to HMDA data collection and reporting, therefore market share information is not as meaningful in this AA.

Business lending activity is adequate. Commerce reported 415 business loans totaling \$19 million over the evaluation period. Commerce originated approximately 9 percent of all reported 2000 business loans in the Lawrence MA, ranking fourth among 47 lenders.

Distribution of Loans by Income Level of the Geography

Commerce's geographic distribution of small business loans is adequate and home mortgage loans are poor. Refer to Tables 2 – 6 in the state of Kansas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's loan originations and purchases in the Lawrence MA.

Home Mortgage Loans

For all product types, performance in the moderate-income tracts is poor and is significantly lower than area demographics. Commerce did not achieve any penetration in the low-income tracts. However, given market demographics this is not considered poor performance. The number of owner-occupied housing in the low-income tracts is limited with only 20 units, or less than 1 percent of all units in the AA. Market share information does not provide any additional support, as the majority of financial institutions in this market are not required to collect and report home mortgage lending information.

We did not perform an analysis of multifamily housing loans. Due to the limited number of originations of these product types, an analysis of this product type would not be meaningful.

Small Loans to Businesses

The geographic distribution of small loans to businesses is adequate. Commerce did not achieve any significant penetration in the low-income tract; however, the percentage of businesses in the low-income tract is low. Performance in the moderate-income tract is stronger but still less than demographics. Commerce ranks fourth in overall market share, second in lending to the low-income tracts, and fifth in lending to moderate-income tracts. Market share information does not provide any additional support, as the majority of financial institutions in this market are not required to collect and report CRA loan data.

Lending Gap Analysis

Our geographic distribution analysis included a review for any unexplained lending gaps in the Lawrence MA, particularly in LMI areas. Commerce achieved penetration in all LMI areas. We did not identify any conspicuous gaps of underserved geographies within this AA.

Inside/Outside Ratio

We calculated this ratio at the bank level. The bank originated a substantial majority of its loans in its AA. Refer to the Scope of Evaluation section for additional details.

Distribution of Loans by Income Level of the Borrower

Commerce's distribution of loans to borrowers of different income levels and businesses of different sizes is good. The bank achieved good penetration to LMI borrowers with its home mortgage lending and to businesses with revenues of \$1 million or less. Refer to Tables 8 – 11 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's loan originations and purchases in the Lawrence MA.

Home Mortgage Loans

Commerce's distribution of loans to borrowers of different income levels is good. For home purchase and home improvement products, lending performance to moderate-income borrowers is near to or exceeds demographics. For home refinance lending, performance to moderate-income borrowers is lower than demographics but considered reasonable. For all product types, performance to low-income borrowers is significantly lower than demographics. This performance is not considered unreasonable given the demographics of this AA that includes a substantial population of students, a high percentage of rental units (45 percent), and a poverty level of 10 percent.

Small Loans to Businesses

The distribution of small loans to businesses is good. While the percentage of loans to businesses with revenues of less than \$1 million is less than demographics, the bank's overall market share is good, ranking fourth among 47 lenders. The bank's market share for loans to small businesses is greater than its overall market share. A majority of the bank's loans originated for amounts of \$100,000 or less with an average loan size of \$47,000.

Community Development Lending

Commerce originated a high level of community development loans that enhanced its lending performance in the Lawrence MA, particularly in LMI areas. This level of community development lending had a very positive impact on the Lending Test rating for the Lawrence MA. Refer to Table 1 Lending Volume in the Lawrence MA section of

Appendix D for the facts and data used to evaluate the bank's level of community development lending. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. However, Table 5 does not separately list CD loans.

Commerce originated 28 community development loans totaling \$24 million.

- Fifteen loans totaling \$19.3 million funded projects that assisted with the redevelopment of LMI areas in the city of Lawrence, including the historical district of downtown Lawrence. Many of these loans complemented the City of Lawrence East Side Development project through stabilization of the downtown area and attracted new businesses into the city of Lawrence. Additionally, \$1.5 million of these loans were granted to organizations that provide community services to LMI individuals for the construction of new facilities in which to provide these services.
- The bank made 11 loans totaling \$2.3 million to organizations and developers for the construction of affordable housing units for LMI families.
- The bank made two loans totaling \$2.6 million were made to an organization that provides community services such as transitional housing and counseling to at-risk pregnant teens.

Product Innovation and Flexibility

Commerce, through its mortgage company affiliate, offers a wide array of home mortgage loan programs with flexible terms to assist LMI borrowers in achieving home ownership. Affordable mortgage loan programs include national, state, and local government-sponsored programs that offer fixed rates, low down payments, closing costs, and down payment assistance.

Commerce also offers a closing cost grant program to assist LMI borrowers in qualifying for these loan programs. The bank's grant assistance program for LMI borrowers covers up to \$1,200 in eligible closing costs. The total amount of assistance granted in the Lawrence MA was \$3,500.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the NonMA Kansas combined AA is not inconsistent with the bank's overall "High Satisfactory" performance under the lending test in state of Kansas.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Kansas is rated "Low Satisfactory." Based on the full-scope review, the bank's performance in the Lawrence MA is adequate. Refer to Table 14 in Appendix C for the data used to evaluate the bank's level of qualified investments.

Some of the investments described in this section benefited, or have the potential to benefit, multiple AAs. Commerce allocated these investments amongst the AAs based on the portion of the bank's deposit base attributed to each AA. A community contact indicated primary credit needs were for affordable housing and rehabilitation loans to improve housing conditions of LMI residents.

Commerce and its affiliates had \$195,000 in qualified investments and donations attributed to this AA. The bank funded \$168,000 during this evaluation and had \$27,000 outstanding from prior evaluation periods.

The HUD Participation Certificates for housing and urban development allocated to the Lawrence MA totaled \$129,000 for the current evaluation period. Refer to the Kansas City MA for details of this investment.

Commerce and its affiliates provided \$15,000 in grants and donations to qualified community development organizations. The majority of these dollars assisted organizations that provide needed services to LMI individuals, including financial counseling, housing, food, health care, and social services.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in combined nonmetropolitan AAs was not inconsistent with the bank's overall "Low Satisfactory" performance in the state of Kansas. Refer to Table 14 in Appendix C for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Lawrence MA is good.

Retail Banking Services

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Commerce's distribution of branches is accessible to essentially all geographies and individuals of different income levels throughout the Lawrence MA. One branch is located in the only low-income CT in the AA. This branch is reasonably accessible to moderate-income CTs, where there are no Commerce branches. In addition, two branches are located in middle-income tracts and three branches are located in upper-income tracts that border LMI CTs.

Commerce has not opened or closed any branches in the Lawrence MA during this evaluation period.

Hours of operation and services in the AA are comparable at each bank location regardless of tract income level. All branches are open Monday through Friday. A significant majority of offices are open on Saturday. Two branches offer drive-up facilities. All three grocery store branches also offer Sunday hours.

Commerce operates a total of 15 ATMs throughout the Lawrence MA. Three ATMs are located in low-income CTs. There are no ATMs in moderate-income CTs. However, 11 ATMs are located in middle- or upper-income CTs that border LMI tracts. All six branches have deposit-taking ATMs. In addition, three stand-alone ATMs accept deposits.

Alternative delivery systems available in the Lawrence MA include the Kansas VISION Program, which allows welfare recipients to withdraw welfare payments by debit card at the bank's ATMs. Other alternative delivery systems include Internet banking, telebanking, and a 24-hour account information line. Commerce could not demonstrate the impact of alternative delivery systems in LMI geographies, or use of these systems by LMI individuals.

Community Development Services

Commerce provided a good level of community development services in the Lawrence MA. Bank officers regularly participate in a variety of organizations that promote affordable housing or provide financial education to LMI individuals. Bank officers provides financial advice to several LMI service organizations and teach financial education classes in local elementary schools that primarily serve LMI families.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance in the combined Kansas Non-MA AAs is not inconsistent with the bank's overall "High Satisfactory" performance in the state. Refer to Table 15 in the state of Kansas section of Appendix D for the facts and data that support these conclusions.

Appendix A: Scope of Examination

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	Lending Test: 01/01/1999 to 12/31/2001 Investment Test: 04/20/1999 to 04/22/2002 Service Test: 01/01/1999 to 12/31/2001	
Financial Institution	Products Reviewed	
Commerce Bank, National Association (Commerce) Kansas City, Missouri	Home Mortgage, Small Business, and Community Development Loans; Qualified Investments; Community Development Services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Commerce Mortgage Corporation	Mortgage Subsidiary of Commerce Bancshares, Inc.	Home Mortgage Loans
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Kansas City MA #3760 State of Missouri St. Louis MA #7040 Columbia MA #1740 Joplin MA # 3710 Springfield MA #7920 St. Joseph MA #7000 NonMA MO Combined (9 AAs)	Full-Scope Full-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope	Bolivar/Lebanon, Branson, California/Tipton, Cape Girardeau, Cassville/Aurora, Hannibal, Mexico/Moberly, Poplar Bluff, and St. Francois County
State of Kansas: Lawrence MA #4150 NonMA KS Combined (3 AAs)	Full- Scope Limited-Scope	Independence, Manhattan, and Pittsburgh/Columbus

Appendix B: Summary of Multistate Metropolitan Area and State Ratings

Commerce Bank, National Association				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/ Multistate Rating
Commerce Bank	Outstanding	Outstanding	High Satisfactory	Outstanding
Multistate Metropolitan Area or State:				
Kansas City MA	Outstanding	Outstanding	High Satisfactory	Outstanding
State of Missouri	Outstanding	Outstanding	Outstanding	Outstanding
State of Kansas	High Satisfactory	Low Satisfactory	High Satisfactory	High Satisfactory

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

Appendix C: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

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STATE OF KANSAS.....	C-5

Kansas City MA (MO-KS) #3760

Demographic Information for Full-Scope Area: Kansas City MA (MO-KS) #3760						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	428	10.28	22.66	42.06	22.20	2.80
Population by Geography	1,489,736	4.49	17.76	50.88	26.80	0.08
Owner-Occupied Housing by Geography	372,729	2.94	14.45	52.85	29.76	n/a
Businesses by Geography	68,211	4.81	13.91	46.77	32.14	2.37
Farms by Geography	2,098	1.14	7.29	60.87	30.46	0.24
Family Distribution by Income Level	399,406	18.03	17.80	24.98	39.20	n/a
Distribution of Low- and Moderate-Income Families throughout AA Geographies	143,082	8.78	28.31	50.40	12.50	n/a
Median Family Income = \$37,652		Median Housing Value = \$67,181				
HUD Adjusted Median Family Income for 2001 = \$62,200		Unemployment Rate = 3.90 %				
Households Below the Poverty Level = 9.78%						

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 1990 U.S. Census, and 2001 HUD updated MFI.

The Kansas City AA consists of seven contiguous counties in the Kansas City MSA. These counties are: Cass, Clay, Jackson and Platte in Missouri; and Johnson, Leavenworth and Wyandotte in Kansas. LMI CTs are predominately located in Jackson and Wyandotte Counties. The AA complies with regulatory guidelines and does not arbitrarily exclude any LMI areas. Commerce excluded the Counties of Miami in Kansas; and Clinton, Lafayette and Ray in Missouri. These counties are the furthest from bank locations and are outlying counties surrounding the greater Kansas City metro area.

Kansas City’s economy is stable with a diverse employment base. Unemployment is consistently below the national average. Kansas City’s largest employers are services, retail and government. Major employers include the federal and state government, Ford Motor Company, Fort Leavenworth, Sprint Corporation, and Hallmark Cards, Inc.

Kansas City’s downtown areas are in need of redevelopment. A federally-approved Bi-State Empowerment Zone encompasses 19.6 square miles surrounding the Kansas City, Missouri and Kansas City, Kansas downtown areas. The strategic plan for this area includes providing incentives to attract new businesses to the zone and to improve the lives of low-income residents through job opportunities and training.

Numerous commercial banks (including other interstate banks), savings institutions and mortgage companies provide strong competition in the Kansas City MA. Commerce held 9.8 percent of the deposits in this AA. Primary competitors include UMB Bank and Bank of America, which held deposit market shares of 11.5 and 10.4 percent, respectively.

State of Missouri

St. Louis MA #7040

Demographic Information for Full-Scope Area: St. Louis MA #7040						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	325	12.31	18.46	42.15	26.15	0.92
Population by Geography	1,774,501	7.14	13.29	44.74	34.82	0.01
Owner-Occupied Housing by Geography	460,050	3.33	10.59	47.71	38.37	n/a
Businesses by Geography	69,107	4.83	8.96	45.58	40.08	0.28
Farms by Geography	1,660	0.78	4.52	54.10	40.54	0.06
Family Distribution by Income Level	469,175	17.71	16.63	24.11	41.55	n/a
Distribution of Low- and Moderate-Income Families throughout AA Geographies	161,107	13.86	21.48	47.84	16.81	n/a
Median Family Income HUD Adjusted Median Family Income for 2001 Households Below the Poverty Level	= \$37,995 = \$60,400 = 9.69%	Median Housing Value Unemployment Rate		=\$82,497 =4.15%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census, and 2001 HUD updated MFI.

The St. Louis MA consists of St. Louis City and the counties of Jefferson, St. Charles and St. Louis. The AA complies with regulatory guidelines and does not arbitrarily exclude any LMI areas. Commerce excluded the Illinois portion of the multistate MSA and the Missouri Counties of Franklin, Lincoln and Warren. The bank does not have any branch locations in Illinois and the Mississippi River is a natural geographic boundary between the two states. The excluded Missouri Counties are located in the western part of the MA, which is furthest from bank branches.

St. Louis is located in eastern Missouri. The economy is stable and the unemployment rate is below the national average. St. Louis' largest industries are services and retail. Major employers in the AA are: BJC Healthcare, St. Louis University, Firststar Bank, U.S. Post Office and St. John's Mercy Medical Center.

A federally approved Regional Empowerment Zone encompasses CTs in both St. Louis City and St. Louis County. The downtown area has experienced some redevelopment to remove blight.

Numerous commercial banks (including interstate banks), savings institutions and mortgage companies provide strong competition in the St. Louis MA. Commerce ranked third in deposit market share (8.2 percent of deposits) among financial institutions in the AA. Primary competitors include Firststar Bank and Bank of America, which held deposit market shares of 20.3 and 13.6 percent, respectively.

State of Kansas

Lawrence MA #4150

Demographic Information for Full-Scope Area: Lawrence MA #4150						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	14	7.14	14.29	57.14	21.43	n/a
Population by Geography	81,798	5.98	16.47	57.15	20.40	n/a
Owner-Occupied Housing by Geography	15,821	0.13	11.10	64.74	24.03	n/a
Businesses by Geography	3,888	2.55	19.44	56.04	21.97	n/a
Farms by Geography	247	n/a	6.07	79.35	14.57	n/a
Family Distribution by Income Level	17,297	20.06	16.21	25.34	38.39	n/a
Distribution of Low- and Moderate-Income Families throughout AA Geographies	6,273	4.61	18.38	65.34	11.67	n/a
Median Family Income = \$35,632 HUD Adjusted Median Family Income for 2001 = 55,100 Households Below the Poverty Level = 21.52%			Median Housing Value = \$68,633 Unemployment Rate = 3.60%			

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census, and 2001 HUD updated MFI.

The Lawrence MA consists of Douglas County, which is the only county in the MA. The AA complies with regulatory guidelines and does not arbitrarily exclude any LMI areas.

Lawrence is located about 40 miles west of Kansas City in eastern Kansas. It is home to two universities: the University of Kansas, which is the area's largest employer and Haskell Indian Nations University. The economy is diversified and stable. Unemployment is below the national average. In addition to the University of Kansas, major employers include Lawrence Public Schools; Hallmark Cards, Inc; and the City of Lawrence.

Twenty-two financial institutions provide strong competition for banking services in the Lawrence MA. Commerce ranked fourth in deposit market share (8.37 percent of deposits) among financial institutions in the AA. Primary competitors are Capitol Federal Savings Bank, Firststar Bank and Douglas County Bank with 31.44, 20.48 and 11.25 percent market shares, respectively.

Appendix D: Tables of Performance Data

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CONTENT OF STANDARDIZED TABLE.....	D-2
TABLE OF PERFORMANCE DATA.....	D-5

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of the Examination). 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. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- 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, if applicable, 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.

Table 1. Lending Volume

LENDING VOLUME TO DECEMBER 31, 2001		Geography: COMMERCE BANK, N.A., KANSAS CITY, MO								Evaluation Period: JANUARY 1, 1999		
MA/Assessment Area (2001):	% 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)	
Multistate MA												
Full Scope: Kansas City MA (MO-KS)	100.00	3,070	284,331	3,794	416,211	229	8,684	70	129,208	7,163	838,434	100.00
State of Missouri												
Full Scope: St. Louis MA #7040	27.99	4,069	406,673	4,575	627,573	32	3,156	38	54,905	8,714	1,092,307	60.33
Limited Scope: Columbia MA #1740	5.38	861	87,146	736	64,175	70	4,792	9	1,774	1,676	157,887	3.05
Joplin MA #3710	2.76	344	29,930	475	63,570	36	2,093	4	8,381	859	103,974	2.46
Springfield MA #7920	13.92	1,270	126,009	2,357	199,317	698	18,013	6	11,922	4,331	355,261	11.25
St. Joseph MA #7000	9.49	1,510	118,660	1,304	144,829	137	5,768	4	237	2,955	269,494	5.34
NonMA MO Combined (9 A)	40.46	4,788	327,308	4,529	302,800	3,273	120,928	11	4,767	12,601	755,803	17.57
State of Kansas												
Full Scope: Lawrence MA #4150	22.00	451	59,770	415	29,466	8	396	28	24,240	902	113,872	24.15
Limited Scope: NonMA KS Combined (3 A)	78.00	984	72,086	1,418	108,679	764	28,429	8	1,986	3,174	211,180	75.85

* Loan Data as of December 31, 2001. Rated area refers to either the state or multistate MA rating area.

** The evaluation period for Community Development Loans is From January 01, 1999 to December 31, 2001.

*** Deposit Data as of June 30, 2001. Rated Area refers to either the state, multistate MA, or institution, as appropriate.

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE JANUARY 1, 1999 TO DECEMBER 31, 2001		Geography: COMMERCE BANK, N.A., KANSAS CITY, MO										Evaluation Period:				
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	Overa ll	Low	Mod	Mid	Upp	
Multistate MA																
Full Scope: Kansas City MA (MO-KS) #3760	902	100.00	2.94	1.11	14.45	8.43	52.85	45.01	29.76	45.45	0.27	0.37	0.13	0.24	0.33	
State of Missouri																
Full Scope: St. Louis MA #7040	984	25.42	3.33	1.63	10.59	5.39	47.71	43.39	38.37	49.59	0.35	0.09	0.17	0.30	0.47	
Limited Scope: Columbia MA #1740	384	9.92	2.42	0.78	10.30	7.81	63.43	69.27	23.85	22.14	2.88	0.00	1.45	3.29	2.63	
Joplin MA #3710	144	3.72	N/A	N/A	7.53	6.25	76.49	61.81	15.97	31.94	1.08	N/A	1.58	0.88	1.69	
Springfield MA #7920	466	12.04	0.05	0.00	16.68	5.58	60.93	55.58	22.34	38.84	1.44	0.00	0.21	1.20	2.83	
St. Joseph MA #7000	490	12.66	1.64	3.47	15.62	11.43	53.07	40.20	29.67	44.90	6.89	7.89	8.85	5.40	8.35	
NonMA MO Combined (9 AAs)	1,403	36.24	N/A	N/A	12.08	5.92	68.78	57.23	19.14	36.85	6.33	N/A	3.41	5.62	8.76	
State of Kansas																
Full Scope: Lawrence MA #4150	213	36.79	0.13	0.47	11.10	4.69	64.74	47.42	24.03	47.42	1.20	50.00	0.87	0.99	1.50	
Limited Scope: NonMA KS Combined (3 AAs)	366	63.21	0.14	0.00	16.19	13.93	63.54	54.37	20.13	31.69	4.42	0.00	6.61	4.22	3.64	

* Based on 2000 Peer Mortgage Data: Midwest Region.

** 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.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT JANUARY 1, 1999 TO DECEMBER 31, 2001			Geography: COMMERCE BANK, N.A., KANSAS CITY, MO								Evaluation Period:				
MA/Assessment Area:	Total Home Improvement 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	Over all	Low	Mod	Mid	Upp
Multistate MA															
Full Scope: Kansas City MA (MO-KS) #3760	874	100.00	2.94	1.60	14.45	10.30	52.85	54.69	29.76	33.41	5.67	1.95	4.16	5.45	7.09
State of Missouri															
Full Scope: St. Louis MA #7040	1,058	45.86	3.33	2.74	10.59	8.60	47.71	48.49	38.37	40.08	5.94	4.06	4.59	5.56	6.86
Limited Scope: Columbia MA #1740	64	2.77	2.42	9.38	10.30	7.81	63.43	53.13	23.85	29.69	8.36	37.50	11.11	6.91	7.95
Joplin MA #3710	41	1.78	N/A	N/A	7.53	7.32	76.49	63.41	15.97	29.27	2.96	N/A	3.13	2.81	3.61
Springfield MA #7920	175	7.59	0.05	0.00	16.68	12.57	60.93	69.14	22.34	18.29	10.24	0.00	8.74	11.41	7.84
St. Joseph MA #7000	207	8.97	1.64	2.42	15.62	10.14	53.07	49.76	29.67	37.68	14.05	30.00	9.26	13.03	16.80
NonMA MO Combined (9 AAs)	762	33.03	N/A	N/A	12.08	9.71	68.78	67.32	19.14	22.97	27.98	N/A	23.81	28.57	27.83
State of Kansas															
Full Scope: Lawrence MA #4150	31	14.03	0.13	0.00	11.10	3.23	64.74	67.74	24.03	29.03	4.48	0.00	0.00	4.96	5.26
Limited Scope: NonMA KS Combined (3 AAs)	190	85.97	0.14	1.05	16.19	16.32	63.54	61.58	20.13	21.05	19.22	100.00	8.16	19.71	24.00

* Based on 2000 Peer Mortgage Data: Midwest Region.

** 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.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE JANUARY 1, 1999 TO DECEMBER 31, 2001			Geography: COMMERCE BANK, N.A., KANSAS CITY, MO								Evaluation Period:				
MA/Assessment Area:	Total Home Mortgage Refinance 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	Over all	Low	Mod	Mid	Upp
Multistate MA															
Full Scope Kansas City MA (MO-KS) #3760	1,283	100.00	2.94	0.31	14.45	7.72	52.85	51.68	29.76	40.30	0.88	0.11	0.44	0.91	1.15
State of Missouri															
Full Scope: St. Louis MA #7040	2,011	30.47	3.33	1.04	10.59	5.17	47.71	41.72	38.37	52.06	1.15	0.29	0.61	1.03	1.60
Limited Scope: Columbia MA #1740	410	6.21	2.42	2.44	10.30	6.59	63.43	68.54	23.85	22.44	4.47	5.13	4.41	4.42	4.60
Joplin MA #3710	158	2.39	N/A	N/A	7.53	8.23	76.49	64.56	15.97	27.22	1.35	N/A	2.45	0.84	3.48
Springfield MA #7920	617	9.35	0.05	0.00	16.68	5.19	60.93	68.56	22.34	26.26	2.75	0.00	1.30	2.90	3.28
St. Joseph MA #7000	807	12.23	1.64	2.85	15.62	12.02	53.07	38.79	29.67	46.22	7.94	9.80	6.36	5.97	11.7 4
NonMA MO Combined (9 AAs)	2,597	39.35	N/A	N/A	12.08	7.43	68.78	66.11	19.14	26.46	11.7 0	N/A	8.65	11.5 1	13.6 6
State of Kansas															
Full Scope: Lawrence MA #4150	201	32.58	0.13	0.00	11.10	5.47	64.74	47.26	24.03	47.26	1.79	0.00	1.54	1.69	2.08

* Based on 2000 Peer Mortgage Data: Midwest Region.

** 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.

Limited Scope: NonMA KS Combined (3 AAs)	416	67.42	0.14	0.24	16.19	12.50	63.54	60.34	20.13	26.92	7.33	0.00	4.67	8.12	7.11
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Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY 1, 1999 TO DECEMBER 31, 2001			Geography: COMMERCE BANK, N.A., KANSAS CITY, MO								Evaluation Period: JANUARY						
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*						
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Multistate MA																	
Full Scope: Kansas City MA (MO-KS) #3760	11	100.00	6.91	0.00	26.99	9.09	41.48	72.73	24.37	18.18	5.51	0.00	0.00	9.80	7.69		
State of Missouri																	
Full Scope: St. Louis MA #7040	16	25.00	11.01	0.00	12.15	18.75	46.74	62.50	30.10	18.75	2.38	0.00	1.75	3.57	0.00		
Limited Scope: Columbia MA #1740	3	4.69	24.73	0.00	37.73	33.33	27.90	66.67	9.64	0.00	5.88	0.00	20.00	0.00	0.00		
Joplin MA #3710	1	1.56	N/A	N/A	36.72	0.00	40.35	100.00	22.93	0.00	10.00	N/A	0.00	25.00	0.00		
Springfield MA #7920	12	18.75	5.75	0.00	28.02	8.33	56.39	75.00	9.84	16.67	4.26	0.00	12.50	3.85	0.00		
St. Joseph MA #7000	6	9.38	18.12	0.00	20.32	33.33	28.94	33.33	32.62	33.33	9.09	0.00	33.33	0.00	0.00		
NonMA MO Combined (9 AAs)	26	40.62	N/A	N/A	13.11	7.69	56.12	73.08	30.77	19.23	35.71	N/A	66.67	44.44	0.00		
State of Kansas																	
Full Scope: Lawrence MA #4150	6	33.33	9.45	0.00	19.47	66.67	44.57	33.33	26.51	0.00	5.00	0.00	12.50	0.00	0.00		
Limited Scope: NonMA KS Combined (3 AAs)	12	66.67	8.09	0.00	32.82	8.33	31.67	66.67	27.42	25.00	13.33	0.00	14.29	0.00	25.00		

* Based on 2000 Peer Mortgage Data: Midwest Region.

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES JANUARY 1, 1999 TO DECEMBER 31, 2001												Geography: COMMERCE BANK, N.A., KANSAS CITY, MO					Evaluation Period:			
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total**	% of Business es ***	% BANK Loans	% of Business es ***	% BANK Loans	% of Business es ***	% BANK Loans	% of Business es ***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
Multistate MA																				
Full Scope: Kansas City MA (MO-KS) #3760	3,794	100.00	4.81	3.08	13.91	12.28	46.77	44.33	32.14	38.06	4.78	3.54	6.02	5.00	4.57					
State of Missouri																				
Full Scope: St. Louis MA #7040	4,575	32.73	4.83	5.84	8.96	6.67	45.85	45.20	40.08	42.12	4.50	7.44	3.59	4.56	4.53					
Limited Scope: Columbia MA #1740	736	5.27	25.07	19.84	15.02	10.60	47.66	57.47	12.25	12.09	6.43	8.13	7.10	6.20	5.58					
Joplin MA #3710	475	3.40	N/A	N/A	17.36	24.84	65.29	45.89	17.35	29.26	4.22	N/A	7.41	3.28	5.69					
Springfield MA #7920	2,357	16.86	3.67	2.89	14.38	12.94	63.47	66.27	18.48	17.90	11.91	10.98	14.89	12.68	9.47					
St. Joseph MA #7000	1,304	9.33	11.67	16.95	13.54	9.05	38.41	29.14	35.84	43.56	21.69	37.66	20.37	16.29	22.70					
NonMA MO Combined (9 AAs)	4,529	32.41	N/A	N/A	11.25	9.94	59.24	64.60	29.51	25.46	17.34	N/A	23.83	20.57	12.67					
State of Kansas																				
Full Scope: Lawrence MA #4150	415	22.64	2.55	0.96	19.44	9.88	56.04	50.84	21.97	38.31	8.93	27.27	6.70	8.57	11.37					
Limited Scope: NonMA KS Combined (3 AAs)	1,418	77.36	1.74	0.07	30.85	25.74	52.39	54.87	15.02	19.32	18.64	0.00	21.52	19.69	16.78					

* Based on 2000 Peer Small Business Data: US&PR.

** 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 (2001).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS JANUARY 1, 1999 TO DECEMBER 31, 2001			Geography: COMMERCE BANK, N.A., KANSAS CITY, MO								Evaluation Period:				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms** *	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Multistate AA															
Full Scope: Kansas City MA (MO-KS) #3760	229	100.00	1.14	0.00	7.29	5.24	60.87	59.83	30.46	34.93	22.10	0.00	15.00	18.87	30.11
State of Missouri															
Full Scope: St. Louis MA #7040	32	0.75	0.78	3.13	4.52	3.13	54.10	59.38	40.54	34.38	14.13	100.0 0	0.00	16.67	10.53
Limited Scope: Columbia MA #1740	70	1.65	3.54	4.29	4.25	0.00	78.07	82.86	14.15	12.86	10.80	20.00	0.00	9.09	33.33
Joplin MA #3710	36	0.85	N/A	N/A	3.04	2.78	93.28	94.44	3.69	2.78	2.56	N/A	14.29	2.40	0.00
Springfield MA #7920	698	16.44	0.34	0.00	6.13	1.15	76.49	92.26	17.04	6.59	65.48	0.00	50.00	65.87	62.96
St. Joseph MA #7000	137	3.23	0.44	0.00	2.40	0.73	63.83	49.64	33.12	49.64	11.71	0.00	7.69	7.11	26.67
NonMA MO Combined (9 AAs)	3,273	77.08	N/A	N/A	10.26	4.98	74.95	88.02	14.79	7.00	46.51	N/A	36.54	48.05	38.05
State of Kansas															
Full Scope: Lawrence MA #4150	8	1.04	0.00	0.00	6.07	0.00	79.35	50.00	14.57	50.00	5.56	0.00	0.00	4.55	10.00
Limited Scope: NonMA KS Combined (3 AAs)	764	98.96	1.23	0.00	14.60	21.47	67.78	69.50	16.39	9.03	67.16	0.00	87.72	74.53	27.94

* Based on 2000 Peer Small Business Data: US&PR.

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

*** Source Data - Dun and Bradstreet (2001).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE JANUARY 1, 1999 TO DECEMBER 31, 2001		Geography: COMMERCE BANK, N.A., KANSAS CITY, MO										Evaluation Period:				
MA/Assessment Area:	Total Home Purchase 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**	Over all	Low	Mod	Mid	Upp	
Multistate MA																
Full Scope: Kansas City MA (MO-KS) #3760	902	100.00	18.03	12.29	17.80	20.00	24.98	26.82	39.20	40.89	0.31	0.26	0.26	0.21	0.44	
State of Missouri																
Full Scope St. Louis MA #7040	984	25.42	17.71	11.03	16.63	20.41	24.11	24.95	41.55	43.61	0.43	0.16	0.31	0.32	0.69	
Limited Scope Columbia MA #1740	384	9.92	19.20	13.61	18.49	18.59	23.20	35.08	39.11	32.72	3.09	2.96	2.06	3.30	3.61	
Joplin MA #3710	144	3.72	18.51	11.81	18.94	11.81	24.15	24.31	38.40	52.08	1.20	1.57	0.87	1.32	1.22	
Springfield MA #7920	466	12.04	17.63	7.47	18.31	16.04	24.54	21.76	39.51	54.73	1.65	0.59	1.02	1.25	2.79	
St. Joseph MA #7000	490	12.66	21.01	8.21	17.51	16.63	22.88	24.23	38.60	50.92	7.79	7.02	4.34	8.47	9.65	
NonMA MO Combined (9 AAs)	1,403	36.24	19.97	6.07	17.38	13.99	22.43	24.84	40.22	55.10	7.02	5.08	3.91	6.49	9.25	
State of Kansas																
Full Scope: Lawrence MA #4150	213	36.79	20.06	4.72	16.21	15.09	25.34	26.42	38.39	53.77	1.42	0.00	1.04	1.20	1.90	
Limited Scope: NonMA KS Combined (3 AAs)	366	63.21	20.18	6.35	19.81	13.81	22.92	20.99	37.09	58.84	5.24	7.89	3.08	3.56	6.66	

* Based on 2000 Peer Mortgage Data: Midwest Region.

** As a percentage of loans with borrower income information available. No information was available for 0.82% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** 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.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT JANUARY 1, 1999 TO DECEMBER 31, 2001		Geography: COMMERCE BANK, N.A., KANSAS CITY, MO										Evaluation Period:				
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**	Over all	Low	Mod	Mid	Upp	
Multistate MA																
Full Scope: Kansas City MA (MO-KS) #3760	874	100.00	18.03	14.24	17.80	23.77	24.98	28.24	39.20	33.75	6.03	4.06	5.68	5.68	6.70	
State of Missouri																
Full Scope: St. Louis MA #7040	1,058	45.86	17.71	17.11	16.63	19.12	24.11	27.06	41.55	36.71	6.50	5.41	4.60	6.23	8.45	
Limited Scope: Columbia MA #1740	64	2.77	19.20	17.46	18.49	14.29	23.20	22.22	39.11	46.03	8.64	14.8 1	5.36	8.54	8.82	
Joplin MA #3710	41	1.78	18.51	7.50	18.94	20.00	24.15	27.50	38.40	45.00	3.11	1.61	1.03	2.42	5.03	
Springfield MA #7920	175	7.59	17.63	12.79	18.31	20.35	24.54	26.74	39.51	40.12	10.9 2	15.1 5	10.2 2	8.42	12.0 6	
St. Joseph MA #7000	207	8.97	21.01	9.85	17.51	15.27	22.88	16.75	38.60	58.13	14.2 2	16.6 7	11.2 4	8.40	19.8 6	
NonMA MO Combined (9 AAs)	762	33.03	19.97	12.52	17.38	19.63	22.43	27.01	40.22	40.84	29.2 7	28.9 7	28.9 7	29.0 6	28.5 7	
State of Kansas																
Full Scope: Lawrence MA #4150	31	14.03	20.06	3.45	16.21	17.24	25.34	24.14	38.39	55.17	4.31	0.00	7.50	1.96	5.26	

* Based on 2000 Peer Mortgage Data: Midwest Region.

** As a percentage of loans with borrower income information available. No information was available for 1.00% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** 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.

Limited Scope: NonMA KS Combined (3 AAs)	190	85.97	20.18	7.57	19.81	20.54	22.92	23.24	37.09	48.65	19.8 7	6.25	21.6 7	17.5 0	23.5 7
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Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE JANUARY 1, 1999 TO DECEMBER 31, 2001			Geography: COMMERCE BANK, N.A., KANSAS CITY, MO								Evaluation Period:				
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****	Over all	Low	Mod	Mid	Upp
Multistate MA															
Full Scope: Kansas City MA (MO-KS) #3760	1,283	100.00	18.03	10.20	17.80	16.25	24.98	25.20	39.20	48.35	1.07	0.43	0.48	1.05	1.84
State of Missouri															
Full Scope: St. Louis MA #7040	2,011	30.47	17.71	11.21	16.63	17.62	24.11	24.92	41.55	46.25	1.39	0.96	0.90	1.41	1.93
Limited Scope: Columbia MA #1740	410	6.21	19.20	8.54	18.49	14.39	23.20	30.00	39.11	47.07	4.97	3.05	5.49	4.09	5.82
Joplin MA #3710	158	2.39	18.51	7.01	18.94	13.38	24.15	17.20	38.40	62.42	1.45	0.53	0.25	1.68	2.20
Springfield MA #7920	617	9.35	17.63	10.45	18.31	16.25	24.54	21.39	39.51	51.91	3.28	3.18	1.64	2.49	4.82
St. Joseph MA #7000	807	12.23	21.01	5.26	17.51	16.77	22.88	25.66	38.60	52.32	9.32	5.77	7.14	7.24	12.60
NonMA MO Combined (9 AAs)	2,597	39.35	19.97	5.18	17.38	12.94	22.43	24.56	40.22	57.32	13.34	9.80	9.17	13.01	15.93
State of Kansas															
Full Scope: Lawrence (KS) MA #4150	201	32.58	20.06	3.02	16.21	10.55	25.34	27.64	38.39	58.79	2.09	0.00	1.18	2.45	2.47

* Based on 2000 Peer Mortgage Data: Midwest Region.

** As a percentage of loans with borrower income information available. No information was available for 0.78% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

**** 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.

Limited Scope: NonMA KS Combined (8 AAs)	416	67.42	20.18	4.94	19.81	14.07	22.92	21.73	37.09	59.26	8.11	10.5 3	6.08	6.22	9.71
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Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES JANUARY 1, 1999 TO DECEMBER 31, 2001				Geography: COMMERCE BANK, N.A., KANSAS CITY, MO			Evaluation Period:		
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
Multistate MA									
Full Scope: Kansas City MA (MO-KS) #3760	3,794	100.00	85.62	56.77	75.80	12.81	11.39	4.78	7.10
State of Missouri									
Full Scope: St. Louis MA #7040	4,575	32.73	83.51	55.91	68.24	16.24	15.52	4.50	7.33
Limited Scope: Columbia MA #1740	736	5.27	87.13	74.73	77.85	15.49	6.66	6.43	8.85
Joplin MA #3710	475	3.40	88.10	62.11	66.74	17.26	16.00	4.22	5.22
Springfield MA #7920	2,357	16.86	85.60	75.31	79.80	12.35	7.85	11.91	21.74
St. Joseph MA #7000	1,304	9.33	86.53	72.16	75.46	12.35	12.19	21.69	29.11
NonMA MO Combined (9 AAs)	4,529	32.41	88.13	78.25	92.24	5.56	2.20	17.34	23.69
State of Kansas									
Full Scope: Lawrence MA #4150	415	22.64	87.89	71.57	84.34	10.60	5.06	8.93	14.16
Limited Scope: NonMA KS Combined (3 AAs)	1,418	77.36	87.16	68.12	82.58	9.94	7.48	18.64	24.72

* Based on 2000 Peer Small Business Data: US&PR.

** 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 - 2001).

**** 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 7.57% of small loans to businesses originated and purchased by the bank.

Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS JANUARY 1, 1999 TO DECEMBER 31, 2001					Geography: COMMERCE BANK, N.A., KANSAS CITY, MO			Evaluation Period:	
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans*** *	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Multistate MA									
Full Scope: Kansas City MA (MO-KS) #3760	229	100.00	93.37	90.39	92.14	6.11	1.75	22.10	21.22
State of Missouri									
Full Scope: St. Louis MA #7040	32	0.75	90.84	75.00	68.75	18.75	12.50	14.13	11.27
Limited Scope: Columbia MA #1740	70	1.65	96.70	97.14	84.29	10.00	5.71	10.80	11.11
Joplin MA #3710	36	0.85	96.96	97.22	83.33	8.33	8.33	2.56	2.74
Springfield MA #7920	698	16.44	96.42	96.42	96.42	3.01	0.57	65.48	65.43
St. Joseph MA #7000	137	3.23	98.47	93.43	89.78	7.30	2.92	11.71	10.93
NonMA MO Combined (9 AAs)	3,273	77.08	97.41	95.48	93.59	5.39	1.02	46.51	46.37
State of Kansas									
Full Scope: Lawrence MA #4150	8	1.04	93.93	75.00	100.00	0.00	0.00	5.56	5.71
Limited Scope: NonMA KS Combined (3 AAs)	764	98.96	94.98	86.65	93.59	4.84	1.57	67.16	66.32

* Based on 2000 Peer Small Business Data: US&PR.

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2001).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 5.16% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS 1999 TO APRIL 22, 2002		Geography: COMMERCE BANK, N.A., KANSAS CITY, MO						Evaluation Period: APRIL 20,	
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Multistate MA									
Full Scope: Kansas City MA (MO-KS) #3760	56	3,190	358	6,539	414	9,729	100.00	0	0
State of Missouri									
Full Scope: St. Louis MA #7040	36	3,120	503	13,235	539	16,355	64.85	0	0
Limited Scope: Columbia MA #1740	11	48	59	279	70	327	1.30	0	0
Joplin MA #3710	13	478	44	1,276	57	1,754	6.95	0	0
Springfield MA #7920	13	324	104	1,279	117	1,603	6.36	0	0
St. Joseph MA #7000	11	93	118	629	129	722	2.86	0	0
NonMA MO Combined (9 AAs)	100	323	365	4,137	465	4,460	17.68	0	0
State of Kansas									
Full Scope: Lawrence MA #4150	33	27	49	168	82	195	18.80	0	0
Limited Scope: NonMA KS Combined (3 AAs)	100	256	70	586	170	842	81.20	0	0

* '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: COMMERCE BANK, N.A., KANSAS CITY, MO										
Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31, 2001																		
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	
Multistate MA																		
Full Scope: Kansas City MA (MO-KS) #3760	100.00	*50	100	0	12.0	48.0	38.0	0	6	1			+1	+4	4.49	17.76	50.88	26.80
State of Missouri																		
Full Scope: St. Louis MA #7040	60.33	40	44.44	5.00	5.00	37.5	52.5	0	5	1			+1	+3	7.14	13.29	44.74	34.82
Limited Scope: Columbia MA #1740	3.05	5	5.56	40.0	20.0	40.0	0	0	0	0					14.07	15.57	52.82	17.54
Joplin MA #3710	2.46	4	4.44	0	50.0	25.0	25.0	0	1	0				+1	0.00	10.07	74.26	15.67
Springfield MA #7920	11.25	11	12.22	0	27.2	63.6	9.09	4	1	0			+1		1.21	22.83	57.40	18.56
St. Joseph MA #7000	5.34	**3	3.34	33.3	0	0	33.3	3	0	0					3.77	17.28	49.70	28.89
NonMA MO Combined (9 AAs)	17.57	27	30	0	3.70	66.6	29.6	7	0	4			-2	-2	0.00	10.06	69.01	20.93
State of Kansas																		
Full Scope: Lawrence MA #4150	24.15	6	40	16.6	0	33.3	50.0	7	0	0					5.98	16.47	57.15	20.40
Limited Scope: NonMA KS Combined (3 AAs)	75.85	9	60	11.1	33.3	33.3	22.2	1	3	2	+2	+1			2.48	23.98	53.83	19.71

(*) For Kansas City, 1 branch (2% of total branches) is located in a CT with no income designation. Less than 1% of the population lives in CTs with no income designation.

(**) For St. Joseph, 1 branch (33.33% of total branches) is located in a CT with no income designation. Less than 1% of the population lives in CTs with no income designation.