



## **PUBLIC DISCLOSURE**

October 30, 2017

# **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

MidFirst Bank

Charter Number 714191

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Oklahoma City, OK 73118-6054

Midsized Bank Supervision  
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Chicago, Illinois 60606

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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## General Information and Overall CRA Rating

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority, when examining financial institutions subject to its supervision, to assess the institution’s record of meeting the credit needs of its entire community, including low- and moderate-income (LMI) neighborhoods, consistent with the safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution’s record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of MidFirst Bank (MidFirst, MFB, or the institution) issued by the OCC, the institution’s supervisory agency, for the evaluation period ending October 30, 2017. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.

**Institution’s CRA Rating:** This institution is rated **Satisfactory**.

The following table indicates the performance level of MidFirst Bank with respect to the Lending, Investment, and Service Tests:

Performance Levels	MidFirst Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	x		
High Satisfactory			x
Low Satisfactory		x	
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:

- The institution originated a majority of loans inside its assessment areas (AA), with consideration given to the bank's business strategy to purchase home mortgage loans nationwide;
- The institution's lending activity is good;
- The institution's geographic distribution of loans is excellent, considering excellent geographic distribution of home mortgage loans and good geographic distribution of loans to small businesses;
- The institution's borrower distribution is good, considering good distribution of both home mortgage loans by income level of borrower and loans to businesses with different revenue sizes;
- Community development lending is excellent and has a positive impact on lending performance. Loans supported revitalization and stabilization efforts in Enterprise Zones, affordable housing, and community services to low- and moderate-income individuals;
- MidFirst's overall investment performance is considered adequate;
- Service delivery systems are accessible to essentially all portions of MFB's AAs, commensurate with the size and scope of operations of the institution; and,
- MidFirst provides an excellent level of community development services, including loan modifications for LMI borrowers.

## 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.

**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 generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. 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 Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

**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 householder 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 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 conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn, loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing).

**Home Mortgage Loans:** Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

**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 five years and used to determine the income level category of geographies. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) 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 metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

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

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

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

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

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

**Small Loan(s) to Business (es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) 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.

**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 at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Description of Institution

MidFirst is a multistate financial institution headquartered in Oklahoma City, Oklahoma. MFB is a wholly owned subsidiary of Midland Financial Corporation, a \$13.3 billion savings and loan holding company also headquartered in Oklahoma City, Oklahoma. As of December 31, 2016, MFB had total assets of \$13.3 billion, total loans of \$10.7 billion, and Tier One Capital of \$1.4 billion.

During the evaluation period, MFB acquired two institutions. In January 2015, the bank completed its acquisition of Steel Street Bank & Trust located in Denver, Colorado. In July 2016, Midland Financial Company acquired 1<sup>st</sup> Century Bancshares, Inc. located in Los Angeles, California. 1<sup>st</sup> Century Bank operates as a division of MFB. We did not evaluate performance in California since there was less than six months of data to analyze based on the Lending Test evaluation period, and it would not be meaningful.

MFB is a full-service institution and its primary business focus is retail lending and banking services. The institution maintains a trust department and originates commercial loans and deposits. As of December 31, 2016, MFB had total deposits of \$7.4 billion and net loans represent 79.8 percent of total assets. According to the FDIC Deposit Market Share Report as of June 30, 2016, MFB is the fifth largest depository institution in the state of Oklahoma with deposits totaling \$4.8 billion. Deposits in Oklahoma represent 72.2 percent of MFB's total deposits. In Arizona, MFB is the ninth largest deposit taking institution with deposits totaling \$1.4 billion, which represents 21.1 percent of MFB's total deposits. In Colorado, MFB is the 30<sup>th</sup> largest deposit taking institution with \$445 million in deposits, which represents 6.7 percent of the MFB's total deposits. The loan portfolio is comprised of real estate loans and commercial loans, which represent 89.1 percent and 9.2 percent, respectively. Loans to individuals and for agriculture represent less than one percent of the loan portfolio, respectively.

As of October 30, 2017, MFB had 80 branches and 175 Automated Teller Machines (ATM) throughout Oklahoma, Arizona, Colorado, and California. MFB offers a full range of loan and deposit products to individuals and businesses, including free checking accounts, electronic bill payment, and mobile banking. Residential mortgage products include conventional mortgages, Federal Housing Administration (FHA), Veterans Administration (VA), land, and construction loans. Midland Mortgage, a servicing operation, is a division of MFB. MFB's affiliate, Midland Mortgage Company, is a shell holding company for real estate. Inactive affiliates include MidFirst Insurance Agency and MidFirst Limited Assurance.

MidFirst offers flexible loan programs to help borrowers in low- and moderate-income census tracts or that qualify as low- or moderate-income individuals. The Home Free Program is available in all assessment areas and offers a \$1,500 lender credit towards closing costs or down payment on a first lien loan. MFB originated 70 Home Free loans totaling \$7.1 million throughout the evaluation period. Innovative and flexible loans had a neutral impact on the overall Lending Test rating.

There are no known legal, financial, or other factors impeding this institution's ability to help meet the credit needs of its AAs. MFB received a "Satisfactory" rating in its prior CRA evaluation dated December 31, 2013.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We analyzed home purchase, home improvement, and home refinance mortgage loans reported under the HMDA, and small loans to businesses reported under the CRA, for the period January 1, 2014 through December 31, 2016. Multifamily and small farm loans are not a primary loan product. Therefore, we did not evaluate these products. Primary loan products for this review are products in which the institution originated at least 20 loans within the AA during the evaluation period. We reviewed CD loans, investments, and services for the period January 1, 2014 through October 30, 2017.

### Data Integrity

As part of our ongoing supervision of the institution, we tested the accuracy of HMDA and CRA lending data. We also reviewed the appropriateness of CD activities provided for consideration in our evaluation. This included testing CD loans, investments, and services for accuracy and to determine if they qualify as CD as defined in the CRA regulation.

### Selection of Areas for Full-Scope Review

We selected at least one AA for full scope review in each state where the bank has an office, excluding California. Full-scope reviews consider performance context, qualitative, and quantitative factors. In general, the AAs selected for full-scope review represented a significant portion of the institution's deposit base and lending activity in the state. The other AAs in each state were analyzed using limited-scope procedures. Limited-scope procedures consider quantitative factors alone.

Refer to the "Scope" section under each State Rating section for details regarding how the areas were selected.

### Ratings

The bank's overall rating is a blend of the state ratings, based on the results in those areas that received full-scope reviews. There are three rated areas: Oklahoma, Arizona, and Colorado. CRA performance in Oklahoma carried the most weight in determining MFB's overall ratings followed by Arizona. As of June 30th, 2016, Oklahoma represented 72.2 percent of total deposits and 65.8 percent of the bank's branch network. The state of Oklahoma also represents 58.6 percent of reportable loan

originations during the evaluation period. The state of Arizona has 21.1 percent of total deposits, 29.1 percent of the bank's branch network, and 35.2 percent of loans reported during the evaluation period. The state of Colorado carries the least weight with 6.7 percent of total deposits, 5.1 percent of bank branches, and 6.2 percent of reported loans during the evaluation period.

Additionally, when evaluating performance under the Lending Test, the bank's performance compared to aggregate industry data carried more weight than performance to demographics. We also placed more weight on the institution's distribution of home mortgage loans, which is consistent with MFB's lending strategy. Home mortgage loans represent a majority of the bank's loans during the evaluation period. Secondary emphasis was placed on small business loan performance based on the volume of commercial real estate lending. Significantly greater weight was placed on home purchase within the home mortgage loan category, followed by home refinance loans. Home improvement loans received the least weight. We did not evaluate home improvement loan performance in Colorado since the bank made less than 20 of these loans during the evaluation period.

The state ratings are based primarily on those areas that received full-scope reviews. Refer to the "Scope" section under each State Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

### **Inside/Outside Ratio**

The inside/outside ratio is an institution-wide calculation, and is not calculated by individual rating area or AA. The analysis is limited to MFB's originations and purchases, and does not include any affiliate data. Due to the volume and location of loans purchased by MFB, this ratio varies significantly when evaluating loans originated by the institution versus evaluating loans both originated and purchased.

When considering MFB's business strategy to purchase home mortgage loans from across the country, the institution's performance is adequate. Evaluating originations only, the institution originated a majority of all loan products inside its AAs over the combined three-year evaluation period. The total of number of loans originated and purchased inside the AAs is 12.1 percent. When considering originations only, this ratio increases to 86.9 percent. For loans originated and purchased, the percentage of loans (by number) inside the AAs by loan type are as follows: home purchase loans (32.6 percent), home refinance loans (30.9 percent), home improvement loans (89.8 percent), and small business loans (89.7 percent). For loan originations only, the percentage (by number) of loans inside the AAs are as follows: home purchase loans (81.4 percent), home refinance loans (84.0 percent), home improvement loans (89.8 percent), and small business loans (89.7 percent).

## **Lending Gap Analysis**

We reviewed summary reports and maps, and analyzed MFB's home mortgage and small business lending over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

## **Near to Branches**

Our analysis of retail branches focused on the current distribution of MFB's branches in low- and moderate-income geographies. For some AAs, we also considered branch locations in middle- or upper-income areas that were in close proximity to a low- or moderate-income geography. Proximity ranged from across the street to 0.50 miles away. We evaluated several factors to determine that these branches served individuals in these geographies. This included the likelihood that the areas surrounding the branches offered residents and businesses of the nearby low- or moderate-income geographies additional amenities or public services, such as post offices, grocery stores, strip malls, or "big box" stores. We confirmed whether the locations were along major transportation routes readily accessible by car in rural areas or public transportation in urban areas. Finally, we reviewed maps comparing branch locations to MFB's retail and small business customer locations to demonstrate these branches were serving individuals and businesses in the low- and moderate-income geographies.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. §25.28(c) or 12 C.F.R. §195.28(c), in determining a national bank's or Federal Savings Association's (bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution, or any affiliate whose loans have been considered as part of the institution's lending performance, has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## State Rating

### State of Oklahoma

<b>CRA Rating for Oklahoma:</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>Outstanding</b>
<b>The investment test is rated:</b>	<b>Low Satisfactory</b>
<b>The service test is rated:</b>	<b>High Satisfactory</b>

The major factors that support this rating include:

- A good level of lending for home mortgage loans and small loans to small businesses;
- An excellent geographic distribution, as reflected by an excellent distribution of home mortgage loans and a good distribution of small loans to businesses;
- A good borrower distribution of home mortgage loans and small loans to businesses;
- An excellent level of CD loans that were responsive to community needs;
- An adequate level of qualifying investments, grants, and donations;
- A good branch distribution that is accessible to individuals living in LMI geographies;  
and
- An excellent level of CD services that were responsive to community needs.

## **Description of Institution's Operations in Oklahoma**

MFB has three AAs in the state of Oklahoma. The Oklahoma City (OKC) MSA AA includes the counties of Canadian, Cleveland, Grady, and Oklahoma. The Tulsa MSA AA includes Tulsa County. The Non-MSA AA consists of eight counties geographically dispersed throughout Oklahoma. They include the counties of Caddo, Custer, Washita, Jackson, Payne, Pottawatomie, Texas, and Woodward. We combined the nonmetropolitan areas for analysis purposes in the Non-MSA OK AA.

MFB has 52 branches in Oklahoma, representing 65.8 percent of the bank's branch network. The Oklahoma City AA has 61.5 percent of the branches in the state. Additionally, the bank serves Oklahoma with 45 full-service ATMs. The bank did not open any branches, but closed two branches during the evaluation period. According to the FDIC Deposit Market Share Report as of June 30, 2016, MFB had \$4.8 billion in deposits in Oklahoma, and was ranked fifth out of 228 deposit taking institutions. MFB had a deposit market share of 5.7 percent in the state of Oklahoma, which also represents 58.6 percent of reportable loan originations during the evaluation period. The Oklahoma City AA has 72.8 percent of reported loans in the state.

Refer to the community profiles for the state of Oklahoma in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **Scope of Evaluation in Oklahoma**

For Oklahoma, we completed a full-scope review of the OKC MSA AA and the combined Oklahoma non-MSA AA counties. The Tulsa MSA received a limited-scope review. The OKC AA and Oklahoma non-MSA AA represent 88.2 percent of the deposits and 80.0 percent of the branches in Oklahoma. The OKC MSA AA received the most weight on final conclusions since 72.8 percent of CRA reportable loans and 75.9 percent of the institution's deposits in Oklahoma were in the OKC AA. Refer to Appendix A for more information on the Oklahoma AAs.

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

### **LENDING TEST**

#### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in Oklahoma is rated "Outstanding." Based on full-scope reviews, the bank's performance in the OKC MSA AA is excellent and performance in the Oklahoma non-MSA AA is good.

## **Lending Activity**

MFB's overall lending activity in Oklahoma is good. This is supported by good lending activity in both the OKC MSA AA and the OK non-MSA AA.

Refer to Tables 1 Lending Volume in the state of Oklahoma section of appendix D for the facts and data used to evaluate the bank's lending activity.

### Oklahoma City MSA AA

MFB's lending activity in the OKC MSA AA is good when considering competition within the AA. Based upon FDIC Deposit Market Share data as of June 30, 2016, MidFirst achieved a 12.9 percent market share of deposits, ranking third among 66 financial institutions in the AA. Based on 2015 Peer Data, MFB achieved a 2.1 percent market share of home purchase loans, ranking 11th among 350 reporting lenders. For home purchase loans, MFB was in the top 3.1 percent of all home purchase lenders in the AA. The institution achieved a 1.5 percent market share of home refinance loans, ranking 18th among 316 reporting lenders and achieved a 1.7 percent market share of home improvement loans, ranking 10th among 132 reporting lenders. For home refinance and home improvement loans, MFB was in the top 5.7 percent and 7.6 percent of all lenders, respectively. The top five lenders for each respective home loan product in this AA originated 29.9 percent home purchase loans, 26.0 percent of refinance loans, and 64.3 percent of home improvement loans. Some key lenders, US Bank and Wells Fargo, do not have a deposit presence in the AA.

MFB achieved a 4.20 percent market share of small loans to businesses, ranking ninth among 100 reporting lenders. For small business loans, MFB was in the top 9.0 percent of all small business lenders in the AA. MidFirst purchased a large pool of credit cards in 2015, which increased small business lending. The top five small business lenders are nationwide credit card institutions that originated 54.0 percent of loans in this AA. Only one of the top lenders, JP Morgan Chase, has a significant deposit presence in the AA.

### Oklahoma Non-MSA AA

MFB's lending activity in the OK non-MSA AA is good when considering competition in the AA. Based on FDIC Deposit Market Share data as of June 30, 2016, MidFirst achieved a 10.0 percent market share, ranking third out of 60 depository institutions in the AA. Based on 2015 Peer Data, MFB achieved a 2.1 percent market share of home purchase loans, ranking 13<sup>th</sup> among 191 reporting lenders. For home purchase loans, MFB was in the top 6.8 percent of all home purchase lenders in the

AA. The institution achieved a 2.9 percent market share of refinance loans, ranking seventh among 169 reporting lenders, and achieved a 3.8 percent market share of home improvement loans, ranking sixth among 69 reporting lenders. For home refinance and home improvement loans, MFB was in the top 4.1 percent and 8.7 percent of all lenders, respectively. The top five lenders for each respective home loan product in the AA originated 28.5 percent of home purchase loans, 33.6 percent of refinance loans, and 67.2 percent of home improvement loans.

MFB achieved a 2.1 percent market share of loans to small businesses, ranking 15<sup>th</sup> among 52 reporting lenders. The top five small business lenders originated 53.8 percent of loans in this AA. Four of the five top institutions are national credit card lenders and do not have a deposit presence in the AA.

## **Distribution of Loans by Income Level of the Geography**

The geographic distribution of loans is excellent. Our analysis placed greater weight on home mortgage lending, which represents a majority of the bank's CRA reportable lending activity.

### ***Home Mortgage Loans***

The geographic distribution of home mortgage loans is excellent.

Refer to Tables 2, 3, 4, and 5 in the Oklahoma section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

### **Oklahoma City MSA AA**

The geographic distribution of the institution's home mortgage lending is excellent. We gave consideration to the limited opportunities for residential mortgage lending in low-income geographies of the AA due to limited housing stock. In low-income geographies, owner-occupied units, rental units, and vacant units represent 3.5 percent, 46.8 percent, and 19.0 percent, respectively.

Home Purchase Loans

MFB's geographic distribution of home purchase loans is excellent. Performance in low-income geographies is good. The percentage of loans in low-income census tracts exceeded the aggregate industry distribution of loans in these tracts. Performance compared to the percentage of owner-occupied units was poor in low-income geographies. Performance in moderate-income geographies is excellent. The percentage of loans in moderate-income tracts exceeded both the aggregate industry distribution of loans in these tracts and demographics.

Home Improvement Loans

MFB's geographic distribution of home improvement loans is excellent. Performance in low-income geographies is good. The percentage of loans in low-income census tracts is similar to the aggregate industry distribution of loans in these tracts. The volume of these loans is below the percentage of owner-occupied units in low-income geographies. Performance in moderate-income geographies is excellent. The percentage of loans in moderate-income tracts exceeded both the aggregate industry distribution of loans in these tracts and demographics.

Home Refinance Loans

MFB's geographic distribution of home refinance loans is good. Performance in low-income geographies is good. The percentage of loans in low-income census tracts exceeded the aggregate industry distribution of loans in these tracts. The institution's performance of these loans is below the percentage of owner-occupied units in low-income geographies. Performance in moderate-income geographies is good. The percentage of loans in moderate-income tracts exceeded the aggregate industry distribution of loans in these geographies. The institution's performance of these loans was below demographics.

Oklahoma Non-MSA AA

The geographic distribution of home mortgage lending is good. We gave consideration to the limited opportunities for residential mortgage lending in low-income geographies of the AA due to limited housing stock. In low-income geographies, owner-occupied units, rental units, and vacant units represent 1.9 percent, 55.2 percent, and 19.6 percent, respectively.

Home Purchase Loans

MFB's geographic distribution of home purchase loans is good, considering the limited opportunities to lend in low-income geographies. Performance in low-income geographies is very poor. The percentage of loans in low-income census tracts is significantly below both the aggregate industry distribution of loans and the percentage of owner-occupied units in these tracts. Performance in moderate-income geographies is excellent. The percentage of loans in moderate-income tracts exceeded both the aggregate industry distribution of loans in these geographies and demographics.

### Home Improvement Loans

MFB's geographic distribution of home improvement loans was good given the limited opportunities to lend in low-income geographies. Performance in low-income geographies is very poor. The percentages of loans in low-income census tracts were significantly below both the aggregate industry distribution of loans and the percentage of owner-occupied units in these tracts. Performance in moderate-income geographies is excellent. The percentage of loans in moderate-income tracts exceeded the aggregate industry distribution of loans in these geographies. The institution's performance of these loans is similar to demographics.

### Home Refinance Loans

MFB's geographic distribution of home refinance loans is adequate. Performance in low-income geographies is good. The percentage of loans in low-income census tracts exceeded the aggregate industry distribution of loans in these tracts. The institution's performance of these loans is below the percentage of owner-occupied units in low-income geographies. Performance in moderate-income geographies is poor. The percentages of loans in moderate-income tracts are significantly below both the aggregate industry distribution of loans in these geographies and demographics. Performance is poor compared to aggregate industry data and very poor compared to demographics.

### ***Small Loans to Businesses***

Overall, the geographic distribution of small loans to businesses is good. Good performance is demonstrated in the OKC MSA AA and adequate performance in the OK non-MSA AA.

Refer to Table 6 in the state of Oklahoma section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

### Oklahoma City MSA AA

MFB's geographic distribution of small loans to businesses is good. Performance in low-income geographies is good. The percentage of loans in low-income census tracts is similar to the aggregate industry distribution of loans in these tracts. The institution's performance of these loans exceeded the percentage of businesses in low-income geographies. Performance in moderate-income geographies is good. The percentage of loans in moderate-income tracts is near to both the aggregate industry distribution of loans in these geographies and demographics.

### Oklahoma Non-MSA AA

MFB's geographic distribution of small loans to businesses is good considering that only four percent of businesses are in low-income census tracts. Performance in low-income geographies is very poor. The percentage of loans in low-income census tracts is significantly below both the aggregate industry

distribution of loans and the percentage of businesses in these tracts. Performance in moderate-income geographies is excellent. The percentage of loans in moderate-income tracts exceeded both the aggregate industry distribution of loans in these geographies and demographics.

## **Distribution of Loans by Income Level of the Borrower**

The overall borrower distribution of loans is good. As noted previously, greater weight was placed on home mortgage lending, which represents a majority of the bank's CRA reportable lending activity.

### ***Home Mortgage Loans***

The borrower distribution of home mortgage loans is good. Our evaluation considered the housing costs, poverty levels, and other economic factors that may impede a low- or moderate-income person from qualifying for a loan. In the Oklahoma City and Oklahoma non-MSA AAs, housing is not affordable for low-income individuals. These factors are discussed in the community profile section in Appendix C and impacted our overall conclusions.

Refer to Tables 8, 9 and 10 in the state of Oklahoma section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

### **Oklahoma City MSA AA**

The overall borrower distribution of home mortgage loans is good.

### **Home Purchase Loans**

The borrower distribution of home purchase loans is good. Performance to low-income borrowers is adequate considering that housing is not affordable for these borrowers. The percentage of loans to low-income borrowers is below the aggregate industry distribution of loans to these borrowers. The institution's percentage of these loans is significantly below the percentage of low-income families in the AA. Performance to moderate-income borrowers is good. The percentage of loans to moderate-income borrowers is similar to the aggregate industry distribution of loans to these borrowers. The institution's percentage of these loans exceeded demographics.

### **Home Improvement Loans**

The borrower distribution of home improvement loans is good. Performance to low-income borrowers is adequate. The percentage of loans to low-income borrowers is below both the aggregate industry distribution of loans to these borrowers and the percentage of low-income families in the AA.

Performance to moderate-income borrowers is excellent. The percentage of loans to moderate-income borrowers exceeded both the aggregate industry distribution of loans to these borrowers and demographics.

#### Home Refinance Loans

The borrower distribution of home refinance loans is good. Performance to low-income borrowers is good considering that housing is not affordable for these borrowers. The percentage of loans to low-income borrowers is closely comparable to the aggregate industry distribution of loans to these borrowers. The institution's percentage of these loans is significantly below the percentage of low-income families in the AA. Overall performance to moderate-income borrowers is good. The percentage of loans to moderate-income borrowers is similar to both the aggregate industry distribution of loans to these borrowers and demographics.

#### Oklahoma Non-MSA AA

The overall borrower distribution of home mortgage loans is good.

#### Home Purchase Loans

The borrower distribution of home purchase loans is good. Performance to low-income borrowers is good considering that housing is not affordable for these borrowers. The AA also has a high percentage of families below the poverty line. The percentage of loans to low-income borrowers is near to the aggregate industry distribution of loans to these borrowers. The institution's percentage of these loans is significantly below the percentage of low-income families in the AA. Performance to moderate-income borrowers is excellent. The percentage of loans to moderate-income borrowers exceeded both the aggregate industry distribution of loans to these borrowers and demographics.

#### Home Improvement Loans

The borrower distribution of home improvement loans is good. Performance to low-income borrowers is adequate considering the lack of affordable housing for these borrowers. The percentage of loans to low-income borrowers is significantly below both the aggregate industry distribution of loans to these borrowers and the percentage of low-income families in the AA. Performance to moderate-income borrowers is excellent. The percentage of loans to moderate-income borrowers exceeded both the aggregate industry distribution of loans to these borrowers and demographics.

#### Home Refinance Loans

The borrower distribution of home refinance loans is excellent. Performance to low-income borrowers is good. The percentage of loans to low-income borrowers exceeded the aggregate industry distribution of loans to these borrowers. The institution's percentage of these loans is significantly below the percentage of low-income families in the AA. Performance to moderate-income borrowers is excellent.

The percentage of loans to moderate-income borrowers exceeded both the aggregate industry distribution of loans to these borrowers and demographics.

***Small Loans to Businesses***

The overall borrower distribution of small loans businesses is good.

Refer to Table 11 in the state of Oklahoma section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Oklahoma City MSA AA

The borrower distribution of small loans to businesses is good. The percentage of small loans to businesses with gross annual revenue of \$1 million or less exceeded the aggregate industry distribution of loans to these businesses. Performance compared to demographics is poor as the institution's percentage of these loans is significantly below the percentage of small businesses.

Oklahoma Non-MSA AA

The overall borrower distribution of small loans to businesses is good. The percentage of small loans to businesses with gross annual revenue of \$1 million or less exceeded the aggregate industry distribution of loans to these businesses. Performance compared to demographics is poor as the institution's percentage of these loans is significantly below the percentage of small businesses.

## Community Development Lending

Community development lending is excellent. MFB is a leader in providing CD lending in the OKC AA. The level of CD loans in the OKC AA was responsive to community needs. In the Oklahoma non-MSA AA, CD lending had a neutral impact on the institution's lending performance.

Refer to Table 1 Lending Volume in the state of Oklahoma section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

### Oklahoma City MSA AA

MFB's level of CD lending had a significantly positive impact on its lending performance in the AA. During the evaluation period, the institution originated 49 qualified CD loans, for a total of \$512.5 million. This volume represented 68.4 percent of allocated Tier One Capital. MFB's CD loans demonstrated excellent responsiveness to AA needs, and concentrated on affordable housing, and revitalization and stabilization efforts in Empowerment and/or Enterprise Zones.

Specific examples of the CD loans originated during the evaluation period include:

- Two loans totaling \$44.5 million to construct an apartment complex in a designated disaster area. The complex helps provide affordable housing for moderate-income individuals. The loan helped rebuild housing stock after the May 2013 tornado.
- Two loans totaling \$33.7 million to refinance debt on a local historic hotel in a low-income census tract located in an Enterprise Zone. The original loans qualified for new market tax credits and were for renovation purposes.
- Two loans totaling \$20 million loan to construct a warehouse in a moderate-income census tract located in an Enterprise Zone. The loans provided approximately 120 low- and moderate-income jobs at the facility.

### Oklahoma Non-MSA AA

MFB's level of CD lending was adequate and had a neutral impact on its overall lending performance in the AA. During the evaluation period, the institution originated one qualified CD loan totaling \$2.75 million. This volume represented 2.3 percent of allocated Tier One Capital. MFB renewed the loan for a

218-unit multi-family building. Average rental rates are affordable for LMI families. The property is located in a middle-income census tract that was designated as an underserved non-metropolitan area by the agencies in accordance to CRA regulations. The loan helped provide affordable housing, which is a need for low-income individuals.

## **Product Innovation and Flexibility**

MFB participates in several flexible loan and grant programs that focus on making home ownership affordable in Oklahoma. We did not consider any bank products or services innovative. Performance had a neutral impact on MFB's Lending Test performance.

### Oklahoma City MSA AA

MFB participated in several flexible programs that benefitted the Oklahoma City MSA AA. The bank offers Home Free loans in all AAs, which is documented in the Description of Institution section of this document. Additionally, MFB originated 41 flexible loans, totaling \$3.9 million, throughout the evaluation period. The most significant flexible loan programs utilized in the AA are summarized below.

- Oklahoma County Home Finance Agency Turnkey Mortgage Origination Program-This program provides a 30-year fixed rate loan, as well as a 3.5 percent non-repayable down payment assistance grant for homebuyers throughout Oklahoma County. MFB made 13 loans totaling \$1.2 million during the evaluation period.
- Oklahoma Housing Finance Agency – State Bond Program-This bond program is designed to provide homebuyer assistance through various programs. The programs assist certain borrowers in getting an optimal interest rate, with down payments, and programs designed to assist police officers, firefighters, and educators. MFB made 13 loans totaling \$1.3 million during the evaluation period.

### Oklahoma Non-MSA AA

MFB offers Home Free loans in all AAs, which is documented in the Description of Institution section of this document. Additionally, MFB participated in three flexible loan and bond programs that benefitted the non-MSA Oklahoma AA, extending five loans totaling \$550 thousand during the evaluation period. The most significant program is summarized below.

- Oklahoma Housing Finance Agency – State Bond Program-This bond program is designed to provide homebuyer assistance through various programs. The programs assist certain borrowers in getting an optimal interest rate, with down payments, and

programs designed to assist police officers, firefighters, and educators. MFB originated three loans totaling \$304 thousand during the evaluation period.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Tulsa MSA AA is weaker than the bank's overall "Outstanding" performance under the Lending Test for the state of Oklahoma. Performance in the Tulsa MSA AA is considered adequate due to weaker borrower distribution performance and the lack of CD lending in the AA. Performance in the Tulsa MSA AA had a neutral impact on the Lending Test rating in the state. Refer to the Tables 1 through 13 in the state of Oklahoma section of appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The institution's performance under the Investment Test in Oklahoma is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the OKC MSA AA and Oklahoma non-MSA AA is adequate.

Refer to Table 14 in the state of Oklahoma section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

#### Oklahoma City MSA AA

MFB's performance under the Investment Test in the Oklahoma City MSA AA is adequate. During the evaluation period, the institution made investments and grants totaling \$33.1 million. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. The remaining balance on eight prior period investments as of the date of our examination was \$2.1 million. When considering both current and prior period investments, the total of \$35.2 million represents 4.7 percent of allocated Tier One Capital. The bank's responsiveness to the CD needs in the AA is adequate. A majority of investments were \$31 million in mortgage back securities that support affordable housing for LMI families and individuals. Based on housing costs in the AA, affordable housing is a need in the AA. MFB also made an investment in a \$1.6 million bond to construct a new middle school that primarily serves LMI families in the AA. Investments in organizations that provide community services to LMI individuals were notable with donations made to 75 agencies in the AA.

### Oklahoma Non-MSA AA

MFB's performance under the Investment Test in the non-MSA AA is adequate. During the evaluation period, the institution made investments and grants totaling \$4.6 million. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. The remaining balance on two prior period investments as the date of our examination was \$50 thousand. When considering both current and prior period investments, the total dollar volume of investments represents 3.8 percent of allocated Tier One Capital. The bank's responsiveness to the CD needs in the AA is adequate. A majority of investments were with \$2.5 million in municipal and school bonds. School bond proceeds helped school districts that primarily serve LMI families. The remaining investments, \$2.1 million, were in mortgage back securities that support affordable housing. Based on housing costs in the AA, affordable housing is a need in the AA. Donations of \$20.5 thousand helped provide community services to LMI individuals

### Oklahoma Statewide

We considered investments originated in the broader Oklahoma statewide area with a purpose, mandate, or function (P/M/F) to serve the AA. MFB originated 10 investments, totaling \$663 thousand, during the evaluation period, in the statewide area with a P/M/F to serve the AA.

- Three investments in mortgage backed securities, totaling \$421 thousand, to support affordable housing; and
- Seven investments in the Midwest Equity Housing Group Fund, totaling \$242 thousand, to support low-income housing tax credit projects.

We also considered the ongoing impact that investments made prior to the current evaluation period had in the state of Oklahoma. MFB had one prior period mortgage backed security totaling \$3.7 thousand outstanding at the end of the evaluation period. This investment supported affordable housing in the state.

## **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Tulsa MSA AA is stronger than the bank's aggregate "Low Satisfactory" performance under the Investment Test in Oklahoma. Performance in the Tulsa MSA AA is considered good. The bank made a larger volume of investments considering their presence in the AA. Performance in the Tulsa MSA had a neutral impact on the Investment Test rating. Refer to the Table 14 in the state of Oklahoma section of appendix D 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 Oklahoma is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the both Oklahoma City MSA and non-MSA Oklahoma AAs is good.

### **Retail Banking Services**

Refer to Table 15 in the state of Oklahoma section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings. Refer to the Scope of Evaluation section of this PE for a description of near-to branches considered below.

#### Oklahoma City MSA AA

MidFirst's branch distribution and accessibility to retail banking services in the AA is good, especially when considering the accessibility of branches near-to moderate-income geographies. Branches were accessible to essentially all geographies and individuals of different income levels in the AA. MFB does not have any branches in low-income geographies. Only 7 percent of the population resides in these tracts. MFB had eight branches in moderate-income geographies. The percentage of branches in moderate-income geographies exceeded the percentage of population in moderate-income tracts. We also gave consideration to six branches in middle- and upper-income tracts located near to moderate-income geographies. These branches are within 0.5 miles of moderate-income tracts and serve a percentage of LMI individuals consistent with the percentage of LMI population in the AA based on the number of deposit accounts.

There were no branch openings or closings during the evaluation period. Branch services and hours did not vary in a way that would inconvenience portions of the AA, particularly LMI individuals.

MFB offers a number of alternative delivery channels, including deposit-taking ATMs, mobile banking, and remote deposit capture. The impact on the Service Test rating is neutral since the bank does not maintain information to demonstrate the effectiveness or impact of alternative delivery systems in serving LMI segments of the community.

### Oklahoma Non-MSA AA

MidFirst's branch distribution is adequate. Branches are reasonably accessible to geographies and individuals of different income levels in the AA. MFB does not have any branches in low-income geographies. On October 1, 2017, MFB closed the one branch it had in a low-income census tract. We considered that for most of the evaluation period, this branch existed and was ten percent of total branches in the AA. MFB has one branch in moderate-income geographies. The percentage of branches in moderate-income geographies is below the percentage of population in moderate-income tracts. We considered the 2015 American Community Survey (ACS) change to median family income effective in June 2017. The change resulted in an increase in the moderate-income tract population from 7.82 percent to 17.33 percent.

Branch closings did not adversely affect the accessibility of the institution's delivery systems to LMI geographies or individuals. During the evaluation period, MFB had one branch closing in a low-income geography due to the lack of financial viability and the close proximity of two competitor institutions in the same census tract. There were no branch openings during the evaluation period. Branch services and hours did not vary in a way that would inconvenience portions of the AA, particularly LMI individuals.

MFB offers a number of alternative delivery channels, including deposit-taking ATMs, mobile banking, and remote deposit capture. The impact on the Service Test rating is neutral since the bank does not maintain information to demonstrate the effectiveness or impact of alternative delivery systems in serving LMI segments of the community.

## **Community Development Services**

MidFirst's performance in providing CD services in Oklahoma is excellent. CD services focused primarily on community services targeted to LMI individuals. MidFirst employees participated in a variety of organizations that benefitted LMI individuals, provided affordable housing, and promoted economic development. MidFirst also focused on providing loan modifications to borrowers across the country, including borrowers in Oklahoma AAs. These loan modifications assist delinquent borrowers in returning to current status and avoiding foreclosure.

### Oklahoma City MSA AA

In the Oklahoma City MSA AA, 41 employees provided their expertise to 42 different organizations for a total of 2,390 hours. This included 25 services that demonstrated leadership by serving on the Board of Directors or on committees of these organizations.

MidFirst helped sponsor one FHLB Affordable Housing Application for \$660 thousand in the AA. The funds helped repair homes owned by LMI senior citizens. MFB also sponsors FHLB Housing Set aside

funding for the Central Oklahoma Habitat for Humanity; funds are used for down payment assistance. Other CD services included homebuyer training and financial education to both individuals and small businesses. Approximately 269 of the loan modifications were to borrowers in LMI tracts in the AA.

#### Oklahoma Non-MSA AA

In the Oklahoma non-MSA AA, seven employees provided their expertise to eight different organizations for a total of 456 hours. This included nine services that demonstrated leadership by serving on the Board of Directors or on committees of these organizations. CD services included financial and homebuyer education seminars. Approximately four of the loan modifications were to borrowers in LMI tracts in the AA.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Tulsa MSA AA is weaker than with the bank's overall "High Satisfactory" performance under the Service Test in Oklahoma. Performance in the Tulsa MSA AA is poor. Performance differences in this area were based on weaker branch distribution and had a neutral impact the institution's overall rating for the state. Refer to Table 15 in the state of Oklahoma section of appendix D for the facts and data that support these conclusions.

## State Rating

### State of Arizona

<b>CRA Rating for Arizona:</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>High Satisfactory</b>
<b>The investment test is rated:</b>	<b>Low Satisfactory</b>
<b>The service test is rated:</b>	<b>High Satisfactory</b>

The major factors that support this rating include:

- A good level of lending activity for both home mortgage and small loans to businesses;
- A good penetration into geographies with different income levels based on an excellent geographic distribution of home mortgage loans and a good geographic distribution of loans to small businesses;
- A good borrower distribution of loans based on an adequate borrower distribution of home mortgage loans and a good borrower distribution of small loans to businesses;
- CD lending had a neutral impact on the institution's lending performance;
- Responsiveness to identified needs of the AA and the level of qualified community development investments is adequate;
- Branches are reasonably accessible to individuals living in LMI geographies; and
- An excellent level of CD services that were responsive to community needs and helped elevate the Service Test rating.

## **Description of Institution's Operations in Arizona**

MFB has one AA in the state of Arizona, Maricopa County, which is a large portion of the Phoenix-Mesa-Scottsdale MSA. MFB has 23 branches and 23 full-service ATMs located in the state. Arizona branches represent 29.1 percent of the bank's branch network. During the evaluation period, MFB closed three branches and there were no branch openings. According to the FDIC Deposit Market Share Report as of June 30, 2016, MFB is ranked ninth out of 66 deposit taking institutions in Arizona with a deposit market share of 1.2 percent.

Refer to the community profiles for the state of Arizona in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **Scope of Evaluation in Arizona**

We performed a full-scope review of the Phoenix-Mesa-Scottsdale MSA AA. This is the only AA in Arizona. Refer to the table in Appendix A for more information on the Arizona AA.

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

### **LENDING TEST**

#### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in Arizona is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Phoenix-Mesa-Scottsdale MSA AA is adequate. Small business lending carries the most weight since it represents 58.7 percent of loans originated and purchased during the evaluation period.

#### **Lending Activity**

MidFirst's overall lending activity in Arizona is good. The institution's performance in both home mortgage lending and small loans to businesses is good. Refer to Tables 1 Lending Volume in the state of Arizona section of appendix D for the facts and data used to evaluate the bank's lending activity.

MidFirst's lending activity in the Phoenix-Mesa-Scottsdale MSA AA is good. Based on FDIC Deposit Market Share data as of June 30, 2016, MFB's deposit market share is 1.7 percent, which ranks eighth among 57 financial institutions in the AA. Three large national institutions dominate the market, with 71.2 percent of total deposits in the AA.

MidFirst's home mortgage lending activity is good, considering competition within the AA. Based on 2015 Peer Data, the market share for all home mortgage loan products is less than one percent. Competition within the AA includes 634 home purchase lenders, 559 home refinance lenders, and 216 home improvement lenders. MFB was in the top 10.3 percent of all home purchase lenders in the AA. Market rankings for home purchase, home improvement, and home refinance loans were 62<sup>nd</sup>, 30<sup>th</sup>, and 111<sup>th</sup>, respectively. The top five lenders for each respective home loan product in this AA originated

29.9 percent home purchase loans, 40.2 percent home improvement loans, and 31.8 percent home refinance loans. Large regional and national financial institutions originate a majority of home mortgage loans in the AA.

MidFirst's small business lending activity is good given the competition in the AA. MFB achieved a 1.3 percent market share of small loans to businesses, ranking 14<sup>th</sup> among 175 reporting lenders. For small business loans, MFB was in the top 8.0 percent of all small business lenders in the AA. MidFirst purchased a large pool of credit cards in 2015, which increased small business lending. The top five small business lenders are nationwide credit card institutions that originated 69.6 percent of loans in this AA.

## **Distribution of Loans by Income Level of the Geography**

The geographic distribution of lending is good, based on excellent home mortgage performance and good performance relative to small loans to businesses.

### ***Home Mortgage Loans***

The geographic distribution of home mortgage loans is excellent. We gave more weight to home purchase lending, which was 62 percent of the total volume of home mortgage loans in the AA. Home improvement lending performance is mitigated as it only represents eight percent of total home mortgage loans and is not identified as a primary credit need in the AA.

Refer to Tables 2, 3, 4, and 5 in the state of Arizona section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

### **Home Purchase Loans**

The geographic distribution of home purchase loans is excellent. Performance in low-income geographies is excellent. The percentages of loans in low-income census tracts exceeded both the aggregate industry distribution of loans and the percentage of owner-occupied units in these tracts. Overall performance in moderate-income geographies is excellent. The percentages of loans in moderate-income tracts exceeded both the aggregate industry distribution of loans in these geographies and demographics.

### **Home Improvement Loans**

The geographic distribution of home improvement loans is poor. Performance in low-income geographies is poor. Performance is poor compared to the aggregate industry distribution of loans. The percentage of loans in low-income census tracts is significantly below the percentage of owner-occupied units in these tracts, which represents very poor performance. Performance in moderate-income geographies is poor. Performance is poor compared to the aggregate industry distribution of loans. The percentage of loans in moderate-income tracts is significantly below demographics, which represents very poor performance.

### **Home Refinance Loans**

The geographic distribution of home refinance loans is good. Performance in low-income geographies is good. The percentage of loans in low-income census tracts exceeded the aggregate industry distribution of loans. The percentage of loans in low-income tracts is below the percentage of owner-

occupied units in these geographies. Performance in moderate-income geographies is good. The percentage of loans in moderate-income census tracts exceeded the aggregate industry distribution of loans. The percentage of loans in moderate-income tracts is below demographics.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Arizona section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is good. Performance in low-income census tracts is excellent. The percentages of loans in low-income census tracts exceeded both the aggregate industry distribution of loans and the percentage of businesses in these tracts. Performance in moderate-income geographies is good. The percentages of loans in moderate-income tracts are similar to both the aggregate industry distribution of loans in these geographies and demographics.

### **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of the institution's lending is good. We placed primary weight on the performance of small loans to businesses as these loans represent a majority of lending in the AA. Our evaluation considered the housing costs, poverty levels, and other economic factors that may impede a low- or moderate-income person from qualifying for a loan. These factors are discussed in the community profile section in Appendix C.

### ***Home Mortgage Loans***

The borrower distribution of home mortgage loans is adequate. The cost of housing in the AA is high. Low- and moderate-income individuals, including families living below the poverty level, faced significant challenges in qualifying for home mortgage loans during the evaluation period.

Refer to Tables 8, 9, and 10 in the state of Arizona section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

### **Home Purchase Loans**

The borrower distribution of home purchase loans is adequate. Performance to LMI borrowers is adequate considering how housing costs in the AA impacted lending to these borrowers. The percentages of loans to low-income borrowers are significantly below both the aggregate industry

distribution of loans and the percentage of low-income families in the AA. The percentages of loans to moderate-income borrowers are significantly below both the aggregate industry distribution of loans and demographics.

### Home Improvement Loans

The borrower distribution of home improvement loans is adequate. Performance to LMI borrowers is adequate considering how housing costs in the AA impacted lending to these borrowers. The percentages of loans to low-income borrowers are significantly below both the aggregate industry distribution of loans and the percentage of low-income families in the AA. The percentages of loans to moderate-income borrowers are significantly below both the aggregate industry distribution of loans and demographics.

### Home Refinance Loans

The borrower distribution of home refinance loans is adequate. Performance to LMI borrowers is adequate considering how housing costs in the AA impacted lending to these borrowers. The percentages of loans to low-income borrowers are significantly below both the aggregate industry distribution of loans and the percentage of low-income families in the AA. The percentages of loans to moderate-income borrowers are significantly below both the aggregate industry distribution of loans and demographics.

### ***Small Loans to Businesses***

The borrower distribution of small loans to businesses is good. The percentage of small loans to businesses with gross annual revenue of \$1 million or less exceeded the aggregate industry distribution of loans to these businesses. The bank's performance is poor compared to the percentage of small businesses in the AA.

Refer to Table 11 in the state of Arizona section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Arizona section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community development lending is adequate. During the evaluation period, MFB originated two CD loans totaling \$7.8 million. This volume represented 2.7 percent of allocated Tier One Capital. Both loans helped to revitalize and stabilize moderate-income geographies. MidFirst's level of CD lending had a neutral impact on its overall lending performance in the state.

## **Product Innovation and Flexibility**

MFB participates in flexible loan and grant programs that focus on making home ownership affordable in the AA. MFB offers Home Free loans in all AAs, which is documented in the Description of Institution section of this document. In addition, MidFirst participated in one flexible loan program that is specific to the AA, which resulted in two loans totaling \$342 thousand. This program helped homebuyers obtain FHA, VA, or USDA loan financing, including a non-repayable five percent down payment/closing cost assistance grant, and special incentives for qualified United States military personnel. We did not have consider any bank products or services innovative. Performance had a neutral impact on MFB's Lending Test performance.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test in Arizona is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Phoenix-Mesa-Scottsdale MSA AA is adequate.

Refer to Table 14 in the state of Arizona section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

MidFirst's performance under the Investment Test in the Phoenix-Mesa-Scottsdale MSA AA is adequate. During the evaluation period, MFB made 86 investments in the AA totaling \$12.6 million. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. The remaining balance on one prior period investment as of the date of our examination was \$3.4 million. When considering both current and prior period investments, the total of \$16.0 million represented 5.6 percent of allocated Tier One Capital.

MidFirst's responsiveness to the CD needs in the AA is adequate. The institution invested \$11.2 million to assist with affordable housing through mortgage backed securities investments, which is a need in the AA due to high housing costs. MFB also invested \$1.2 million in a school district bond that primarily serves LMI families. Bond proceeds were for capital improvements. Investments in organizations that

provide community services to LMI individuals were notable with donations made to 72 agencies in the AA.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

MidFirst's performance under the Service Test in Arizona is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Phoenix-Mesa-Scottsdale MSA AA is good. Access to retail banking services is adequate when considering two middle- or upper-income branches located near-to (within 0.5 miles) low- or moderate-income branches. The percentage of LMI individuals served by the near-to branches is consistent with the percentage of the LMI population in the AA. MFB's excellent CD service record, including efforts in facilitating loan modifications for LMI borrowers, helped to elevate an overall adequate level of performance to good. Refer to the Community Development Services section for additional information.

### **Retail Banking Services**

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

MidFirst's branch distribution and access to retail banking services in the AA is adequate, especially when considering the accessibility of branches near-to LMI geographies. Branches were essentially accessible to all geographies and individuals of different income levels in the AA. MFB has one branch in a low-income geography and one branch in a moderate-income geography. The bank's performance compared to the percentage of population in these geographies was poor in low-income tracts and very poor in moderate income tracts. We gave consideration to one branch in an upper-income tract located near low-income tracts and one branch in a middle-income tract located near moderate-income tracts. These near-to branches are located within a half a mile of the LMI geographies, which improved access to banking services for people living in those geographies based on the number of deposit accounts. Considering near-to branches, the percentage of branches in low-income geographies was near-to the percentage of population in these geographies. Performance in moderate-income geographies was poor.

Branch closings did not adversely affect the accessibility of the institution's delivery systems to LMI geographies or individuals. During the evaluation period, MFB closed three branches, two were in middle-income tracts and one was in an upper-income tract. Branch closings were due to the lack of financial viability and the close proximity of other MFB branches. There were no branch openings during the evaluation period. Branch services and hours did not vary in a way that would inconvenience portions of the AA, particularly LMI individuals.

MFB offers a number of alternative delivery channels, including deposit-taking ATMs, mobile banking, and remote deposit capture. The impact on the Service Test rating is neutral since the bank does not maintain information to demonstrate the effectiveness or impact of alternative delivery systems in serving LMI segments of the community.

## **Community Development Services**

MidFirst's performance in providing CD services in the Phoenix-Mesa-Scottsdale MSA AA is excellent. During the evaluation period, 12 employees provided their expertise to 52 different organizations for a total of 1,780 hours. This included 14 services that demonstrated leadership by serving on the Board of Directors or on committees of these organizations. Organizations served benefitted LMI individuals and provided affordable housing. Affordable housing was identified as a need in the AA. MFB also focused on extending loan modifications to borrowers across the country. Approximately 156 of the loan modifications were to borrowers in LMI tracts in the AA. These loans assist delinquent borrowers in returning to current status and avoiding foreclosure.

## State Rating

### State of Colorado

<b>CRA Rating for (name of state):</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>Outstanding</b>
<b>The investment test is rated:</b>	<b>High Satisfactory</b>
<b>The service test is rated:</b>	<b>Needs to Improve</b>

The major factors that support this rating include:

- A good level of lending activity based on a good level for both home mortgage loans and small loans to businesses;
- A good penetration into geographies with different income levels as demonstrated by an excellent geographic distribution of home mortgage loans and a good geographic distribution of loans to small businesses;
- A good borrower distribution of loans as demonstrated by an adequate borrower distribution of home mortgage loans and a good geographic distribution of loans to small businesses;
- An excellent level of CD loans that were responsive to community needs;
- Responsiveness to identified needs of the AA and the level of qualified community development investments is good;
- A branch distribution that is unreasonably inaccessible to individuals living in LMI geographies; and
- An adequate level of CD services that were responsive to community needs.

## **Description of Institution's Operations in Colorado**

MFB has one AA in the state of Colorado, which includes Denver County and seven census tracts in Arapaho County. The tracts in Arapaho County are within the Cherry Hills Village municipality where the bank has a limited purpose branch that offers limited services at a school that is not accessible to the public. The AA is part of the Denver-Aurora-Lakewood MSA. MFB entered the Denver market in January 2015 after acquiring Steele Street Bank and Trust.

MFB has four branches in this AA and two full-service ATMs in the state of Colorado. As a result of the bank acquisition, these branches are considered open during the evaluation period. There were no branch closings. According to the FDIC Deposit Market Share Report as of June 30, 2016, MFB is ranked 30<sup>th</sup> out of 141 deposit taking institutions in Colorado with a deposit market share of 0.36 percent.

Refer to the community profile for the state of Colorado in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **Scope of Evaluation in Colorado**

We performed a full-scope review of the Denver-Aurora-Lakewood MSA AA. This is the only AA in Colorado. Refer to the table in Appendix A for more information on the Colorado AA.

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

### **LENDING TEST**

#### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in Colorado is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Denver-Aurora-Lakewood MSA AA is excellent. Small business lending carries the most weight since it represents 59.7 percent of loans originated or purchased during the evaluation period. We did not analyze home improvement lending since MFB made less than 20 of these loans during the evaluation period. Home improvement lending is not an identified credit need in the AA.

## **Lending Activity**

MidFirst's lending activity is good. The institution's performance in both home mortgage lending and small loans to businesses is good considering the strong competition in this AA. Refer to Tables 1 Lending Volume in the state of Colorado section of appendix D for the facts and data used to evaluate the bank's lending activity.

MidFirst's lending activity in the Denver-Aurora-Lakewood MSA AA is good considering their limited presence in the AA. Based on FDIC Deposit Market Share data as of June 30, 2016, MFB's deposit market share is 0.8 percent, which ranks 18<sup>th</sup> among 61 financial institutions in the AA. Three large national institutions dominate the market, with 52.2 percent of total deposits in the AA.

MidFirst's home mortgage lending activity is good, considering competition within the AA. Based on 2015 Peer Data, the market share for all home mortgage loans products is less than one percent. Competition within the AA includes 408 home purchase lenders and 455 home refinance lenders. MFB was in the top 10.3 percent of all home purchase lenders in the AA. Market rankings for home purchase and home refinance loans were 42<sup>nd</sup> and 117<sup>th</sup>, respectively. The top five home purchase and home refinance lenders represent 25.5 percent and 24.5 percent of their respective markets. Competitors include large regional and national mortgage companies and financial institutions.

MidFirst's small business lending activity is good given the strong competition in the AA. MFB achieved a 0.6 percent market share of small loans to businesses, ranking 21<sup>st</sup> among 125 reporting lenders. For small business loans, MFB was in the top 16.8 percent of all small business lenders in the AA. Small business lending increased during the evaluation period due to the institution's purchase of a large pool of credit cards in 2015. The top five small business lenders are nationwide credit card institutions that originated 69.6 percent of loans in this AA.

## **Distribution of Loans by Income Level of the Geography**

The geographic distribution of the institution's lending is good, based on excellent home mortgage performance and good performance relative to small loans to businesses.

### ***Home Mortgage Loans***

The geographic distribution of home mortgage loans is excellent. We considered the fact that home purchase lending has the greatest loan volume. As noted previously, we did not analyze home improvement lending since MFB made less than 20 of these loans during the evaluation period.

Refer to Tables 2, 3, 4, and 5 in the state of Colorado section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

### Home Purchase Loans

The geographic distribution of home purchase loans is excellent. Performance in low-income geographies is excellent. The percentages of loans in low-income census tracts exceeded both the aggregate industry distribution of loans and the percentage of owner-occupied units in these tracts. Performance in moderate-income geographies is excellent. The percentages of loans in moderate-income tracts exceeded both the aggregate industry distribution of loans in these geographies and demographics.

### Home Refinance Loans

The geographic distribution of home refinance loans is adequate. Performance in low-income geographies is good. The percentage of loans in low-income census tracts is similar to the aggregate industry distribution of loans. The percentage of loans in low-income tracts is below the percentage of owner-occupied units in these geographies. Overall performance in moderate-income geographies is adequate. The percentages of loans in moderate-income tracts is below both the aggregate industry distribution of loans in these geographies and demographics.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Colorado section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is good. Performance in low-income census tracts is excellent. The percentages of loans in low-income census tracts exceeded both the aggregate industry distribution of loans and the percentage of businesses in these tracts. Performance in moderate-income geographies is good. The percentage of loans in moderate-income tracts is similar to the aggregate industry distribution of loans. The percentage of loans in moderate-income tracts exceeded demographics.

### **Distribution of Loans by Income Level of the Borrower**

The overall borrower distribution of the institution's lending is good. We considered housing costs, poverty levels, and other economic factors that may impede a LMI person from qualifying for a loan.

### ***Home Mortgage Loans***

The overall borrower distribution of home mortgage loans is adequate. The cost of housing in the AA is high. Low- and moderate-income individuals, including families living below the poverty level, faced significant challenges in qualifying for home mortgage loans during the evaluation period. As noted previously, we did not analyze home improvement lending since MFB made less than 20 of these loans during the evaluation period.

Refer to Tables 8, 9, and 10 in the state of Colorado section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

### **Home Purchase Loans**

The overall borrower distribution of home purchase loans is adequate. Performance to LMI borrowers is adequate considering how housing costs in the AA impacted lending to these borrowers. The percentages of loans to low-income borrowers are significantly below both the aggregate industry distribution of loans and the percentage of low-income families in the AA. The percentages of loans to moderate-income borrowers are significantly below both the aggregate industry distribution of loans and demographics.

### **Home Refinance Loans**

The borrower distribution of home refinance loans is adequate. Performance to LMI borrowers is adequate considering how housing costs in the AA impacted lending to these borrowers. The percentages of loans to low-income borrowers are significantly below both the aggregate industry distribution of loans and the percentage of low-income families in the AA. The percentages of loans to moderate-income borrowers are below both the aggregate industry distribution of loans and demographics.

### ***Small Loans to Businesses***

The borrower distribution of small loans to businesses is good. The percentage of small loans to businesses with gross annual revenue of \$1 million or less exceeded the aggregate industry distribution of loans to these businesses. The bank's performance compared to the percentage of small businesses in the AA is poor.

Refer to Table 11 in the state of Colorado section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

## **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Colorado section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

MidFirst's level of CD lending had a significantly positive impact on its lending performance in the AA. During the evaluation period, the institution originated 11 CD loans, for a total of \$41.1 million. This volume represented 44.9 percent of allocated Tier One Capital. MFB's CD loans demonstrated good responsiveness to AA needs, concentrating on affordable housing, revitalization, and stabilization efforts in Enterprise Zones, and community services to LMI individuals.

Specific examples of the CD loans originated during the evaluation period include:

- A \$10.0 million participation loan to construct a multi-use housing/office/retail building in a low-income census tract. The housing project includes a 129-unit apartment building that is located in the Denver Enterprise Zone.
- Two loans totaling \$9.4 million loan to refinance debt and fund capital expenditures for two businesses in low-income census tracts, which are part of the Denver Enterprise Zone and help create and retain jobs.
- Two loans totaling \$7.2 million to a nonprofit organization that provides special needs learning opportunities to children. A majority of the children are from LMI families. Loan proceeds will help construct a new facility and provide working capital.
- A \$5.1 million loan to refinance debt to a nonprofit organization that funds CD projects in the AA. CD projects include providing low-income communities with affordable housing, schools, and nonprofit office space to strengthen neighborhoods. Loan proceeds will also fund needed renovations for these projects. The organization is located in a low-income census tract.

## **Product Innovation and Flexibility**

MidFirst participated in flexible loan programs that benefitted the AA. The bank offers Home Free loans in all AAs and other standard product mix of loans, which are listed in the Description of Institution section of this document. We did not have consider any bank products or services innovative. Performance had a neutral impact on MFB's Lending Test performance.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

MidFirst's performance under the Investment Test in Colorado is rated "High Satisfactory." Based on full-scope reviews, the institution's performance in the Denver-Aurora-Lakewood MSA AA is good.

Refer to Table 14 in the state of Colorado section of appendix D for the facts and data used to evaluate the institution's level of qualified investments.

MidFirst's performance under the Investment Test in the Denver-Aurora-Lakewood MSA AA is good. During the evaluation period, MFB made 35 investments totaling \$6.0 million, which represented 6.5 percent of allocated Tier One Capital.

MidFirst's responsiveness to CD needs in the AA is good. The institution invested \$5.6 million to assist with affordable housing through mortgage backed securities, which is a need in the AA due to high housing costs. MFB also invested \$242 thousand in a school district bond that primarily benefits LMI families. Bond proceeds were for capital improvements. Remaining investments were donations to 30 agencies in the AA

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in Colorado is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Denver-Aurora-Lakewood MSA AA is poor.

### **Retail Banking Services**

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

MidFirst's branch distribution and access to retail banking services in the AA is poor. Branches were unreasonably inaccessible to geographies and individuals of different income levels in the AA. MFB has four branches in the AA and none are located in low- or moderate-income geographies. Branches were acquired as part of MFB's January 2015 acquisition of Steel Street Bank & Trust located in Denver, Colorado. We considered the limited tenure of MFB's presence in the AA and the limited time to fully understand and implement strategies to meet AA needs.

MidFirst acquired four branches as part of the Steel Street Bank & Trust acquisition. One branch operates inside a school in Arapahoe County and is not accessible to the public. This limited-purpose branch operates for only a few hours per day and is staffed primarily by middle school students in an effort to teach employment and banking skills. There were no branch closings during the evaluation period. Branch services and hours did not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. MFB offers a number of alternative delivery channels, including deposit-taking ATMs, mobile banking, and remote deposit capture. The impact on the Service Test rating is neutral since the bank does not maintain information to demonstrate the effectiveness or impact of alternative delivery systems in serving LMI segments of the community.

## **Community Development Services**

MidFirst's performance in providing CD services in the Denver-Aurora-Lakewood MSA AA is adequate. During the evaluation period, five employees provided their expertise to five different organizations for a total of 527 hours. This included eight services that demonstrated leadership by serving on the Board of Directors or on committees of these organizations. Organizations served benefitted LMI individuals, provided affordable housing, and provided economic development for small businesses. Affordable housing is an identified need in the community. MFB also focused on extending loan modifications to borrowers across the country. Seventy-four of the loan modifications were to borrowers in LMI tracts in the AA. These loans assist delinquent borrowers in returning to current status and avoiding foreclosure.

# 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 nonmetropolitan 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”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): 01/01/2014 to 12/31/2016 Investment and Service Tests and CD Loans: 01/01/2014 to 10/30/2016	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
MidFirst Bank (MidFirst or MFB) Oklahoma City, Oklahoma	Home Purchase, Home Improvement, Home Refinance loans; Small Business loans; Community Development loans, investments, and services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		No affiliate products reviewed
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
<u>Oklahoma</u> Oklahoma City MSA AA	Full-Scope	Canadian, Cleveland, Grady, Oklahoma Counties
Oklahoma non-MSA AA	Full-Scope	Caddo, Custer, Jackson, Payne, Pottawatomie, Texas, Washita, Woodward Counties
Tulsa MSA AA	Limited-Scope	Tulsa County Maricopa County
<u>Arizona</u> Phoenix-Mesa-Scottsdale MSA AA	Full-Scope	

<u>Colorado</u> Denver-Aurora-Lakewood MSA	Full-Scope	Denver, Arapahoe Counties
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## Appendix B: Summary of Multistate Metropolitan Area and State Ratings

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RATINGS MIDFIRST BANK				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
MidFirst Bank	Outstanding	Low Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
State of Oklahoma	Outstanding	Low Satisfactory	High Satisfactory	Satisfactory
State of Arizona	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
State of Colorado	Outstanding	High Satisfactory	Needs to Improve	Satisfactory

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

# Appendix C: Community Profiles for Full-Scope Areas

## State of Oklahoma

### Oklahoma City MSA

Demographic Information for Full Scope Area: Oklahoma City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	342	9.36	27.19	36.84	25.44	1.17
Population by Geography	1,142,360	6.07	25.17	39.82	28.83	0.11
Owner-Occupied Housing by Geography	282,240	3.54	19.60	43.30	33.56	0.00
Business by Geography	80,600	5.91	20.60	36.64	35.48	1.39
Farms by Geography	2,247	2.67	17.00	43.93	36.18	0.22
Family Distribution by Income Level	280,466	21.35	17.69	20.51	40.45	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	109,500	10.13	36.74	39.05	14.07	0.00
Median Family Income		58,775	Median Housing Value	123,297		
FFIEC Adjusted Median Family Income for 2016		63,700	Unemployment Rate (2010 US Census)	2.99%		
Households Below Poverty Level		14%				

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

Source: 2010 US Census and 2016 FFIEC updated MFI

The Oklahoma City (OKC) AA includes four of the seven counties in the MSA, and is defined as Canadian, Cleveland, Grady, and Oklahoma Counties. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies.

The OKC MSA is the 42<sup>nd</sup> largest MSA in the nation and is a primary economic anchor within the state. The largest counties in the MSA by population are Oklahoma, Cleveland, and Canadian. OKC is the

capital and largest city in the state of Oklahoma. It ranks 27<sup>th</sup> among U.S. cities in population and has one of the world's largest livestock markets. Oil, natural gas, petroleum products and related industries are the largest sector of the local economy. The percentage of families in the AA living below the poverty level is 10.6 percent. Competition for financial services in the AA is strong. According to FDIC market share data as of June 30, 2016, MFB's deposits in the AA totaled \$3.6 billion with a market share of 12.9 percent, which ranks third out of 66 depository institutions with 367 total banking offices. MidFirst competes with branches of nationwide and regional banks, local community banks, credit unions, and other nonbank financial institutions operating in the AA. Significant competitors include JPMorgan Chase, Bank of Oklahoma, BancFirst, and Bank of America. MFB has 32 branches and 27 deposit-taking ATMs in this AA.

### **Employment and Economic Factors**

According to information provided by Moody's Analytics, the Oklahoma City economy is in recovery. High-wage industries are adding jobs and demographics are stable. The Bureau of Labor Statistics indicates that the 2016 annual average unemployment rate for the OKC MSA is 4.9 percent compared to the 2016 annual average rate for the U.S. of 4.9 percent. For the counties of Oklahoma, Canadian, Cleveland, and Grady, the 2016 annual unemployment rate is 4.3 percent, 4.0 percent, 3.9 percent, and 5.0 percent, respectively. The average unemployment rate for these counties combined is 4.3 percent.

In the OKC AA, the top industries are energy, information and finance, transportation and distribution, agriculture and biosciences, and aerospace and defense. Oil and natural gas businesses continues to lead job growth. Companies headquartered in OKC include Chesapeake Energy, Devon Energy, Paycom, Sonic Drive-in Restaurants, and OGE Energy. Tinker Air Force Base, the world's largest aircraft-maintenance complex and military-aviation logistics center, is also based in OKC. Top employers also include government agencies and Oklahoma University.

### **Housing**

According to information provided by Moody's Analytics, the appreciation of home prices is about half the national pace, home sales are lower, and single-family residential permits are flat. A publication by FortuneBuilders, a real estate investment company, indicates that foreclosure percentages are declining and the median home sales price for OKC real estate was \$154,900 during the second quarter of 2016, compared to the national average of \$239,167.

Total housing for this AA consists of 58.1 percent owner-occupied units, 30.9 percent rental units; and 11.0 percent vacant units. Of all owner-occupied units, 3.5 percent are in low-income tracts and 19.6 percent are in moderate-income tracts. There are limited opportunities for residential mortgage lending in low-income geographies of the AA due to limited housing stock. Within low-income tracts, 46.8 percent are rental units and 19.0 percent are vacant.

We conducted an affordability analysis in this AA to determine the overall affordability of housing for LMI borrowers. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income. Based on our analysis, a low-income borrower making \$31,850 (50.0 percent of the 2016, FFIEC adjusted median family

income) could afford a monthly housing payment of \$796. A moderate-income borrower making \$50,960 (80.0 percent of the 2016, FFIEC adjusted family median income) could afford a monthly housing payment of \$1,274. According to City-Data.com, the 2016 mean price for detached homes in the AA was \$173,137. Assuming a 30-year mortgage with a 5.0 percent interest rate and no down payment, the monthly mortgage payment is \$929. This does not account for homeowners insurance, real estate taxes, or any additional monthly expenses. Based on this scenario, affordable housing is within reach for moderate-income families.

### **Community Contacts**

We used one community contact with a local nonprofit organization that helps provide economic development, home repairs, and assistance to LMI individuals. Primary needs in the AA include increased participation in IDA programs, matching funds/grants for small business development, and financial literacy programs. Affordable housing is also a primary need in the AA. There are numerous CD opportunities in this AA.

**OK Non-MSA**

Demographic Information for Full Scope Area: Oklahoma Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	68	2.94	7.35	69.12	20.59	0.00
Population by Geography	282,657	3.41	7.82	65.63	23.13	0.00
Owner-Occupied Housing by Geography	68,241	0.84	7.21	67.36	24.59	0.00
Business by Geography	15,516	3.56	7.67	65.77	23.00	0.00
Farms by Geography	1,330	0.60	6.62	65.86	26.92	0.00
Family Distribution by Income Level	68,992	19.25	16.61	19.81	44.33	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	24,747	2.56	13.16	70.93	13.35	0.00
Median Family Income		48,689	Median Housing Value		92,166	
FFIEC Adjusted Median Family Income for 2016		51,600	Unemployment Rate (2010 US Census)		2.74%	
Households Below Poverty Level		19%				

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

Source: 2010 US Census and 2016 FFIEC updated MFI

MFB's OK Non-MSA AA consists of the following eight counties: Caddo, Custer, Jackson, Payne, Pottawatomie, Texas, Washita, and Woodward. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to the 2010 U.S. Census, the percentage of families living below the poverty level is 12.3 percent.

There is competition for financial services in the AA with branches of regional and local community banks. MFB's deposits in the AA totaled \$592 million with a market share of 10.0 percent, and ranks third out of 60 depository institutions with 130 total banking offices. Significant competitors include Bank SNB and BancFirst. MFB has 10 branches and nine deposit-taking ATMs in this AA.

## **Employment and Economic Factors**

**Caddo County** is immediately west of the OKC metropolitan area. Agriculture has been the mainstay of the local economy since its founding. The County is home to cattle ranching and significant wheat and peanut farm operations. Adjacent counties include Blaine, Canadian, Comanche, Custer, Grady, Kiowa, and Washita. Based on 2010 Census, the total population in 2016 was 29,600. Common employment sectors in Caddo County are educational services, retail trade, and healthcare. Top employers are government agencies, casinos, Cornell Corrections, and Western Farmers Coop. According to the Bureau of Labor Statistics, the annual 2016 unemployment rate was 5.4 percent.

**Custer County** is located in west-central Oklahoma. Adjacent counties include Dewey, Blaine, Caddo, Washita, Beckham, and Roger Mills. Custer County's economy has been primarily based on agriculture. Based on the 2010 Census, the total population was 27,469. Top employers are government agencies, Lucky Star Casino, and Integrus Health. According to the Bureau of Labor Statistics, the annual 2016 unemployment rate was 4.7 percent.

**Jackson County** is located in southwestern Oklahoma. Adjacent counties include Greer, Kiowa, Tillman, and Harmon in OK as well as Wilbarger and Hardeman in TX. The economy is based on farming and livestock. Based on 2010 Census, the total population was 26,446. Altus Air Force Base is the county's largest non-farm employer. Other top employers are Altus Athletic Manufacturing, Luscombe Aircraft Manufacturing, Bar-S Foods Company, and the Republic Gypsum plant. The Western Oklahoma State College and the Southwest Technology Center are also located in the county. According to the Bureau of Labor Statistics, the annual 2016 unemployment rate was 4.5 percent.

**Payne County** is located northeast of the Oklahoma City metropolitan area. Adjacent counties include Noble, Pawnee, Creek, Lincoln, and Logan. The economy is based on agriculture. Based on 2010 Census, the total population was 77,350. Oklahoma State University-Stillwater and Northern Oklahoma College is located in the county. Major employers include government agencies, Stillwater Medical Center, Wal-Mart, and Mercury MerCruiser. According to the Bureau of Labor Statistics, the annual 2016 unemployment rate was 3.8 percent.

**Pottawatomie County** is located in east-central Oklahoma. Adjacent counties include Lincoln, Okfuskee, Seminole, Pontotoc, McClain, Cleveland, and Oklahoma. The economy is based on agriculture, manufacturing, and retail. Based on 2010 Census, the total population was 69,442. Major employers are government agencies and several manufacturing companies. The county is also home to two top-ranked liberal arts universities, Oklahoma Baptist University and St. Gregory's University. According to the Bureau of Labor Statistics, the annual 2016 unemployment rate was 4.7 percent.

**Texas County** is located in the panhandle of northwestern Oklahoma and is the second largest county in the state based on land area. Adjacent counties include Beaver and Cimarron in OK, the Kansas counties of Stevens, Seward and Morton, and the Texas counties of Ochiltree, Hansford, and Sherman. The economy is based on farming and cattle production. The county is also the nation's largest

producer of gas, and gasoline extraction plants. Based on 2010 Census, the total population was 20,640. Major employers are government agencies, Seaboard Foods, Hitch Enterprises, Swift and Company packing plant, and the Panhandle Telephone Cooperative. According to the Bureau of Labor Statistics, the annual 2016 unemployment rate was 3.5 percent.

**Washita County** is located in southwestern Oklahoma. Adjacent counties include Custer, Caddo, Kiowa, and Beckham. Based on 2010 Census, the total population was 11,629. Major employers are Halliburton Energy Services, Western Technology Center, and local schools. According to the Bureau of Labor Statistics, the annual 2016 unemployment rate was 7.2 percent.

**Woodward County** is located in northwestern Oklahoma. Adjacent counties include Dewey, Ellis, Harper, Major, and Woods. The economy is based on agriculture and cattle production. Based on 2010 Census, the total population was 20,081. Educational facilities in the county include High Plains Technology Center and Northwestern Oklahoma State University. Major employers are Patterson UTI Drilling, Woodward Independent School District, and Key Energy Services. According to the Bureau of Labor Statistics, the annual 2016 unemployment rate was 6.3 percent.

## **Housing**

Total housing for this AA is 55.9 percent owner-occupied units, 29.4 percent rental units and 14.7 percent vacant units. Of all owner-occupied units, 1.9 percent are in low-income tracts and 8.4 percent are in moderate-income tracts. There are limited opportunities for residential mortgage lending in low-income geographies of the AA due to limited housing stock. Within low-income tracts, 55.2 percent are rental and 19.6 percent are vacant.

We conducted an affordability analysis in this AA to determine if the overall affordability of housing for LMI borrowers for LMI borrowers. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income. Based on our analysis, a low-income borrower making \$25,800 (50.0 percent of the 2016, FFIEC adjusted median family income) could afford a monthly housing payment of \$645. A moderate-income borrower making \$41,280 (80.0 percent of the 2016, FFIEC adjusted family median income) could afford a monthly housing payment of \$1,032. According to City-Data.com, the 2016 median house or condo value in the AA was \$120,507. Assuming a 30-year mortgage with a 5.0 percent interest rate and no down payment, the monthly mortgage payment is \$647. This illustrates that affordable housing is within reach for moderate-income families. The AA has a high percentage of families below the poverty line, which makes home ownership challenging for those families.

## **Community Contacts**

We reviewed one community contact with a government agency in Woodward, Oklahoma. The agency provides economic opportunities to help promote agriculture production and preserve natural

resources. Primary needs in the AA include agricultural and commercial lending. Our review of information in the combined non-MSA AAs in the state indicated a relative lack of CD infrastructure when compared to the institution's more urban AAs.

# State of Arizona

## Phoenix-Mesa-Scottsdale MSA

Demographic Information for Full Scope Area: Phoenix-Mesa-Scottsdale MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA*
Geographies (Census Tracts/BNAs)	916	9.39	23.91	31.99	33.62	1.09
Population by Geography	3,817,117	8.42	24.46	33.25	33.69	0.18
Owner-Occupied Housing by Geography	916,515	3.61	20.72	35.75	39.90	0.02
Business by Geography	313,943	6.51	15.38	29.41	48.12	0.57
Farms by Geography	5,938	5.46	15.54	31.98	46.60	0.42
Family Distribution by Income Level	913,798	20.93	17.44	20.15	41.48	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	350,618	13.75	36.07	32.18	18.00	0.00
Median Family Income		64,408	Median Housing Value		258,903	
FFIEC Adjusted Median Family Income for 2016		62,900	Unemployment Rate (2010 US Census)		3.48%	
Households Below Poverty Level		12%				

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

Source: 2010 US Census and 2016 FFIEC updated MFI

MFB has designated Maricopa County within the Phoenix-Mesa-Scottsdale MSA as its AA. Maricopa County is located in the south-central part of the state of Arizona and is the most populous county in the state. Phoenix is the county seat, the largest city in the county and the state, and the capital of Arizona. Several airports are in the county. The AA meets the requirements of the regulation and does not arbitrarily exclude LMI geographies. The percentage of families in the AA living below the poverty level is 10.0 percent.

Competition for financial services in the AA is strong. According to the FDIC market share data as of June 30, 2016, MFB's deposits in the AA totaled \$1.4 billion with a market share is 1.7 percent, which

ranks eighth out of 57 depository institutions with 826 banking offices. MFB competes with branches of nationwide and regional banks, local community banks, credit unions, and other nonbank financial institutions operating in the AA. Significant competitors include JPMorgan Chase, Wells Fargo Bank, Bank of America, Western Alliance, and Compass Bank. MFB has 23 branches and 23 deposit-taking ATMs in this AA.

### **Employment and Economic Factors**

According to information provided by Moody's Analytics, economic conditions in the Phoenix-Mesa-Scottsdale MSA are good with robust population growth and across-the-board job gains. Phoenix is a destination for back-office investment because of its relatively low business and living costs and an excess of available labor. The unemployment rate is stable. The Bureau of Labor Statistics indicates that the 2016 annual average unemployment rate for the Phoenix-Mesa-Scottsdale MSA is 4.6 percent. For Maricopa County, the December 2016 unemployment rate is 4.0 compared to the 2016 annual average rate for the U.S. of 4.9 percent. According to the Business Journal of Maricopa County, the top industries are educational services, health care, professional, manufacturing, and retail trade. Companies headquartered in Maricopa County include Banner Health, U-Haul, and Best Western International. Other large employers in the AA are government agencies, Wal-Mart Stores, and financial institutions.

### **Housing**

According to information provided by Moody's Analytics, there is a lack of existing homes for sale, residential building is sluggish, and affordability is eroding. The Department of Housing and Urban Development prepared a Comprehensive Housing Market Analysis for the Phoenix-Mesa-Scottsdale MSA as of April 1, 2016. The analysis states that foreclosure rates fell well below the national average during the past three years. Homeownership rates have declined since 2010 due to high numbers of investor purchases of real estate owned properties and tight lending standards.

Total housing for this AA consists of 57.4 percent owner-occupied units, 29.2 percent rental units, and 13.4 percent vacant units. Of all owner-occupied units, 3.6 percent are in low-income tracts and 20.7 percent are in moderate-income tracts. There are limited opportunities in low-income geographies of the AA due to limited housing stock. Within low-income tracts, 54.3 percent are rental units and 18.4 are vacant units.

We conducted an affordability analysis in this AA to determine the overall affordability of housing for LMI borrowers. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income. Based on our analysis, a low-income borrower making \$31,450 (50.0 percent of the 2016, FFIEC adjusted median family income) could afford a monthly housing payment of \$786. A moderate-income borrower making \$50,320 (80.0 percent of the 2016, FFIEC adjusted family median income) could afford a monthly housing payment of \$1,258. According to City-Data.com, the 2016 mean price for detached homes in the AA was \$322,343. Assuming a 30-year mortgage with a 5.0 percent interest rate and no down payment, the monthly mortgage payment is \$1,730. This does not account for homeowners insurance, real estate taxes, or any additional monthly expenses. This illustrates that housing is not affordable for LMI families within this AA.

### **Community Contacts**

We considered two community contacts as part of this performance evaluation, including an economic development corporation and information from a CRA listening session with participation from several segments of the community. Primary needs in the community include affordable housing, small business lending, and technical assistance for small businesses. There are numerous CD opportunities in this AA.

# State of Colorado

## Denver-Aurora-Lakewood MSA

Demographic Information for Full Scope Area: Denver-Aurora-Lakewood MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	151	23.84	27.81	25.83	21.85	0.66
Population by Geography	623,705	25.55	29.50	24.05	20.90	0.00
Owner-Occupied Housing by Geography	137,727	17.07	27.96	27.12	27.85	0.00
Business by Geography	74,603	16.41	22.40	24.49	35.74	0.95
Farms by Geography	927	20.17	26.97	24.60	27.94	0.32
Family Distribution by Income Level	127,902	33.13	18.40	16.39	32.08	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	65,906	38.01	35.84	16.88	9.27	0.00
Median Family Income		75,101	Median Housing Value	277,932		
FFIEC Adjusted Median Family Income for 2016		80,100	Unemployment Rate (2010 US Census)	4.21%		
Households Below Poverty Level		17%				

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

Source: 2010 US Census and 2016 FFIEC updated MFI

The Denver-Aurora-Lakewood AA includes two of the ten counties in the MSA, and is defined as all of Denver County and seven of 147 census tracts in Arapahoe County. The Arapahoe County tracts were included to incorporate the limited service/non-public branch inside a school. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies.

The city of Denver is the capital of Colorado and the 19<sup>th</sup> most populous city U.S. city with a 15.5 percent increase in population since the 2010 Census. Because Denver is the largest city within 500 miles, it has become a natural location for storage and distribution of goods and services to the mountain, southwest, and western states. Another benefit for distribution is that Denver is nearly

equidistant from large cities of the Midwest, such as Chicago and St. Louis, and some large cities of the West Coast, such as Los Angeles and San Francisco. The percentage of families in the AA living below the poverty level is 14.6 percent.

There is competition for financial services in the AA with branches of nationwide, regional and local community banks. According to FDIC market share data as of June 30, 2016, MFB's deposits in the AA totaled \$445 million with a market share of 0.84 percent, which ranks 18<sup>th</sup> out of 61 depository institutions in this AA. The top five depository institutions in this AA are Wells Fargo, US Bank, JP Morgan Chase, FirstBank, and KeyBank. MFB has four branches and no deposit-taking ATMs in this AA.

## **Employment and Economic Factors**

Economic conditions are good. The Bureau of Labor Statistics indicates that the 2016 unemployment rate for the MSA is 3.1 percent. Both Denver County and Arapahoe County have a 2.6 percent unemployment rate as of December 2016. This compares to the 2016 annual average unemployment rate for the U.S. of 4.9 percent.

Energy and mining are an important part of the economy. Denver has a considerable government presence, where many federal agencies are either based or have offices. AMICO, the largest owner and operator of apartment communities in the U.S., is headquartered in Denver and one of the largest employers. Other companies based in Denver include MediaNews Group, Molson Coors Brewing Company, and MapQuest. Other large employers include Lockheed Martin Corporation, United Airlines, Kroger Company, and Xcel Energy, Inc.

## **Housing**

According to FortuneBuilders, a real estate investment company, Denver real estate has skyrocketed in the last few years and is dramatically above the national average. Homes are also appreciating at a higher rate. The number of foreclosed inventory in Denver dropped 34.9 percent in 2016 according to CoreLogic.

Total housing for this AA consists of 47.2 percent owner-occupied units, 43.3 percent rental units; and 9.6 percent vacant units. Of all owner-occupied units, 17.1 percent are in low-income tracts and 28.0 percent are in moderate-income tracts. There are limited opportunities for residential mortgage lending in low-income geographies of the AA due to limited housing stock. Within low-income tracts 54.1 percent are rental units and 10.8 percent are vacant.

We conducted an affordability analysis in this AA to determine the overall affordability of housing for LMI borrowers. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income. Based on our analysis, a low-income borrower making \$40,050 (50.0 percent of the 2016, FFIEC adjusted median family income) could afford a monthly housing payment of \$1,001. A moderate-income borrower making \$64,080 (80.0 percent of the 2016, FFIEC adjusted family median income) could afford a monthly housing payment of \$1,602. According to City-Data.com, the 2016 mean price for detached homes was \$459,976 in Denver County. Assuming a 30-year mortgage with a 5.0 percent interest rate and no down payment, the monthly mortgage payment is \$2,469. This does not account for homeowners insurance, real estate taxes, or any additional monthly expenses. Based on this scenario, housing is not affordable for LMI families.

## **Community Contacts**

We considered one community contact with a community housing organization in the Denver, Colorado area that promotes affordable LMI homeownership within the state of Colorado. Primary needs in the AA include affordable housing, donations to non-profit organizations, and financial education. There are numerous CD opportunities in this AA.

## Appendix D: Tables of Performance Data

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### 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: (1) 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; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

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. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

**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. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

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

**State of Oklahoma**

**State of Arizona**

**State of Colorado**

**Table 1. Lending Volume**

LENDING VOLUME		Geography: STATE OF OKLAHOMA						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>												
Non-MSA	10.32	457	35,328	124	10,632	1	50	1	2,745	583	48,755	12.31
Oklahoma City MSA	72.82	2,412	401,352	1,649	262,495	2	90	49	512,470	4,112	1,071,703	75.85
<b>Limited Review:</b>												
Tulsa MSA	16.86	594	106,372	358	84,521	0	0	0	0	952	190,893	11.84

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2014 to October 30, 2017.

\*\*\* Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE														Geography: STATE OF OKLAHOMA		Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016			
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*								
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp					
<b>Full Review:</b>																			
Non-MSA	219	10.20	0.84	0.00	7.21	6.85	67.36	61.64	24.59	31.51	0.41	3.43	60.71	35.44					
Oklahoma City MSA	1,510	70.33	3.54	2.19	19.60	19.47	43.30	39.93	33.56	38.41	1.01	13.98	40.19	44.83					
<b>Limited Review:</b>																			
Tulsa MSA	418	19.47	5.35	3.59	20.55	18.90	31.63	33.73	42.47	43.78	1.28	12.15	33.99	52.58					

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT      Geography: STATE OF OKLAHOMA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Non-MSA	95	24.80	0.84	0.00	7.21	6.32	67.36	58.95	24.59	34.74	1.16	3.30	73.10	22.44
Oklahoma City MSA	258	67.36	3.54	2.71	19.60	22.09	43.30	39.53	33.56	35.66	3.13	16.01	45.82	35.04
<b>Limited Review:</b>														
Tulsa MSA	30	7.83	5.35	0.00	20.55	26.67	31.63	30.00	42.47	43.33	3.07	17.01	31.81	48.11

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE    Geography: STATE OF OKLAHOMA    Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Non-MSA	143	15.54	0.84	0.70	7.21	2.80	67.36	66.43	24.59	30.07	0.33	4.04	61.88	33.75
Oklahoma City MSA	631	68.59	3.54	2.69	19.60	14.74	43.30	37.88	33.56	44.69	1.42	12.00	40.85	45.72
<b>Limited Review:</b>														
Tulsa MSA	146	15.87	5.35	2.05	20.55	14.38	31.63	21.23	42.47	62.33	1.96	12.33	30.16	55.55

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY      Geography: STATE OF OKLAHOMA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Non-MSA	0	0.00	4.88	0.00	4.59	0.00	69.05	0.00	21.48	0.00	0.00	0.00	62.50	37.50
Oklahoma City MSA	13	100.00	5.80	0.00	41.71	61.54	33.34	23.08	19.15	15.38	4.58	46.56	29.01	19.85
<b>Limited Review:</b>														
Tulsa MSA	0	0.00	10.99	0.00	34.29	0.00	28.55	0.00	26.17	0.00	10.14	39.13	24.64	26.09

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi-Family Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES    Geography: STATE OF OKLAHOMA    Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Non-MSA	124	5.89	3.56	0.81	7.67	8.06	65.77	57.26	23.00	33.87	2.95	4.51	70.65	21.89
Oklahoma City MSA	1,625	77.12	5.91	6.09	20.60	18.34	36.64	33.54	35.48	42.03	6.25	18.68	35.04	40.03
<b>Limited Review:</b>														
Tulsa MSA	358	16.99	6.78	8.94	23.62	20.95	28.20	22.07	41.39	48.04	7.06	22.92	24.97	45.04

\* Based on 2015 Peer Small Business Data -- US and 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 (2016).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS      Geography: STATE OF OKLAHOMA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Non-MSA	1	33.33	0.60	0.00	6.62	0.00	65.86	100.00	26.92	0.00	0.15	1.70	74.92	23.22
Oklahoma City MSA	2	66.67	2.67	0.00	17.00	0.00	43.93	0.00	36.18	100.00	1.75	23.94	52.37	21.95
<b>Limited Review:</b>														
Tulsa MSA	0	0.00	4.60	0.00	16.65	0.00	36.53	0.00	42.21	0.00	2.27	2.27	40.91	54.55

\* Based on 2015 Peer Small Business Data -- US and 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 (2016).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: STATE OF OKLAHOMA					Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Non-MSA	219	10.20	19.25	3.60	16.61	23.74	19.81	27.34	44.33	45.32	3.71	17.92	25.79	52.58
Oklahoma City MSA	1,510	70.33	21.35	5.79	17.69	19.02	20.51	20.95	40.45	54.23	7.38	21.66	25.90	45.05
<b>Limited Review:</b>														
Tulsa MSA	418	19.47	20.96	5.49	17.56	15.85	19.63	15.85	41.85	62.80	6.39	22.24	23.77	47.60

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 54.5% of loans originated and purchased by BANK.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT      Geography: STATE OF OKLAHOMA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Non-MSA	95	24.80	19.25	3.70	16.61	24.69	19.81	22.22	44.33	49.38	7.65	16.19	22.42	53.74
Oklahoma City MSA	258	67.36	21.35	7.59	17.69	20.54	20.51	20.54	40.45	51.34	9.83	18.67	26.49	45.01
<b>Limited Review:</b>														
Tulsa MSA	30	7.83	20.96	8.00	17.56	20.00	19.63	16.00	41.85	56.00	8.33	16.49	21.82	53.35

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 13.8% of loans originated and purchased by BANK.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE      Geography: STATE OF OKLAHOMA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Non-MSA	143	15.54	19.25	5.51	16.61	16.54	19.81	20.47	44.33	57.48	4.72	14.24	21.96	59.09
Oklahoma City MSA	631	68.59	21.35	6.85	17.69	15.75	20.51	19.41	40.45	57.99	7.13	17.18	23.77	51.93
<b>Limited Review:</b>														
Tulsa MSA	146	15.87	20.96	4.55	17.56	3.41	19.63	13.64	41.85	78.41	6.06	15.76	21.11	57.07

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 29.0% of loans originated and purchased by BANK.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES    Geography: STATE OF OKLAHOMA    Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016									
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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
<b>Full Review:</b>									
Non-MSA	124	5.82	78.14	36.29	79.84	11.29	8.87	3,485	1,598
Oklahoma City MSA	1,649	77.38	83.82	36.26	64.95	13.89	21.16	20,106	9,286
<b>Limited Review:</b>									
Tulsa MSA	358	16.80	84.55	42.74	53.35	15.36	31.28	11,482	5,369

\* Based on 2015 Peer Small Business Data -- US and 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 - 2016).

\*\*\*\* 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 35.15% of small loans to businesses originated and purchased by the bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS      Geography: STATE OF OKLAHOMA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016									
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Non-MSA	1	33.33	96.62	100.00	100.00	0.00	0.00	661	496
Oklahoma City MSA	2	66.67	96.17	50.00	100.00	0.00	0.00	403	314
<b>Limited Review:</b>									
Tulsa MSA	0	0.00	94.52	0.00	0.00	0.00	0.00	47	30

\* Based on 2015 Peer Small Business Data -- US and 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 - 2016).

\*\*\*\* 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 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS      Geography: STATE OF OKLAHOMA      Evaluation Period: JANUARY 1, 2014 TO OCTOBER 30, 2017									
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Non-MSA OK	2	50	33	4,594	35	4,645	9.50	0	0
Oklahoma City MSA	8	2,071	150	33,109	158	35,180	71.94	0	0
<b>Limited Review:</b>									
Tulsa MSA	4	1,087	128	7,323	132	8,410	17.20	0	0
Statewide with P/M/F	1	4	10	663	11	667	1.36	0	0

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\* 'Prior Period Investments' means investments made in a previous 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: OKLAHOMA Evaluation Period: JANUARY 1, 2014 TO OCTOBER 31, 2017																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches *1	% 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
<b>Full Review:</b>																	
Non-MSA	12.31	10	19.23	0.00	10.00	50.00	40.00	0	1	-1	0	0	0	4.33	17.33	48.92	29.41
Oklahoma City MSA	75.85	32	61.54	0.00	25.00	37.50	31.25	0	0	0	0	0	0	6.76	24.67	38.90	29.41
<b>Limited Review:</b>																	
Tulsa MSA	11.84	10	19.23	0.00	10.00	40.00	50.00	0	1	0	0	0	-1	8.04	26.82	31.22	33.92

1 As of the date of this Performance Evaluation, the bank has 32 branches located in the Oklahoma City MSA. Two of the 32 branches are located in a tract lacking income information (NA tract).

**Table 1. Lending Volume**

LENDING VOLUME		Geography: STATE OF ARIZONA				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016						
Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Phoenix-Mesa-Scottsdale MSA	100.00	1,401	282,605	1,994	247,661	0	0	2	7,800	3,397	538,066	100.00

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2014 to October 30, 2017.

\*\*\* Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE      Geography: STATE OF ARIZONA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Phoenix-Mesa-Scottsdale MSA	869	100.00	3.61	5.06	20.72	27.62	35.76	37.86	39.91	29.46	2.04	15.64	38.63	43.69

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT														Geography: STATE OF ARIZONA				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016								
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*															
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp												
<b>Full Review:</b>																										
Phoenix-Mesa-Scottsdale MSA	116	100.00	3.61	0.86	20.72	7.76	35.76	31.03	39.91	60.34	1.68	11.52	35.17	51.63												

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE      Geography: STATE OF ARIZONA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Phoenix-Mesa-Scottsdale MSA	409	100.00	3.61	2.44	20.72	14.43	35.76	40.83	39.91	42.30	1.43	11.55	36.43	50.59

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY      Geography: STATE OF ARIZONA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans***	% MF Units** *	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Phoenix-Mesa-Scottsdale MSA	7	100.00	15.31	28.57	37.05	57.14	28.83	14.29	18.81	0.00	21.18	42.35	25.59	10.88

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi-Family Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES      Geography: STATE OF ARIZONA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Phoenix-Mesa-Scottsdale MSA	1,966	100.00	6.51	8.14	15.38	13.78	29.41	27.11	48.12	50.97	7.34	15.09	28.02	49.56

\* Based on 2015 Peer Small Business Data -- US and 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 (2016).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: STATE OF ARIZONA					Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Phoenix-Mesa-Scottsdale MSA	869	100.00	20.93	3.23	17.44	9.68	20.15	8.24	41.48	78.85	6.37	20.66	25.00	47.97

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 67.9% of loans originated and purchased by BANK.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT														Geography: STATE OF ARIZONA				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016			
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*										
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp							
<b>Full Review:</b>																					
Phoenix-Mesa-Scottsdale MSA	116	100.00	20.93	1.83	17.44	9.17	20.15	14.68	41.48	74.31	6.82	15.11	21.15	56.92							

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 6.0% of loans originated and purchased by BANK.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE      Geography: STATE OF ARIZONA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Phoenix-Mesa-Scottsdale MSA	409	100.00	20.93	3.05	17.44	4.41	20.15	13.56	41.48	78.98	7.09	17.19	23.35	52.36

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 27.9% of loans originated and purchased by BANK.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES      Geography: STATE OF ARIZONA      Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016									
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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
<b>Full Review:</b>									
Phoenix-Mesa-Scottsdale MSA	1,994	100.00	87.30	32.45	73.32	11.84	14.84	88,752	46,296

\* Based on 2015 Peer Small Business Data -- US and 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 - 2016).

\*\*\*\* 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 38.26% of small loans to businesses originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: STATE OF ARIZONA				Evaluation Period: JANUARY 1, 2014 TO OCTOBER 30, 2017					
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Phoenix-Mesa-Scottsdale MSA	1	3,387	86	12,650	87	16,037	100.00	0	0

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\* 'Prior Period Investments' means investments made in a previous 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: ARIZONA Evaluation Period: JANUARY 1, 2014 TO OCTOBER 31, 2017																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches <sup>2</sup>	% 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
<b>Full Review:</b>																	
Phoenix-Mesa-Scottsdale MSA	100.00	23	100.00	4.35	4.35	17.39	69.57	0	3	0	0	-2	-1	11.08	22.91	31.29	34.41

<sup>2</sup> As of the date of this Performance Evaluation, the bank has 23 branches located in the Phoenix-Mesa-Glendale MSA. One of the 23 branches is located in a tract lacking income information (NA tract).

**Table 1. Lending Volume**

LENDING VOLUME		Geography: STATE OF COLORADO				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016						
Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Denver-Aurora-Lakewood MSA	100.00	236	100,920	349	90,458	0	0	11	41,054	596	232,432	100.00

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2014 to October 30, 2017.

\*\*\* Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE														Geography: STATE OF COLORADO				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016			
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*										
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp							
<b>Full Review:</b>																					
Denver-Aurora-Lakewood MSA	158	100.00	17.07	20.25	27.96	30.38	27.12	22.78	27.85	26.58	17.15	26.36	27.35	29.15							

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT														Geography: STATE OF COLORADO		Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016			
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*								
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp					
<b>Full Review:</b>																			
Denver-Aurora-Lakewood MSA	16	100.00	17.07	12.50	27.96	0.00	27.12	25.00	27.85	62.50	15.50	33.59	25.57	25.34					

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE    Geography: STATE OF COLORADO    Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Denver-Aurora-Lakewood MSA	54	100.00	17.07	12.96	27.96	22.22	27.12	12.96	27.85	51.85	15.01	30.24	27.49	27.26

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY														Geography: STATE OF COLORADO				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016									
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*																
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp													
<b>Full Review:</b>																											
Denver-Aurora-Lakewood MSA	8	100.00	26.49	50.00	22.98	12.50	33.11	25.00	17.41	12.50	28.67	19.58	39.86	11.89													

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES    Geography: STATE OF COLORADO    Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016														
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Denver-Aurora-Lakewood MSA	348	100.00	16.41	15.80	22.40	22.99	24.49	20.40	35.74	40.80	15.83	24.12	26.01	34.04

\* Based on 2015 Peer Small Business Data -- US and 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 (2016).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: STATE OF COLORADO					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	Low	Mod	Mid	Upp
<b>Full Review:</b>														
Denver-Aurora-Lakewood MSA	158	100.00	33.13	3.13	18.40	3.13	16.39	6.25	32.08	87.50	6.72	21.72	22.58	48.99

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 79.7% of loans originated and purchased by BANK.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT														Geography: STATE OF COLORADO				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016			
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*										
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp							
<b>Full Review:</b>																					
Denver-Aurora-Lakewood MSA	16	100.00	33.13	0.00	18.40	0.00	16.39	0.00	32.08	100.00	10.03	21.46	27.63	40.87							

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 25.0% of loans originated and purchased by BANK.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE      Geography: STATE OF COLORADO      Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016															
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid
<b>Full Review:</b>															
Denver-Aurora-Lakewood MSA	54	100.00	33.13	2.44	18.40	14.63	16.39	7.32	32.08	75.61	7.77	20.99	25.32	45.92	

\* Based on 2015 Peer Mortgage Data -- US and PR

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

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 24.1% of loans originated and purchased by BANK.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES      Geography: STATE OF COLORADO      Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016									
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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
<b>Full Review:</b>									
Denver-Aurora-Lakewood MSA	349	100.00	85.21	43.27	42.12	20.34	37.54	37,315	18,814

\* Based on 2015 Peer Small Business Data -- US and 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 - 2016).

\*\*\*\* 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 21.20% of small loans to businesses originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: STATE OF COLORADO				Evaluation Period: JANUARY 1, 2014 TO OCTOBER 30, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Denver-Aurora-Lakewood MSA	0	0	35	5,968	35	5,968	100	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: COLORADO Evaluation Period: JANUARY 1, 2014 TO OCTOBER 30, 2017																	
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
<b>Full Review:</b>																	
Denver-Aurora-Lakewood MSA	100.00	4	100.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	18.69	26.65	27.27	27.28

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: NATIONWIDE				Evaluation Period: JANUARY 1, 2014 TO OCTOBER 30, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Nationwide with no P/M/F	0	0	6	3,748	6	3,748	100.00	0	0

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\* 'Prior Period Investments' means investments made in a previous 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.