



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

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COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Vectra Bank Colorado, N.A.
Charter Number: 23849

2000 East 20th St.
Farmington, NM 87401

Office of the Comptroller of the Currency

**Assistant Deputy Comptroller – Midsize Bank Supervision
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Washington, DC 20219-0001**

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.

Table of Contents

OVERALL CRA RATING	2
DEFINITIONS AND COMMON ABBREVIATIONS	3
DESCRIPTION OF INSTITUTION	7
SCOPE OF THE EVALUATION	8
FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	9
STATE RATING	11
STATE OF COLORADO	11
STATE OF NEW MEXICO	32
APPENDIX A: SCOPE OF EXAMINATION	A-1
APPENDIX B: SUMMARY OF STATE RATINGS	B-1
APPENDIX C: MARKET PROFILES FOR FULL-SCOPE AREAS	C-1
APPENDIX D: TABLES OF PERFORMANCE DATA	D-1

Overall CRA Rating

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

The following table indicates the performance level of **Vectra Bank Colorado, N.A.** (hereinafter referred to as “**Vectra**” or “**Bank**”) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Vectra Bank Colorado, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

*The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The overall excellent distribution of loans in geographies of different income levels. We consider the geographic distribution of small business loans excellent and home mortgage and small farm loans good.
- An overall poor distribution of loans to borrowers of different income levels and businesses of different sizes. We consider the borrower income distribution of small business loans poor, and home mortgage and small farm loans good.
- An excellent level of Community Development (CD) lending. The level of CD lending had a significantly positive impact on the Lending Test for both Colorado and New Mexico.
- An overall excellent level and responsiveness of CD investments. The overall Bank Investment Test rating is driven primarily by the State of Colorado where performance was excellent.
- A branch distribution system that is accessible to geographies and individuals of different income levels in Vectra’s assessment areas along with an excellent level of community development services.

Definitions and Common Abbreviations

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

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

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

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

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

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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 do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on 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 refinancing, 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/AA.

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

Metropolitan Area (MA): Any 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 Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

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

Vectra Bank Colorado, N.A. (Vectra) is an interstate bank chartered in Farmington, New Mexico. Vectra is a banking subsidiary of Zions Bancorporation (Zions), which is headquartered in Salt Lake City, Utah. Zions is a multibank holding company comprised of five national bank affiliates (including Vectra), three state bank affiliates, and one national trust bank. As of December 31, 2011, Zions had over \$53.0 billion in assets. Zions conducts business in the states of Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Texas, Utah, and Washington. At Vectra's request, we also considered affiliate activity in evaluating the bank's performance under the CRA.

As of December 31, 2011, Vectra had total assets of \$2.36 billion, total loans of \$1.95 billion, and Tier 1 Capital of \$256.9 million. The June 30, 2011 FDIC Summary of Deposits indicates the bank had total deposits of \$1.83 billion. Approximately 76.0 percent of the Bank's loan portfolio was comprised of real estate loans, of which 59.7 percent was secured by non-farm, non-residential properties and 37.0 percent secured by 1-4 family residential properties. Commercial and industrial loans comprised 23.3 percent of the portfolio.

Vectra is a full-service financial institution that offers banking, trust, investment, leasing, mortgage, and cash management products and services to commercial enterprises of all sizes as well as individual customers. As of the evaluation date, Vectra operated 40 full-service banking offices (39 in Colorado and 1 in New Mexico) and 40 deposit-taking Automated Teller Machines (ATM) in Colorado and New Mexico. Although the Bank's business strategy is not limited to any one business endeavor, its primary focus is commercial banking with an emphasis on small and mid-size business lending.

For a number of years, Vectra has been among the top loan producers for the Colorado Housing and Finance Authority (CHFA) to provide affordable housing for LMI families. And Vectra was the founding member of CHFA's bond investment program. The Bank also has sponsored millions of dollars in the Federal Home Loan Bank's (FHLB) Affordable Housing Grant funds to projects that provided hundreds of units of affordable housing. Employees of the Bank act as senior advisors to Colorado's governor and support initiatives such as the Housing and Homeless Collaborative. During the review period Vectra partnered with ACCION and was honored with the top financial Partner "Open Door Award" in 2012. Vectra has also been recognized for its Small Business Administration (SBA) lending efforts.

Competition is strong in Vectra's assessment areas (AA) with numerous local, regional, and national banks as well as credit unions, mortgage companies, and non-bank lenders.

There are no known legal, financial, or other factors impeding the Bank's ability to help meet the credit needs in its communities. The Bank received an "Outstanding" rating in its previous CRA examination dated September 18, 2006.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We reviewed home mortgage, small business, and small farm loans for the period beginning January 1, 2006, through December 31, 2010. The mortgage loans reviewed were home purchase, home improvement, and home refinance loans. Multifamily loans were not a primary loan product and were not evaluated. However, we did consider multifamily loans meeting the CD definition as part of the evaluation of CD lending. Small farm loans were a primary loan product only in the Pueblo MSA and the Colorado Non-MSA AAs. Primary loan products for this review were products in which the Bank originated at least 25 loans within the AA during the evaluation period. We reviewed CD loans, investments, and services for the period beginning September 18, 2006 through March 12, 2012.

Data Integrity

Prior to this CRA evaluation, we tested the accuracy of Vectra's publicly filed information on home mortgage loans, small loans to businesses, and small loans to farms. The data we reviewed was collected and reported by the Bank over the evaluation period. The testing indicated no substantive inaccuracies in the data. Therefore, we concluded that the home mortgage loans, small loans to businesses, and small loans to farms data could be relied upon for this examination. Additionally, CD loans, investments, and services made or rendered during the evaluation period were reviewed to determine their eligibility for consideration. We included in this examination all activities found to meet the definition of CD. Finally, we reviewed the appropriateness of the Bank's processes for collecting and reporting home mortgage, small business, and small farm loan data. We found no substantive deficiencies in these processes.

Selection of Areas for Full-Scope Review

In each state where the Bank has an office, an AA or areas within the state were selected for full-scope reviews. Generally, we chose full-scope areas because they represent a significant portion of the Bank's deposit base and lending business in that state. Refer to the "Scope" section under each state rating for details regarding how the areas were selected and why they are representative.

Ratings

The Bank's overall rating is a blend of the state ratings. The Bank had two rating areas for this examination, namely the State of Colorado and the State of New Mexico. We placed the most weight on the State of Colorado since it had the largest percentage of deposits for the Bank, at approximately 97.3 percent of total deposits. Within the State of Colorado, we placed the most weight on performance in the Denver-Aurora-Broomfield Metropolitan Statistical Area (Denver MSA) since the overwhelming majority of Vectra's lending (41.1 percent) and deposit gathering (55.3 percent) occurred in this MSA.

Additionally, when evaluating the Bank's performance under the Lending Test, we placed a higher value on the Bank's distribution of small business loans (both by borrower income and geography) than the distribution of home loans. Within home loans, greater weight was placed

on home purchase loans and home refinance loans, with home improvement receiving lesser weight. Small farm lending performance also received a lesser value than small business and home loan performance. We placed this emphasis on small business lending due to it being the Bank's primary lending focus and an expressed credit need in all assessment areas. Secondary emphasis was placed on home loan performance due to the identified community needs for affordable housing.

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

Inside/Outside Ratio

This ratio is a bank-wide calculation, and is not calculated by individual rating area or AA. Analysis is limited to Bank originations and purchases, and does not include any affiliate data. For the combined five year evaluation period, a substantial majority of all loan products were made inside the Bank's AAs (90.1 percent). The percentage in number of loans made inside the AAs by loan type are as follows: small loans to businesses (90.1 percent), home refinance loans (90.7 percent), home purchase loans (90.3 percent), home improvement loans (90.7 percent), and small loans to farms (82.7 percent).

Community Contacts

We conducted community contacts with one community organization within each of the full-scope areas to identify community needs. In Colorado, these organizations included the following: a nonprofit organization with a mission to acquire, develop, and preserve community assets in urban areas for a variety of community needs such as schools, affordable housing, and office space for other nonprofits; an organization that promotes and coordinates economic development efforts throughout Southwest Colorado, and an organization established to promote revitalization in an urban area. In New Mexico, we contacted an organization that provides affordable housing and first time homebuyer classes to LMI individuals. According to these contacts, the most pressing financial needs and opportunities for financial institutions are lending to small businesses and affordable housing. One contact also stated that there is a need for banks to issue credit cards to more small business owners to help finance their operations given the downturn in small business lending by banks.

Fair Lending 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 (bank) or Federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

Section 1025 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. 111-203) assigns to the Consumer Financial Protection Bureau (CFPB) exclusive examination authority, and primary enforcement authority, to ensure compliance by banks and FSAs with

Federal consumer financial laws, if the bank or FSA has more than \$10 billion in assets. The Consumer Financial Protection Bureau (CFPB) has not provided the OCC with any information about, or other evidence of, discriminatory or other illegal credit practices relative to this institution with respect to the Federal consumer financial laws.

Further, during this examination cycle, the OCC's examiners did not identify evidence of discriminatory or other illegal credit practices with regard to those statutes over which the OCC continues to have primary supervisory and enforcement authority as this institution's prudential regulator.

State Rating

State of Colorado

CRA Rating for Colorado: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- An excellent geographic distribution and good lending activity was offset by a poor distribution of loans to borrowers of different income levels and businesses of different sizes. Vectra offered products that were innovative and flexible, and CD loans had a significant positive impact on the Lending Test. Overall lending performance in the Denver MSA and Colorado Non-MSA was good, while lending performance in the Pueblo MSA was excellent.
- Excellent responsiveness to the CD needs of the rating area based on qualified investment volume and complexity.
- A branch and ATM distribution system that is adequate, an excellent level of CD services, a good record of opening and closing branches, and good branch hours.

Description of Institution's Operations in Colorado

Vectra has six AAs within the State of Colorado. These include the Denver MSA, the Pueblo MSA, the Colorado Non-MSA, the Boulder MSA, the Colorado Springs MSA, and the Grand Junction MSA. These AAs include whole MSAs and/or whole counties. The Denver MSA is comprised of Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties. The Pueblo MSA is comprised of Pueblo County. The Colorado Non-MSA is comprised of Eagle, Garfield, La Plata, Montezuma, Montrose, Pitkin, Routt, and San Miguel Counties. The Boulder MSA includes Boulder County. The Colorado Springs MSA consists of El Paso and Teller Counties. And the Grand Junction MSA consists of Mesa County. The non-metropolitan areas were combined for analysis purposes for this examination. Vectra has 39 branches in the state, representing 97.5 percent of the Bank's total branch network.

As of June 30, 2011, the Bank ranked ninth in total state deposits with a 1.90 percent market share. Vectra's statewide deposits totaled \$1.8 billion. Deposit competitors include Wells Fargo Bank, N.A.; FirstBank; JP Morgan Chase Bank, N.A.; U.S. Bank, N.A.; and Bank of the West. Based on Bank deposits, the State of Colorado was the larger rating area and accounted for approximately 97.3 percent of total Bank deposits.

Refer to the Market Profiles 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 Vectra's Denver MSA, Pueblo MSA, and the Colorado Non-MSA AAs. Within the State of Colorado, these AAs are the most significant for the Bank. These AAs comprise 85.2 percent of Vectra's statewide deposits and 75.7 percent of the Bank's home mortgage, small business, and small farm loans.

In arriving at our conclusions for the Lending Test, more weight was placed on small business loans as described in the **Ratings** section. Commercial lending is Vectra's primary lending focus. Small Business lending is one of the major credit needs in the AAs as confirmed through our discussions with community contacts. Secondary emphasis was placed on home mortgage lending since this was also a credit need in the AAs. Within mortgage lending, home purchase lending received the most weight, followed by home refinance lending and home improvement lending. The highest percentage (50.3 percent) of the Bank's home mortgage loans during the review period were for home purchase purposes. On the other hand, home improvement loans represented only 5.3 percent of the Bank's mortgage lending. We placed the least amount of weight on small farm loans due to the low volume. During the evaluation period, the Bank originated only 182 small farm loans in Colorado.

In arriving at our conclusions, we considered the downturn in the economy during the evaluation period. We also considered the Bank's efforts to offer products which are beneficial to low- and moderate-income (LMI) individuals and small business borrowers. Some of these efforts, which are not necessarily reflected in the lending volume, are noted under **Product Innovation and Flexibility**. Our analysis also considered the portion of households in the three full-scope AAs in Colorado that are below the poverty level. This factor makes it difficult for a low-income family to afford a home in these AAs.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The Bank's performance under the Lending Test in Colorado is rated "High Satisfactory". Based on full-scope reviews, Vectra's performance is good in the Denver MSA and excellent in the Pueblo MSA and the Colorado Non-MSA. The Bank's lending performance was significantly enhanced by the excellent level of CD lending in all of its full-scope AAs. Vectra's performance in the limited scope AAs did not impact the Lending Test rating for the Bank.

In our analysis of geographic and borrower distribution of the Bank's lending activity, we placed much greater emphasis on the distribution patterns in relation to applicable demographics and less emphasis on the market share aspect of lending performance. This methodology accommodated the relatively long performance period evaluated at this examination.

Lending Activity

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 lending activity.

The Bank's overall lending activity in the State of Colorado is good. During the evaluation period, Vectra originated 4,902 home mortgage loans totaling nearly \$1.1 billion; 6,993 small loans to businesses totaling \$879.8 million; and 182 small loans to farms totaling \$18.9 million. Vectra's lending activity is good in the Denver MSA and the Colorado Non-MSA. In the Pueblo MSA lending activity is adequate. In reaching our conclusion, we considered the large number of credit card lenders who originate small loans in the Bank's AAs.

Denver MSA

Vectra achieved an overall good level of lending activity in the Denver MSA. The percentage of Vectra's lending that occurred in the Denver MSA was below its concentration of deposits in that AA but still considered to be good, particularly when considering that the bank's rank for small business loans was close to its deposit rank and this was Vectra's most important product evaluated under the CRA during this evaluation period.

The Bank originated or purchased 4,991 reportable home mortgage, small business, small farm, and CD loans in the Denver AA that totaled more than \$1.0 billion. By number of loans made and reported, small loans to businesses accounted for 72.7 percent of the total volume, home mortgage loans were 26.4 percent, CD loans were less than 1.0 percent, and small loans to farms were a nominal amount. This represents a significant amount of CRA reportable lending activity that meets a variety of credit needs in the MSA by providing financing to small businesses, individuals, households, nonprofits, small farms, builders of affordable housing, and others. Due to the low volume of loans to small farms and loans for multifamily units, these kinds of loans were not evaluated.

Market share information for loans and deposits shows that Vectra operated in a highly competitive banking environment in this AA. Loan data indicates that large financial institutions, credit card lenders, mortgage companies, and credit unions all achieved significant market shares in the reportable loan products evaluated under the CRA. Based on number of loans, 2010 market share data for small loans to businesses indicated Vectra ranked 12th with a market share of 0.8 percent out of 135 lenders. The dominant small business lender was Wells Fargo Bank, N.A. with a 32.0 percent market share. But American Express; JP Morgan Chase Bank, N.A.; U.S Bank, N.A.; and Citigroup all achieved market shares in excess of 5.0 percent. The top five lenders achieved a combined market share of 80.0 percent. For all of the home mortgage loan products, Vectra achieved market shares that were substantially less than 1.0 percent. But, Vectra competed with as many as 570 other lenders for these kinds of loans. The dominant home mortgage lenders were Wells Fargo Bank, N.A. and Bank of America, N.A. However, U.S. Bank, N.A.; JP Morgan Chase Bank, N.A.; and Ally Financial, all achieved market shares in excess of 5.0 percent in one or more of the home mortgage loan products. After consideration of competitive factors, the Bank's lending activity in small business loans was below its deposit taking activity, but still considered to be good given the significant competition from the large banks which dominate this market. Considering the competitive loan market, the Bank achieved overall adequate market shares in home mortgage

loans. As of June 30, 2011, Vectra ranked 11th among 72 depository institutions with a market share of 1.8 percent for deposits.

Pueblo MSA

Lending activity is adequate in the Pueblo MSA, considering the competition for reportable home mortgage loans, small loans to businesses, and small loans to farms. The percentage of Vectra's lending that occurred in this AA substantially met its concentration of deposits.

The Bank originated or purchased 1,158 reportable home mortgage, small business, small farm, and CD loans in the Pueblo MSA that totaled more than \$153.3 million. By number of loans made and reported, small loans to businesses accounted for 34.4 percent of the total volume, home mortgage loans were 61.9 percent, small loans to farms were 3.3 percent, and CD loans were a nominal amount. This represents a significant amount of CRA reportable lending activity that meets a variety of credit needs in the community by providing financing to small businesses, individuals, households, nonprofits, small farms, builders of affordable housing, and others. However, due to the low volume of loans for multifamily units, these loans were not evaluated.

Market share information for loans and deposits shows that Vectra operates in a very competitive banking environment in this AA. As of June 30, 2011, Vectra ranked 3rd among 14 depository institutions with a market share of 11.0 percent for deposits. Similar to the market conditions in the AA described above, Vectra competed against large financial institutions, credit unions, mortgage companies, and credit card lenders for loans in this AA. Based on number of loans, 2010 market share data for small loans to businesses indicated Vectra ranked 9th with a market share of 3.1 percent out of 37 lenders. The dominant small business lender was Wells Fargo Bank, N.A., which achieved a market share of 30.1 percent. But U.S. Bank, N.A., American Express, GE Money Bank, and Citigroup all achieved market shares greater than 7.4 percent, and the top five lenders achieved a combined market share of 74.1 percent. For home purchase loans Vectra ranked 8th among 112 reporting lenders, with a market share of 2.6 percent. The Bank ranked 14th among 169 lenders for home refinance loans, with a market share of 1.2 percent. And it ranked 7th among 30 lenders for home improvement loans, with a market share of 3.7 percent. In the home purchase and home refinance products, Bank of America was the top lender with market shares close to 18.0 percent. Sunwest Educational Credit Union was the top lender in the home improvement product with a market share of 24.2 percent. But Wells Fargo Bank, N.A.; Premier Mortgage Services; Mortgage Solutions of Colorado; Franklin American Mortgage; ENT Federal Credit Union; U.S. Bank, N.A.; Sunflower Bank; and Ally Financial all achieved market shares in excess of 5.7 percent in one or more home mortgage loan products. For small loans to farms Vectra ranked 1st among seven lenders with a market share of 21.2 percent. For small loans to farms Vectra ranked 1st among seven lenders with a market share of 21.2 percent. Considering the competitive nature of the lending market, in terms of market rank and market share, Vectra's lending activity in small loans to businesses, home refinance loans, and home purchase loans was well below its deposit taking activity, but still considered to be adequate. Home improvement lending activity was significantly below its deposit taking activity and is considered poor; but small farm lending significantly exceeded the bank's deposit market share and rank and is considered to be excellent.

Colorado Non-MSA

Lending activity is good in the Colorado Non-MSA AA, considering the high amount of competition for reportable home mortgage loans, small loans to businesses, and small loans to farms. The percentage of Vectra's lending that occurred in this AA closely correlated to its concentration of deposits in the AA. This demonstrates that the Bank is strategically focusing its lending activities to reinvest deposit resources into the community that helps fund its operations.

The Bank originated or purchased 3,036 reportable home mortgage, small business, small farm, and CD loans in this AA that totaled more than \$631.3 million. By number of loans made and reported, small loans to businesses accounted for 38.2 percent of the total volume, home mortgage loans were 56.8 percent, small loans to farms were 4.6 percent, and CD loans were a relatively nominal amount. This represents a significant amount of CRA reportable lending activity that meets a variety of credit needs in the communities by providing financing to small businesses, individuals, households, nonprofits, small farms, builders of affordable housing, and others. However, due to the low volume of loans for multifamily units, those kinds of loans were not evaluated.

Market share information for loans and deposits shows that Vectra operates in a very competitive banking environment in this AA. As of June 30, 2011, Vectra ranked 7th among 28 depository institutions with a market share of 5.1 percent for deposits. Large financial institutions whose operations encompass the entire country are active in this AA, including credit card lenders who compete for small loans to businesses, but do not take deposits from this AA. Based on number of loans, 2010 market share data for small loans to businesses indicates Vectra ranked 8th with a market share of 2.1 percent out of 82 lenders. The dominant small business lender was Wells Fargo Bank, N.A. with a 36.2 percent market share. American Express; JP Morgan Chase Bank, N.A.; U.S. Bank, N.A.; and Citigroup all achieved market shares in excess of 5.8 percent. The top five small business lenders achieved a combined market share of almost 74.0 percent. Vectra ranked 4th among 16 lenders in making small loans to farms, with a market share of 10.0 percent. For home purchase loans Vectra ranked 5th among 215 lenders with a market share of 3.6 percent. For home refinance loans, Vectra ranked 10th among 325 lenders with a market share of 1.5 percent, and it ranked 11th among 46 lenders for home improvement loans with a market share of 1.7 percent. The dominant lender for home mortgage loan products was Wells Fargo Bank, N.A. which achieved market shares of 25.3 percent, 39.6 percent, and 26.4 percent for home purchase, home improvement, and home refinance loans, respectively. Bank of America, N.A.; JP Morgan Chase Bank, N.A.; Alpine Bank; and Ally Financial achieved market shares in excess of 5.0 percent in one or more of the home mortgage loan products. The Bank's market share and rank in small loans to businesses and home refinance, were below its deposit market share and rank, but still considered to be good given competition in this AA. For home purchase loans market share was near to deposit market share but the rank exceeded deposit rank, and overall was considered good. For small farm loans, it was excellent. Considering the competitive home mortgage loan market, the Bank achieved an adequate market share in home improvement loans.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the Bank's lending activity is excellent. As noted under the **Scope of Evaluation in Colorado**, the most weight was placed on the Vectra's small loans to businesses. Home purchase and home refinance loans received secondary weight, and home improvement and small farm loans (where applicable) received the least weight. Vectra originated a very low number of multifamily mortgage loans; consequently they were not analyzed as part of this evaluation. CD loans are evaluated in a separate section of this Performance Evaluation.

Home Mortgage Loans

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.

The overall geographic distribution of home mortgage loans in the State of Colorado is good. Distribution was good in the Denver MSA and the Colorado Non-MSA and excellent in the Pueblo MSA.

Denver MSA

The overall geographic distribution of Vectra's home mortgage loans in this AA is good. The opportunity to make home mortgage loans in LMI geographies in this AA is affected by the composition of the housing stock. The low-income CTs in the Denver MSA contain only 1.9 percent of the owner-occupied housing units. Also, a relatively high proportion of the housing stock in this AA consists of rental units. The LMI CTs contain 50.7 percent of the renter-occupied units. These demographic factors diminish the opportunity to lend.

The geographic distribution of the Bank's home purchase loans is good. The portion of home purchase loans in low-income CTs exceeds the demographic comparator. But the portion of Bank loans made in moderate-income CTs is below the demographic comparator. With an overall home purchase loan market share of only 0.40 percent, an analysis of the Bank's market share performance in LMI CTs in this AA is not meaningful.

Geographic distribution of home improvement loans is excellent. The portion of home improvement loans in both low- and moderate-income CTs significantly exceeds the demographic comparators. With an overall home improvement loan market share of only 0.41 percent, an analysis of the Bank's market share performance in LMI CTs in this AA is not meaningful.

The geographic distribution of home refinance loans is good. The portion of loans in low-income CTs is near to the demographic comparator. But the portion of loans in moderate-income CTs is below the percentage of owner-occupied units. With an overall home refinance loan market share of only 0.16 percent, an analysis of the Bank's market share performance in LMI CTs in this AA is not meaningful.

Pueblo MSA

The overall geographic distribution of Vectra's home mortgage loans in this AA is excellent. The portion of home purchase, home improvement, and home refinance loans in moderate-income geographies either exceeds or significantly exceeds the demographic comparator. And Vectra's market shares for home purchase, home refinance loans, and home improvement loans either exceeds or nearly meets its overall market share in the AA. There are no low-income CTs in the Pueblo MSA.

The geographic distribution of Vectra's home purchase loans is excellent. The portion of home purchase loans in moderate-income CTs exceeds the demographic comparator. And the Bank's market share for these loans in moderate-income CTs exceeds its overall market share in the AA.

Geographic distribution of home improvement loans is excellent. The portion of Bank loans in moderate-income CTs significantly exceeds the demographic comparator. The Bank's market share for these loans in moderate-income CTs is near to its overall market share.

The geographic distribution of home refinance loans is excellent. The portion of loans in moderate-income CTs exceeds the demographic comparator. Market share for these loans exceeds the Bank's overall market share.

Colorado Non-MSA

The overall geographic distribution of Vectra's home mortgage loans in this AA is good. We did not place significant weight on geographic distribution of home mortgage loan products in low-income geographies since there are few opportunities to originate home mortgage loans. There is only one low-income CT in this AA, and it is located on an American Indian reservation where significant barriers exist for home mortgage lending. Owner-occupied housing units in this CT represent less than 1.0 percent of all owner-occupied units in this AA. In addition, there are only two moderate-income CTs in this AA, which together contain only 3.4 percent of the owner-occupied housing units in the AA. The composition of the housing stock reflects a relatively high amount of vacant units at 20.4 percent and a high amount of mobile homes and trailers at 14.8 percent. All of these demographic factors diminish the opportunity to originate home mortgage loans.

The geographic distribution of the Vectra's home purchase loans is good. The portion of home purchase loans in the low-income CT was significantly below the demographic comparator. But the portion of Bank loans in moderate-income CTs significantly exceeded the demographic comparator. The Bank did not achieve a measurable market share of loans in the low-income CT, but its market share of loans in moderate-income CTs significantly exceeded its overall market share for these loans in the AA.

Geographic distribution of home improvement loans is excellent. The portion of home improvement loans in both the low- and the moderate-income CTs significantly exceeded the demographic comparators. The Bank did not achieve a measurable market share in either the low- or the moderate-income CTs, reflecting very poor performance. However, with an overall market share of 1.75 percent in this AA, minimal consideration was given to the bank's market share performance in low- and moderate- income tracts.

The geographic distribution of home refinance loans is excellent. The portion of loans in the low-income CT exceeded the demographic comparator. And in moderate-income CTs, the portion of home refinance loans significantly exceeded the percentage of owner-occupied units in those geographies. The Bank did not achieve a measurable market share in the low-income CT, but its market share in moderate-income CTs significantly exceeded its overall market share for these loans in the AA.

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 overall geographic distribution of small loans to businesses in the State of Colorado is excellent. It is excellent in all three full-scope AAs.

Denver MSA

The geographic distribution of small loans to businesses is excellent in the Denver MSA. The portion of Bank loans in low-income geographies exceeds the demographics and significantly exceeds the demographics in moderate-income CTs. And the Bank's market share of these loans in LMI CTs was greater than its overall market share in the AA for this product.

Pueblo MSA

The geographic distribution of small loans to businesses is excellent in the Pueblo MSA. Keeping in mind that there are no low-income CTs in the AA, the portion of Bank loans in moderate-income CTs significantly exceeded the demographic comparator, and the Bank's market share for these loans in moderate-income CTs was greater than its overall market share in the AA.

Colorado Non-MSA

The geographic distribution of small loans to businesses is excellent. The portion of Bank loans in the low-income CT exceeded the demographic comparator. The portion of loans in moderate-income CTs significantly exceeded the demographic comparators for those tracts. And the Bank's market share for these loans in both low- and moderate-income CTs was greater than its overall market share in the AA for this product.

Small Loans to Farms

Refer to Table 7 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 farms.

The Bank's lending activity for this product was only significant in the Pueblo MSA and the Colorado Non-MSA AAs. The overall geographic distribution of small loans to farms in the State of Colorado is good. It is excellent in the Pueblo MSA and adequate in the Colorado Non-MSA.

Pueblo MSA

The geographic distribution of small loans to farms is excellent. As noted above, demographic data shows there are no low-income CTs in this AA, and there are only 51 farms in the moderate-income CTs. Also, the market share data for 2010 shows that only seven lenders were active in this market, which further emphasizes the limited nature of the lending opportunities. The portion of Bank loans in moderate-income CTs significantly exceeded the percentage of farms in these geographies. And, the Bank's market share in moderate-income tracts significantly exceeded its overall market share for this product in the AA.

Colorado Non-MSA

The geographic distribution of small loans to farms is adequate. Demographic information shows there are only 33 farms in the one low-income and two moderate-income CTs in the AA. This limited opportunity to lend tempered the conclusions about the Bank's performance for this product in this AA. The portion of Bank loans in the low-income CT significantly exceeded the percentage of farms in this geography. But the Bank did not make any loans to farms in moderate-income CTs. Vectra did not achieve measurable market shares for these loans in either low- or moderate-income CTs, though its overall market share for the product is 10.0 percent.

Lending Gap Analysis

We reviewed Vectra's lending activity in the three full-scope AAs in Colorado. We analyzed reports that listed CTs where the Bank did not make any reportable home mortgage, small business, or small farm loans in order to identify gaps in the geographic distribution of loans. While our initial evaluation did identify some geographies where the Bank did not make any reportable loans in the five-year evaluation period, in-depth analysis disclosed valid demographic reasons for the absence of lending in those areas. For instance, there are two tracts in the Colorado Non-MSA that appear to be completely devoid of population, businesses, and farms. And three tracts in that AA are in the Ute American Indian Reservation where there can be unique lending challenges. As already discussed above, the demographics of some geographies in other AAs limit the opportunities to lend. After considering Vectra's size, competition in the AAs, and demographic factors, we did not identify any conspicuous gaps in lending.

Distribution of Loans by Income Level of the Borrower

Vectra's overall distribution of loans by income level of the borrower and size of business or farm in the full-scope AAs is poor. In making this determination we gave the most weight to Vectra's performance in its highest volume product, small loans to businesses, particularly in the Denver MSA which is Vectra's largest AA.

Home Mortgage Loans

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.

The overall borrower distribution of home mortgage loans in the State of Colorado is good. It is good in the Denver MSA, excellent in the Pueblo MSA, and adequate in the Colorado Non-MSA.

Denver MSA

Our evaluation of the borrower distribution of home mortgage loan products takes into consideration some of the key population demographics that can affect the opportunity to lend. In this AA, 18.0 percent of the families are low-income and 7.0 percent of the households are below the poverty level. The overall borrower distribution of home mortgage loans in the Denver MSA is good.

Borrower distribution of home purchase loans is excellent. Distribution of loans to both low- and moderate-income borrowers is excellent within the context of the demographics discussed above. The portion of loans to low-income borrowers was below the demographic comparator, and the portion of loans to moderate-income borrowers exceeded the comparator. The Bank's overall market share for home purchase loans in this AA was less than 1.0 percent which makes analysis of this aspect of performance not meaningful.

Borrower distribution of home improvement loans is good. Keeping in mind the demographic factors affecting low-income borrowers, the distribution of loans to low-income borrowers is adequate, and distribution to moderate-income borrowers is excellent. The portion of loans to low-income borrowers was below the demographic comparator, and the portion of loans to moderate-income borrowers significantly exceeded the demographic comparator. The Bank did not achieve a significant overall market share for this product in this AA, so an analysis of market share performance would be not meaningful.

Borrower distribution of home refinance loans is good within the context created by population demographics in this AA. Distribution to low-income borrowers is good, and distribution to moderate-income borrowers is excellent. The portion of home refinance loans made to low-income borrowers was below the percentage of low-income families in the AA, but still considered good considering performance context. The portion of loans made to moderate-income borrowers was near to the demographic comparator. The Bank did not achieve a significant overall market share for this product in this AA, so any analysis of market share performance is not meaningful.

Pueblo MSA

The overall borrower distribution of home mortgage loans in the Pueblo MSA is excellent. Our evaluation of the borrower distribution of home mortgage loan products takes into consideration some of the key population demographics that can affect the opportunity to lend. In this AA; 20.2 percent of the families are low-income and 14 percent of the households are below the poverty level.

Borrower distribution of home purchase loans is excellent. Distribution of loans to both low- and moderate-income borrowers is excellent. The portion of loans to low- and moderate-income borrowers exceeded the demographic comparator. And the Bank's market share of

loans to both low- and moderate-income borrowers exceeded its overall market share for home purchase loans in this AA.

Borrower distribution of home improvement loans is also excellent. Distribution of loans to both low- and moderate-income borrowers is excellent; the portion of loans to low- and moderate-income borrowers exceeded the demographic comparators. And the Bank's market share of loans to low- and moderate-income borrowers exceeded its overall market share for home improvement loans in this AA.

Borrower distribution of home refinance loans is good within the context created by the population demographics in this AA. Distribution to low-income borrowers is good, and distribution to moderate-income borrowers is excellent. The portion of home refinance loans made to low-income borrowers was below the percentage of low-income families in the AA. The portion of loans made to moderate-income borrowers exceeded the demographic comparator. The market share of loans to low-income borrowers was below the Bank's overall market share for this product in this AA, and its market share to moderate-income borrowers exceeded the comparator.

Colorado Non-MSA

The overall borrower distribution of home mortgage loans in the Colorado Non-MSA is adequate. Our evaluation of the borrower distribution of home mortgage loan products takes into consideration some of the key population demographics that can affect the opportunity to lend. In this AA, 14.7 percent of the families are low-income and 9 percent of the households are below the poverty level.

Borrower distribution of home purchase loans is adequate. Distribution of home purchase loans to low-income borrowers is poor, and distribution to moderate-income borrowers is good. The portion of home purchase loans to low-income borrowers was significantly below the percentage of low-income families in the AA. And the portion of these loans made to moderate-income borrowers was near to the percentage of moderate-income families in this AA. However, the Bank's market share of loans to both low- and moderate-income borrowers significantly exceeded its overall market share in this AA, which is excellent.

Borrower distribution of home improvement loans is good. Keeping in mind the demographic factors affecting low-income borrowers, the distribution of loans to low-income borrowers is adequate, and distribution to moderate-income borrowers is excellent. The portion of loans to low-income borrowers was below the demographic comparator, and the portion of loans to moderate-income borrowers was near to the demographic comparator. The Bank did not achieve a measurable market share of home improvement loans to low-income borrowers, but its market share for loans to moderate-income borrowers exceeded the overall market share and is excellent.

Borrower distribution of home refinance loans is adequate within the context created by the population demographics in this AA. Distribution to low-income borrowers is poor, and distribution to moderate-income borrowers is adequate. The portion of home refinance loans made to low-income borrowers was substantially below the percentage of low-income families in the AA. The portion of loans made to moderate-income borrowers was below the demographic comparator. The Bank's market share of loans to low-income borrowers was

below its overall market share for this product in the AA; however its market share of loans to moderate-income borrowers exceeded the overall market share.

Small Loans to Businesses

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 Vectra's origination and purchase of small loans to businesses.

The borrower distribution of Vectra's small loans to businesses is poor. Distribution is poor in the Denver MSA and adequate in the Pueblo MSA and in the Colorado Non-MSA.

Denver MSA

Vectra's record of making small loans to businesses of different income levels in this AA is poor. The portion of Bank loans to businesses that are small (those with gross annual revenues of \$1 million or less) is significantly below the demographic comparator. The Bank's market share of small loans to businesses exceeded its overall market share, which is good.

Pueblo MSA

Vectra's record of making small loans to businesses of different income levels in this AA is adequate. The portion of Bank loans to businesses that are small is below the demographic comparator and is adequate. The Bank's market share of small loans to businesses exceeded its overall market share, which is good.

Colorado Non-MSA

Vectra's record of making small loans to businesses of different income levels in this AA is adequate. The portion of Bank loans to businesses that are small is below the demographic comparator and is adequate. The Bank's market share of small loans to businesses substantially exceeded its overall market share, which is excellent

Small Loans to Farms

Refer to Table 12 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/purchase of small loans to farms

The borrower distribution of Vectra's small loans to farms of different income levels is good. Distribution is adequate in the Pueblo MSA and good in the Colorado Non-MSA. Only a nominal number of small farm loans were made in the Denver MSA, which was too low for a meaningful analysis.

Pueblo MSA

Vectra's record of making small loans to farms of different income levels in this AA is adequate. The portion of Bank loans to farms that are small (those with gross annual revenues of \$1 million or less) is below the demographic comparator and is adequate. The

Bank's market share of small loans to farms significantly exceeded its overall market share, which is excellent.

Colorado Non-MSA

Vectra's record of making small loans to farms of different income levels in this AA is good. The portion of Bank loans to farms that are small is near to the demographic comparator and is good. The Bank's market share of small loans to farms substantially exceeded its overall market share, which is excellent.

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, however.

Denver MSA

Vectra's level of CD lending in this AA had a significant positive impact on the overall evaluation of its lending performance. During the evaluation period the Bank originated 29 CD loans totaling \$200.8 million that equaled 145.3 percent of allocated Tier 1 Capital¹. Vectra's CD lending reflects excellent responsiveness to the identified needs in the AA for financing affordable housing, small businesses, and community service providers. Specifically, Vectra's CD loans were made to a variety of entities that provide CD benefits to the community that include affordable housing, economic development targeted to LMI persons, revitalization of LMI neighborhoods, and provision of community services to LMI persons. By dollar volume, about 58.2 percent of CD loans financed economic development, 26.9 percent financed neighborhood revitalization, 13.2 percent financed affordable housing and housing for persons with special needs, and 1.7 percent financed providers of community services. Most of the economic development loans were made in conjunction with the SBA 504 loan program. The Bank's CD lending made a significant impact by financing more than 339 affordable housing units in this AA during the evaluation period.

Some of the Bank's CD loans were complex in that they involved multiple sources of financing and coordination between multiple entities in order to structure the loans. An example of this complexity is a loan made to finance a housing project located in a moderate-income CT in the Denver MSA. The purpose of the project was to construct a 101-unit affordable housing apartment complex. The mission of the project was to help meet the housing needs of homeless individuals and families, homeless veterans, and other low-income persons. In addition to affordable housing, this project provides on-site counseling and supportive services to the tenants to address illnesses, help integrate clients into the main stream economy and ultimately attain self sufficiency. The financing for this project included this Bank's CD loan, an Affordable Housing Grant, and a commitment for permanent take-out financing by another lender.

¹ The term "allocated Tier 1 Capital" is used to describe the portion of capital that is equal to the portion a specific AA represents in relation to total bank deposits. It is used only as a reference. The term is used in relation to Vectra's CD lending and qualified investments.

Another good example of the Bank's commitment to help meet the need for affordable housing is a CD loan to finance a housing project in Littleton (a southern suburb of Denver). The purpose of this project was to acquire and renovate an existing apartment building and convert it into housing for low-income and very low-income persons, including persons with special needs. The borrower was a for profit entity that was formed through the collaboration of three human services agencies. The mission of this entity is to provide quality, service-supported living opportunities for people with modest means, including seniors and those with disabilities, mental illness, and substance abuse. To facilitate this project, Vectra extended a bridge loan, made a donation to cover a funding gap, and sponsored a HUD Affordable Housing Program grant. This was a complex project in which funding came from this Bank's bridge loan, acquisition financing, grants from two different sources, and donations

Other Loan Data

In addition to the CD loans, the Bank issued two Letters of Credit (LC) totaling \$39.2 million to a redevelopment agency for the City and County of Denver. The agency's mission is to prevent or eliminate urban blight. The LCs facilitated two city housing rehabilitation programs to improve the quality of existing single-family housing units owned by LMI residents. Refer to Table 1, Appendix D – Other Products.

Pueblo MSA

Vectra's level of CD lending in this AA also had a significant positive impact on the overall evaluation of its lending performance. During the evaluation period Vectra reported five CD loans totaling \$30.7 million that equaled 111.2 percent of allocated Tier 1 Capital. Vectra's CD lending reflects excellent responsiveness to the identified needs in the AA for financing affordable housing, small businesses, and community service providers. Specifically, the Bank's CD loans were made to several entities that provide CD benefits to the community that include affordable housing and revitalization of LMI neighborhoods. By dollar volume, about 91.2 percent of CD loans financed revitalization projects and 8.8 percent financed affordable housing.

Some of the Bank's CD loans were complex in that they involved multiple sources of financing and coordination between multiple entities in order to structure the loans. An example of this complexity is the Bank's loan to an organization to construct a hotel in the downtown area that has been targeted for revitalization in a city plan. The hotel is in a moderate-income CT and will provide jobs to LMI persons. The financing for this project included this Bank's CD loan, New Market Tax Credits, a grant, and take-out financing from a permanent lender.

Colorado Non-MSA

Vectra's level of CD lending had a significant positive impact on the overall evaluation of its lending performance in this AA. During the evaluation period the Bank reported ten CD loans totaling \$16.6 million that equaled 35.2 percent of allocated Tier 1 Capital. Vectra's CD lending reflects excellent responsiveness to the identified needs in the AA for financing affordable housing and businesses that provide jobs. Specifically, the Bank's CD loans were made to a variety of entities that provide CD benefits to the community. This includes organizations that provide affordable housing and economic development targeted at LMI

persons. By dollar volume, about 55.3 percent of CD loans financed affordable housing, and 44.7 percent promoted economic development and were originated in conjunction with the SBA 504 loan program.

The Bank's CD lending made a significant impact by financing more than 150 affordable housing units in this AA during the evaluation period. Many of the mountain communities located in this AA have economies that are heavily dependent on the ski industry and tourism. Housing development in these communities tends to be upscale. There is a chronic shortage of affordable housing for LMI workers, and the creation of additional affordable housing units provides a much needed benefit.

Some of the Bank's CD loans were complex in that they involved multiple sources of financing and coordination between multiple entities in order to structure the financing. An example of this complexity is the Bank's involvement in a project in Rifle, Colorado. The purpose of the project was to construct a 29-unit affordable housing apartment complex. The financing for this project included the Bank's CD loan, investor equity through capital injections based on future tax credits, and a commitment for permanent take-out financing by an affordable housing organization.

Product Innovation and Flexibility

Vectra was highly active in flexible and innovative loan programs that helped meet the credit needs of its AAs, particularly the needs of LMI persons and small businesses. During this evaluation period, Vectra received special recognition from the SBA and CHFA for its participation in their loan programs.

The Bank participated in several loan programs sponsored by Colorado Housing Finance Agency (CHFA). These loan programs target first time homebuyers, veterans, and buyers of homes located in certain geographies designated for revitalization or stabilization. The loan programs offer affordable interest rates, and one program offers second-mortgage down payment assistance loans. Income and purchase price limits help ensure that primarily LMI persons benefit from these loan programs. And the loan programs require first time homebuyers to attend home owner education classes. These CHFA loan programs are state-wide in scope. Participating lenders underwrote and closed the loans and CHFA purchased them. In four of the five years covered by this evaluation period, Vectra was recognized by CHFA as one of the top ten lenders in its programs throughout the State of Colorado. Furthermore, CHFA recognized the Bank as being a strong supporter of its HomeAccess program. That program targets very low income persons with disabilities and families with disabled children. The loans in this program are complex because they usually involve HUD Section 8 assistance and multiple layers of subordinate financing. During this evaluation period the Bank originated a total of 532 CHFA loans. It is quite likely that the Bank's participation in these loan programs helped it achieve good to excellent borrower distribution for home purchase loans in most of its Colorado AAs. To the extent that the borrowers reside within the Bank's AAs and the loans are reportable under HMDA, the data was included in the lending tables in Appendix D.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the Bank's performance under the Lending Test in the Boulder, Colorado Springs, and Grand Junction MSAs is not inconsistent with the Bank's overall "Satisfactory" performance under the Lending Test in Colorado. Refer to Tables 1 through 13 in the State of Colorado section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The Bank's performance under the Investment Test in Colorado is rated "Outstanding." Based on full-scope reviews, the Bank's performance in the Denver and Pueblo MSAs is excellent; and in the Colorado Non-MSA, it is adequate. Performance in the limited scope AAs did not impact the Bank's Investment Test rating in the State of Colorado.

Refer to Table 14 in Appendix D for the facts and data used to evaluate the Bank's level of qualified investments.

Denver MSA

During the evaluation period, Vectra originated 173 qualified investments in the AA totaling \$10.2 million. This represents 6.5 percent of allocated Tier 1 Capital. In addition, we considered the ongoing impact of the investments made prior to the current evaluation period. The remaining balance of five prior period investments as of the date of our examination was \$16.7 million. When considering both current and prior period investments, the total of \$26.9 million represents 19.5 percent of allocated Tier 1 capital.

Vectra's responsiveness to the CD needs in the AA is excellent. In terms of total dollar amount, 61.0 percent of the Bank's investments and grants were made to organizations focused on affordable housing. This includes \$10.4 million in the CHFA private placement bonds which helped provide affordable housing to LMI borrowers. The Bank also made an investment of \$4.4 million to revitalize a blighted low-income area which in turn will provide mixed housing and an opportunity for small businesses to locate to this area. In addition, Vectra has a large investment in New Market Tax Credits which was used for the redevelopment of a military campus. The remaining investments and grants were made to organizations focused on community revitalization and stabilization activities and services to LMI individuals. Funding for small businesses and affordable housing are two of the main identified CD needs in the AA. There are ample investment opportunities for financial institutions in the AA. Community development corporations (CDC), community development financial institutions (CDFI), and many nonprofit organizations are located in and serve the greater metropolitan Denver area. These organizations provide affordable housing and community services to LMI individuals, economic development activities, revitalization of LMI areas, and small business financial and educational support.

Pueblo MSA

During the evaluation period, Vectra originated 39 qualified investments totaling just over \$3.3 million. This represents 12.1 percent of allocated Tier 1 Capital. In addition, we considered the ongoing impact of investments made prior to the current evaluation period. The remaining balance on two prior period investments as of the date of our examination was \$1.6 million. When considering both current and prior period investments, the total of \$4.9 million represents 17.8 percent of allocated Tier 1 Capital for the AA.

The Bank's responsiveness to the CD needs in the Pueblo AA is excellent. In terms of dollar amount, 64.0 percent of the Bank's investments and grants were made to organizations focused on revitalization; 35.0 percent was made to organizations focused on affordable housing; and the remaining 1.0 percent was made to organizations that provide services to LMI individuals. Funding for projects that focus on revitalization of the Pueblo AA is vital to an economically depressed area with an unemployment rate of over 10.0 percent. Revitalization projects have not only provided temporary jobs, but more importantly have created permanent jobs when businesses relocate to revitalized areas which were previously blighted low-income areas. In addition, funding for small businesses and affordable housing are needs identified in the Pueblo MSA. The AA has a moderate number of community development corporations and nonprofit organizations which provide a number of investment opportunities for financial institutions. These organizations provide affordable housing and community services to LMI individuals, revitalization of LMI areas, economic development activities, and small business financial and educational support. There are no community development financial institutions in this AA.

Colorado Non-MSA

Vectra originated 56 qualified investments in the Colorado Non-MSA totaling \$227.3 thousand during the review period. This represents 0.48 percent of Tier 1 Capital. We also considered the ongoing impact of investments made prior to the current evaluation period. These investments totaled \$846.6 thousand. When considering both current and prior period investments, the total of just over \$1.0 million represents 2.28 percent of allocated Tier 1 Capital.

The Bank's responsiveness to the CD needs in the Colorado Non-MSA is adequate. In terms of total dollar amount, 79.0 percent provided affordable housing to LMI individuals, 15.0 percent provided loans to small and micro businesses and the remaining primarily provided services to LMI individuals. Funding for small businesses and affordable housing are the primary identified CD needs in the AA. There are a moderate number of opportunities for financial institutions in the AA. This geographically large AA does not provide the variety and concentration of CD opportunities that exist in large MSAs. While there are a number of non-profit organizations which serve the various counties within this AA, few of them focus on meeting the CD needs of the AA. Some areas offer more opportunities than others, but overall the opportunities for financial institutions to become involved are somewhat limited.

Vectra also made 33 investments and grants to organizations and funds in the State of Colorado totaling \$82.0 thousand and had a prior period statewide investment totaling \$47.0 thousand. In addition, the Bank had two current period investments totaling \$375.0 thousand and two prior period investments totaling \$3.8 million which benefited a broader regional area

with potential to benefit the AA. We also considered two bonds totaling \$680.0 thousand that assisted with community revitalization costs and provided assistance to those affected by Hurricane Katrina. These bonds benefited a federally designated disaster area outside the Bank's AA and the broader regional area. The bonds consist of a prior period investment totaling \$500.0 thousand and a current period investment totaling \$180.0 thousand.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the Bank's performance under the Investment Test in the Colorado Springs and Grand Junction MSAs is not inconsistent with the Bank's overall "Outstanding" performance under the Investment Test. In the Boulder MSA, the Bank's performance is weaker than the Bank's overall performance of "Outstanding." The weaker performance was due to a lower volume of investments, but was still considered to be good. The combined performance in the limited-scope AAs was not significant enough to impact the overall rating for the Bank.

Refer to Table 14 in Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

Vectra's performance under the Service Test in Colorado is rated "High Satisfactory." Based on full-scope reviews, the Bank's performance in the Pueblo MSA is excellent. In the Denver MSA it is good; and in the Colorado Non-MSA, the Bank's performance is adequate. Vectra's performance in the limited-scope AAs did not impact the Service Test rating for the Bank.

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.

Denver MSA

The geographic distribution of Vectra's branches in the Denver MSA is good. The branches within the AA are accessible to geographies and individuals of different income levels. Vectra has no branches or ATMs located in a low-income CT. However, the percentage of the population in low-income CTs is low at 4.6 percent. The distribution of branches and ATMs located in a moderate-income CT is near the percentage of the population in moderate-income CTs. After considering near-to branches, the accessibility to LMI geographies improved significantly. Vectra has one branch near three low-income CTs and three branches near moderate-income CTs. Near-to branches are those located in middle- or upper-income CTs that are within one mile from a low- or moderate-income CT.

Branch openings and closings have not affected the accessibility of the Bank's delivery systems in this AA, particularly to LMI individuals. During the evaluation period, the bank

opened one branch in a middle-income CT and closed another in an upper-income CT. Vectra also relocated 5 branches which allowed the bank to continue branch services to the existing customers/geographies. The branch hours and services do not vary in a way that would inconvenience LMI individuals.

Pueblo MSA

Vectra's branch distribution in the Pueblo MSA is excellent. Branches are readily accessible to all geographies and individuals of different income levels. The distribution of branches and ATMs within the AA exceeded the percentage of the population in moderate-income geographies. There were no branch openings or closings within the AA during the review period. The branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals or geographies.

Colorado Non-MSA

Vectra's geographic distribution of branches in the Colorado Non-MSA is adequate. The branches are reasonably accessible to geographies and individuals of different income levels. Vectra does not have any branches in the LMI CTs. However, the percentage of the population in LMI geographies is 0.7 percent and 3.9 percent, respectively. Also, this AA has only one low-income CT and two moderate-income CTs. When considering near-to branches, the accessibility to moderate-income individuals improves. Three of the branches in this AA are near (within one mile from) moderate-income CTs.

The branch openings and closings in this AA have not affected the overall accessibility of the Bank's delivery systems, particularly for LMI individuals. During the evaluation period, the bank opened one branch in an upper-income CT and closed another in an upper-income CT. Branch hours and services do not vary in a way that would inconvenience LMI individuals.

Community Development Services

Vectra employees provided an excellent level of community development services in all three of its full-scope AAs. Vectra's efforts demonstrated a commitment to community development by providing technical assistance on financial and banking related matters to a variety of organizations that benefit LMI individuals, promote economic development, and provide affordable housing. Bank employees held leadership positions in some organizations, including board and committee memberships in CD organizations that address a variety of CD needs including affordable housing and small business development.

Denver MSA

In the Denver MSA, Vectra employees contributed their financial and technical expertise to numerous community organizations. During the evaluation period, 22 employees provided over 6,500 hours of their financial and technical expertise to 29 organizations. Examples of Vectra's community development services are listed below:

- FHLB Affordable Housing Grant Programs – Vectra partnered with the FHLB to award grants that assisted in the creation, rehabilitation, or purchase of housing units. Vectra

was instrumental in providing information to, and technical expertise on behalf of organizations seeking grants for varying projects that serve the needs of lower-income families through home ownership or rental units.

- Rocky Mountain Junior Achievement – Several Bank employees participated in the annual Junior Achievement Day by sharing their financial expertise and banking experiences, teaching such financial skills as learning how to save and balancing a checkbook to elementary school age children. Vectra employees focused on schools where over 50 percent of the students were LMI.
- Big Brothers Big Sisters Colorado – A Bank employee used his financial expertise to analyze financials and budgets for the organization, which primarily serves LMI children. The employee also assisted in fundraising efforts.
- Salvation Army – A Bank employee led this organization as chairman and used her banking knowledge to advise the organization on financial matters.

Pueblo MSA

Vectra employees contributed their financial and technical expertise to a number of qualified community development organizations in the Pueblo MSA. During the evaluation period six employees provided over 1,200 hours of their financial and technical expertise to nine different organizations. Employees held leadership roles in a number of organizations throughout the evaluation period. Examples of Vectra's community development services are listed below:

- FHLB Affordable Housing Grant Programs – Vectra sponsored three organizations. This included receiving funding and grants through the FHLB program. In this effort various employees spent numerous hours providing services to these community organizations which target LMI households.
- Pueblo Urban Renewal – The primary goal of this organization is the prevention and elimination of “slum” and “blighting” influences, which serve to constrict market forces and prevent development. A Vectra employee served as a board member, using her financial expertise as she worked on a low-income housing project and six other Tax Increment Financing Districts.
- Pueblo Hispanic Education Foundation – The foundation's purpose is to secure funds for scholarships and other educational support for moderate-income individuals. Employees used their financial expertise by serving as treasurer for this organization during the evaluation period.

Colorado Non-MSA

In the Colorado Non-MSA, Vectra employees contributed their financial and technical expertise to numerous community organizations. During the evaluation period, 20 different employees provided over 1,900 hours to 21 organizations. Employees held leadership positions in some of the organizations. Examples of community development services are listed below.

- FHLB Affordable Housing Grant Programs – Vectra sponsored three organizations that serve the needs of lower income families through home ownership or rental units.
- ACCION – The organization offers loans between \$200 and \$300,000 to entrepreneurs facing real or perceived barriers to business credit. A significant majority of the loans were issued to ACCION’s target market of LMI individuals, minority, and/or women entrepreneurs. One Vectra employee served on the Colorado Advancement Committee and another employee served on the loan committee of this organization.
- Habitat for Humanity – During the evaluation period, a Vectra employee served as a board member, using her banking and mortgage knowledge to advise the organization.
- La Plata Economic Development Action – The mission of this organization is to educate, advocate, help set the direction, and oversee the implementation of ongoing economic development and vitality in La Plata County. During the evaluation period, a Bank employee served as the Board President, using her financial and technical expertise in reviewing financial information for the organization.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the Bank’s performance under the Service Test in the Grand Junction MSA is stronger than the Bank’s overall “High Satisfactory” performance in the State of Colorado. In the Boulder MSA, the Bank’s performance is similar and is considered good. In the Colorado Springs MSA, the Bank’s performance is weaker and is considered adequate. Performance differences in the limited-scope AAs are not significant enough to impact the Bank’s overall rating in the state. Refer to Table 14 in the State of Colorado section of Appendix D for the facts and data that support these conclusions.

State Rating

State of New Mexico

CRA Rating for New Mexico: Satisfactory

The Lending Test is rated: Low Satisfactory

The Investment Test is rated: Low Satisfactory

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- An excellent level of lending activity and excellent CD lending that had a significantly positive impact on the Lending Test which was offset by a poor distribution of loans in geographies of different income levels and poor distribution of loans to borrowers of different income levels and businesses of different sizes.
- An overall adequate level and responsiveness of CD investments.
- A branch and ATM distribution system that is adequate, good branch hours, and an excellent level of CD services, which had a significant impact on the Service Test in this AA.

Description of Institution's Operations in New Mexico

Vectra has only one AA within the State of New Mexico. This is the Farmington MSA. The entire MSA consists of San Juan County. Vectra operates only one branch and one ATM in the state, representing 2.5 percent of the Bank's total branch network.

As of June 30, 2011, the Bank ranked fifty-seventh in total state deposits with a 0.2 percent market share. Vectra's statewide deposits totaled \$51 million. Deposit competitors include Wells Fargo Bank, N.A.; Bank of America, N.A.; U.S. Bank, N.A.; Los Alamos National Bank; and Bank of the West. Based on Vectra's deposits, the State of New Mexico was the smaller rating area and accounted for approximately 2.7 percent of total Bank deposits.

Refer to the Market Profiles for the State of New Mexico in Appendix C for detailed demographics and other performance context information for the Farmington MSA.

Scope of Evaluation in New Mexico

We performed a full-scope review of Vectra's Farmington MSA. This AA comprises 100.0 percent of Vectra's statewide deposits and loans.

In arriving at our conclusions for the Lending Test, more weight was placed on small business loans as described in the **Ratings** section. Commercial lending is Vectra's primary lending focus. Small business lending is one of the major credit needs in the AA as confirmed through our discussions with community contacts. Secondary emphasis was placed on home mortgage lending since this was also a credit need in the AA. Within mortgage lending, home

purchase and home refinance lending were equally weighted. Home purchase loans represented 49.3 percent and home refinance represented 45.7 percent of the Bank's home mortgage loans during the review period. We did not analyze either home improvement or small farm loans due to the low volume. During the evaluation period, the Bank originated only seven home improvement loans and two small farm loans in the AA.

In arriving at our conclusions, we considered the downturn in the economy during the evaluation period. We also considered the Bank's efforts to offer products which are beneficial to LMI individuals and small business borrowers. Some of these efforts, which are not necessarily reflected in the lending volume, are noted under **Product Innovation and Flexibility**. Our analysis also considered the portion of households in the Farmington MSA that are below the poverty level. This factor makes it difficult for a low-income family to afford a home in this AA.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

Vectra's performance under the Lending Test in New Mexico is rated "Low Satisfactory". Based on a full-scope review, the Bank's performance is adequate in the Farmington MSA.

In our analysis of geographic and borrower distribution of the Bank's lending activity, we placed much greater emphasis on the distribution patterns in relation to applicable demographics and less emphasis on the market share aspect of lending performance. This methodology accommodated the relatively long performance period evaluated at this examination.

Lending Activity

Refer to Table 1 Lending Volume in the State of New Mexico section of Appendix D for the facts and data used to evaluate the Bank's lending activity.

The Bank's overall lending activity in the State of New Mexico is excellent. During the evaluation period, Vectra originated 141 home mortgage loans totaling \$30.3 million; 220 small loans to businesses totaling \$43.9 million; and 2 small loans to farms totaling \$274.0 thousand.

Lending activity is excellent in the Farmington MSA, considering the competition for reportable home mortgage loans and small loans to businesses. The Bank originated or purchased 367 reportable home mortgage, small business, small farm, and CD loans in this AA that totaled more than \$84.6 million. By number of loans made and reported, small loans to businesses accounted for 59.9 percent of the total volume, home mortgage loans were 38.4 percent, CD loans were 1.1 percent, and small loans to farms were a nominal amount. This represents a significant amount of CRA reportable lending activity that meets a variety of credit needs in the community by providing financing to small businesses, individuals, households, small farms, builders of affordable housing, and others. However, due to the low volume of small loans to farms, this loan type will not be evaluated. The one multifamily loan will be evaluated as part of the Bank's CD lending activity.

Market share information for loans and deposits shows that Vectra operates in a very competitive banking environment in this AA. In addition, large financial institutions whose operations encompass the entire country are active in this AA, including credit card lenders who compete for small loans to businesses, but do not take deposits from this AA. Based on number of loans, 2010 market share data for small loans to businesses indicates Vectra ranked 9th with a market share of 4.1 percent out of 12 lenders. The dominant small business lender was Wells Fargo Bank, N.A. with a 40.3 percent market share. American Express; JP Morgan Chase, N.A.; Citigroup; and GE Money Bank all achieved market shares in excess of 6.8 percent. The top five small business lenders achieved a combined market share of almost 76.6 percent. For home purchase loans Vectra ranked 17th among 83 lenders with a market share of 1.2 percent. For home refinance loans the Bank achieved a market share of less than 1.0 percent, which is too low to provide a meaningful analysis. However, to illustrate the dominant presence of large banks in this market, Wells Fargo Bank, N.A.; Bank of America, N.A.; and JP Morgan Chase, N.A. were among the top five lenders for both home purchase and home refinance loans. After consideration of competitive factors, the Bank's lending activity in small loans to businesses substantially met its deposit taking activity and is excellent. Considering the competitive home mortgage loan market, the Bank's lending activity in both home purchase and home refinance loans was below its deposit taking activity but still considered to be adequate. As of June 30, 2011, Vectra ranked 6th among 27 depository institutions with a market share of 4.2 percent for deposits.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of Vectra's lending activity is poor. As noted under the **Scope of the Evaluation in New Mexico**, the most weight was placed on the Bank's small loans to businesses. Home purchase and home refinance loans received secondary weight. The volume of home improvement, multifamily and small farm loans was too low to provide a meaningful distribution analysis. CD loans are evaluated in a separate section of this document.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the State of New Mexico section of Appendix D for the facts and data used to evaluate the geographic distribution of the Bank's home mortgage loan originations/purchases.

The overall geographic distribution of Vectra's home mortgage loans in this AA is poor. We did not place significant weight on geographic distribution of home mortgage loan products in low-income geographies since there are few opportunities to originate home mortgage loans. There is only one low-income CT in this AA, and it is located on an American Indian reservation where significant barriers exist for home mortgage lending. Furthermore, four of the five moderate-income CTs are also on the reservation. The composition of the housing stock reflects a relatively high amount of vacant units at 12.8 percent, and a high amount of mobile homes and trailers at 33.3 percent. These demographic factors can have an impact on the opportunity to originate home mortgage loans.

The geographic distribution of the Bank's home purchase loans is poor. The Bank did not make any loans in the low-income CT, and the portion of loans made in moderate-income CTs was significantly below the demographic comparator. However, Vectra's market share of

loans in moderate-income CTs significantly exceeded its overall market share for these loans in the AA, indicating that in 2010 the Bank did a relatively better job of penetrating these census tracts than its competitors.

The geographic distribution of home refinance loans is very poor. Again, the Bank did not make any loans in the low-income CT, and the portion of loans made in moderate-income CTs was significantly below the demographic comparator. The Bank's overall market share for these loans was below 1.0 percent making analysis of its market share performance for this product not meaningful.

Small Loans to Businesses

Refer to Table 6 in the State of New Mexico 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 poor. The Bank did not make any loans in the low-income CT, and the portion of loans in moderate-income CTs was significantly below the demographic comparator. However, Vectra's market share of loans in moderate-income census CTs significantly exceeded its overall market share for these loans in the AA, indicating that in 2010 it did a relatively better job of penetrating these CTs than its competitors.

Lending Gap Analysis

We reviewed Vectra's lending activity in the full-scope AA in New Mexico. We analyzed reports that listed CTs where the Bank did not make any reportable home mortgage, small business, or small farm loans in order to identify gaps in the geographic distribution of loans. Our initial evaluation did identify three geographies where the Bank did not make any reportable loans in the five-year evaluation period. However, further analysis disclosed valid demographic reasons for the absence of lending in those areas. All three of the CTs with no loans are in the Navajo Nation American Indian Reservation where there can be unique lending challenges. Two of the CTs contain no farms and have small populations. And one CT contains no businesses, one contains only three businesses, and one contains 191 businesses. These demographic characteristics can limit the opportunities to make loans. After considering Vectra's size, competition in the AAs, and demographic factors, we did not identify any conspicuous gaps in lending.

Distribution of Loans by Income Level of the Borrower

Vectra's overall distribution of loans by income level of the borrower and size of business in the full-scope AA is poor. This is based on poor dispersion of home mortgage loans among borrowers of different income levels as well as poor dispersion of small loans to businesses of different sizes.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the State of New Mexico 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.

Our evaluation of the borrower distribution of home mortgage loan products takes into consideration some of the key population demographics that can affect the opportunity to lend. In the Farmington MSA, 22.5 percent of the families are low-income and 20 percent of the households are below the poverty level.

Borrower distribution of home purchase loans is poor. The Bank did not make any of these loans to low-income borrowers, and the portion of loans to moderate-income borrowers was significantly below the demographic comparator. The Bank's market share of loans to moderate-income borrowers was significantly below its overall market share in this AA, which is poor.

Borrower distribution of home refinance loans is also poor. The Bank did not make any of these loans to low-income borrowers, and the portion of home refinance loans to moderate-income borrowers was significantly below the demographic comparator. Vectra's overall market share for these loans was below 1.0 percent which makes market share analysis of loans to LMI borrowers not meaningful.

Small Loans to Businesses

Refer to Table 11 in the State of New Mexico 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.

Vectra's record of making small loans to businesses of different income levels in this AA is poor. The portion of Bank loans to businesses that are small, those with gross annual revenues of \$1 million or less, was significantly below the demographic comparator, and is poor. However, the Bank's market share of small loans to businesses substantially exceeded its overall market share, and is considered excellent.

Community Development Lending

Refer to Table 1 Lending Volume in the State of New Mexico 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 the one multifamily loan that also qualifies as a CD loan. 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.

Vectra's level of CD lending had a significant positive impact on the overall evaluation of its lending performance in this AA. During the evaluation period Vectra reported four CD loans totaling \$10.1 million that equaled 143.7 percent of allocated Tier 1 Capital. Vectra's CD lending reflects excellent responsiveness to the identified needs in the AA for financing affordable housing and businesses that provide jobs. By dollar volume, about 81.6 percent of the CD loans financed affordable housing, and 18.4 percent promoted economic development.

The Bank's CD lending helped address the need for affordable housing and jobs for LMI persons. Vectra financed three apartment complexes that provided 216 units that are affordable for persons earning 80 percent or less of the HUD area median family income for the MSA. And one CD loan was made to a company that owns and operates convenience stores, gas stations, laundry facilities, and restaurants on the Navajo Nation. These businesses are in LMI geographies and provide services and jobs to LMI individuals.

Product Innovation and Flexibility

Vectra was active in a flexible mortgage loan program that helped meet the credit needs of this AA. The Bank participated in the HUD Section 184 home loan program that specifically targets Native American home owners and homebuyers that are LMI. A government guaranty and other favorable terms in this loan program helped overcome some of the barriers that exist in making home mortgage loans in Indian Country. During this evaluation period the Bank closed seven loans totaling just over \$1.0 million.

INVESTMENT TEST

Conclusions for Area Receiving Full-Scope Review

Vectra's performance under the Investment Test in New Mexico is rated "Low Satisfactory." Based on full-scope reviews, the Bank's performance in the Farmington MSA is adequate.

Refer to Table 14 in Appendix D for the facts and data used to evaluate the Bank's level of qualified investments.

During the evaluation period, Vectra originated 21 qualified investments totaling \$130.0 thousand. This represents 1.8 percent of allocated Tier 1 Capital. In addition, we considered the ongoing impact that investments made prior to the current evaluation period had within the AA. The remaining balance for a prior period investment as of the date of our examination was \$71.0 thousand. When considering both current and prior period investments, the total of \$201.0 thousand represents 2.9 percent of allocated Tier 1 Capital for the AA.

The Bank's responsiveness to the CD needs in the AA is adequate. In terms of total dollar amount, 76 percent of the Bank's grants and investments were made to organizations that focus on providing loans to small and micro businesses. A substantial majority of the remaining investments focused on organizations that provide services to LMI individuals. Financing for small businesses and affordable housing are two identified needs in the AA. The AA has a moderate number of federal, state, and local entities that provide services to LMI individuals, facilitate affordable housing, promote revitalization of LMI areas, promote economic development activities, and provide small businesses financial and educational support. These entities provide some opportunities for financial institutions' involvement.

SERVICE TEST

Conclusions for Area Receiving Full-Scope Review

Vectra's performance under the Service Test in the Farmington MSA is rated "High Satisfactory". A full-scope review of the Bank's performance in the Farmington MSA revealed an overall good level of performance. Vectra's level of CD services is particularly noteworthy considering the fewer number of opportunities to provide CD services in the AA. Accordingly, the Bank's level of CD services significantly impacted the Bank's Service Test rating.

Retail Banking Services

Refer to Table 15 in the State of New Mexico 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.

The geographic distribution of Bank's branching system in the Farmington MSA is adequate. Vectra has only one branch and one ATM in a middle-income CT within the MSA which limits its ability to reach the outer areas of the AA. The branch and ATM are reasonably accessible to individuals of different income levels. This AA is a one-county MSA, half of which consists of a Native American Indian reservation. Farmington is the county seat and is where the majority of the population resides and does business. Vectra's branch and ATM are centrally located and within 1.5 miles of a moderate-income CT. There were no branch openings or closings within this AA during our examination period. The hours and services do not vary in a way that would inconvenience LMI individuals.

Community Development Services

Vectra employees provided an excellent level of qualified CD services in the Farmington MSA. Four employees, or 44 percent of the branch's employees, contributed their financial and technical expertise to six community organizations, for a total of 252 hours. This is an increase in the number of organizations, and a significant increase in hours, since the previous evaluation period. This coupled with the fact that opportunities for CD activities are limited in this AA significantly impacted the Bank's Service Test rating. Vectra employees held leadership roles in four of the six CD organizations. Examples of Vectra's CD services are listed below.

- Economic Council Helping Others Inc. (ECHO). – This organization is a "Community Action Agency" that administers numerous programs that benefit LMI individuals throughout the northern half of New Mexico. A Bank employee served as a board member, bringing her lending experience to the board; another employee was a housing counselor for the organization. One of the employees also taught first-time homebuyer classes to LMI individuals.
- San Juan College Foundation – This foundation provides 80-100 percent of the scholarships that primarily benefit LMI students. A Vectra employee served on the board and finance committee.

- Family Crisis Center – The center provides protective shelter to domestic violence victims and their children. A Bank employee was a board member who utilized her financial background for strategic and budget planning sessions.

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”).

Time Period Reviewed	Lending Test (excludes CD Loans): (01/01/2006 to 12/31/2010) Investment and Service Tests and CD Loans: (09/18/2006 to 03/12/2012)	
Financial Institution		Products Reviewed
Vectra Bank Colorado, N.A. Farmington, NM		Home Purchase, Home Improvement, and Home Refinance loans; Small Business and Small Farm loans; Community Development Loans, Investments, and Services
Affiliate(s)	Affiliate Relationship	Products Reviewed
Zions Community Investment Corporation (ZCIC)	Affiliate	Community Development Investments
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information (Reflects counties in non-MSA areas.)
Colorado Boulder MSA Colorado Springs MSA Denver MSA Grand Junction MSA Pueblo MSA Colorado Non MSA New Mexico Farmington MSA	Limited Scope Limited Scope Full Scope Limited Scope Full Scope Full Scope Full Scope	Eagle, Garfield, La Plata, Montezuma, Montrose, Pitkin, Routt, and San Miguel.

Appendix B: Summary of State Ratings

RATINGS		Vectra Bank Colorado, N.A.		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
Vectra Bank Colorado, N.A.	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
State:				
Colorado	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
New Mexico	Low Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory

(*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

Appendix C: Market Profiles for Full-Scope Areas

State of Colorado Full-Scope Areas

Denver-Aurora-Broomfield MSA

Demographic Information for Full Scope Area: Denver-Aurora-Broomfield MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	545	3.85	26.61	39.63	27.89	2.02
Population by Geography	2,179,240	4.56	27.71	40.28	27.32	0.12
Owner-Occupied Housing by Geography	570,412	1.89	21.89	42.97	33.26	0.00
Business by Geography	220,780	3.33	21.49	37.53	36.64	1.02
Farms by Geography	4,338	1.54	18.93	41.77	37.32	0.44
Family Distribution by Income Level	550,797	18.01	18.65	23.68	39.66	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	201,889	7.68	41.89	37.34	13.09	0.00
Median Family Income		61,301	Median Housing Value			180,045
HUD Adjusted Median Family Income for 2010		75,900	Unemployment Rate (2011 US Bureau of Labor Statistics)			8.3%
Households Below Poverty Level		7%				

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

Source: 2000 US Census, November 2011 US BLS, and 2010 HUD updated MFI.

This AA represents Vectra's most important market in the State of Colorado. Vectra obtains almost 55.3 percent of its Colorado deposits from this AA, and it makes 25.0 percent of its reportable loans here. The Bank operates 14 branches and 14 deposit-taking ATMs in this AA.

The Denver-Aurora-Broomfield MSA is the 21st largest MSA in the United States with a population of over 2.5 million as of 2010. This represents over half of Colorado's population. Since the 2000 census, the population increased 17.0 percent. The AA consists of the following counties: Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park. The Denver-Aurora-Broomfield MSA is located in the Front Range area of eastern Colorado. The MSA has excellent north and south accessibility via Interstate 25, and east and west convenience of Interstate 70. Excellent rail service, including light rail, and the Denver International Airport are also available making this an ideal area for businesses.

The area is heavily banked with 72 chartered banks operating 719 branches. Wells Fargo Bank, N.A.; First Bank; JPMorgan Chase, N.A.; and U.S. Bank, N.A. have the largest presence with a 63 percent market share of deposits. Vectra's market share is 1.75 percent with just over \$1 billion in deposits as of June 30, 2011.

Job growth in the Denver-Aurora-Broomfield MSA has been only moderate. As of December 31, 2011, the unemployment rate for the MSA was 8.3 percent which is the same as the national unemployment rate and only slightly lower than the state unemployment rate of 8.5 percent for this same time period. The most significant industries providing jobs in the MSA are trade, transportation, utilities, professional services, government, leisure and hospitality, educational and health services, financial activities, construction and mining, manufacturing, information, and other services. The largest private employers are Century Link, HealthONE, King Soopers, Inc., United Airlines, Lockheed Martin, and Centura Health.

Colorado is the fifteenth wealthiest state in the country. This is reflective of the median family income for the MSA. Employers in Denver choose from a highly educated labor pool. The city ranks second in the nation for the number of residents with bachelor's degrees; and 64 percent of residents age 24 or older have attended college. The 2010 HUD updated median family income for the MSA was \$75,900.

A summary prepared by the Colorado Association of Realtors indicates that as of December 31, 2011, the median price of a home in the Denver-Aurora-Broomfield MSA was \$233,004. While the median income has increased, the median price of a home has declined since the last evaluation. However, the median price of a home in the MSA is still 33.0 percent higher than the national average, making it difficult for LMI individuals to qualify for a home mortgage loan.

There are numerous CD organizations which provide affordable housing and community services to LMI individuals, economic development activities, revitalization of LMI areas, and small business financial and educational support. This offers financial institutions numerous opportunities to provide CD loans, investments, and services.

Pueblo MSA

Demographic Information for Full Scope Area: Pueblo MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	51	0.00	37.25	37.25	21.57	3.92
Population by Geography	141,472	0.00	30.02	43.31	25.47	1.21
Owner-Occupied Housing by Geography	38,434	0.00	24.22	46.83	28.95	0.00
Business by Geography	9,768	0.00	30.02	38.21	31.71	0.07
Farms by Geography	319	0.00	15.99	41.07	42.95	0.00
Family Distribution by Income Level	37,624	20.21	18.34	21.79	39.67	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	14,502	0.00	43.46	41.84	14.69	0.00
Median Family Income		40,123	Median Housing Value			94,716
HUD Adjusted Median Family Income for 2010		50,700	Unemployment Rate (2011 US			10.2%
Households Below Poverty Level		14%	Bureau of Labor Statistics)			

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 2000 US Census, November 2011 US BLS, and 2010 HUD updated MFI.

This AA represents Vectra’s third most important market in the State of Colorado. Vectra obtains about 11.0 percent of its Colorado deposits from this AA, and it makes 9.6 percent of its reportable loans here. The Bank operates five branches and five deposit-taking ATMs in this AA.

The Pueblo MSA is located along the Front Range and is about 110 miles south of Denver. Significant roadways and railroad lines pass through the city making it a transportation hub in the southern part of the state.

There is significant banking competition in this AA. There are 14 chartered banks operating 44 branches in the Pueblo MSA. Wells Fargo Bank, N.A. has the largest deposit share in this market with 27.3 percent of deposits as of June 30, 2011. Vectra ranks third with a market share of 13.5 percent and deposits of \$202 million.

The 2010 HUD updated median family income was \$50,700. The top industries in the Pueblo MSA are education, health and human services, and retail. The Colorado Fuel and Iron (CF&I) steel mill was the main employer in Pueblo for most of the city’s history. The steel-market crash in 1982 led to the decline in the company and severely impacted the local economy. After going through several bankruptcies, the company was eventually purchased by Oregon Steel Mills and later by the Everaz Group, one of Russia’s biggest steel producers. Of the many production and fabrication mills which existed onsite, a very small portion of the production actually remains, but continues to provide employment. The mill is still one of the top ten employers in the Pueblo MSA, but, there are a number of other more significant employers. The most significant is School District 60, followed by Parkview Medical Center, St. Mary Corwin Medical Center, School District 70, Loaf ‘N Jug, Colorado Institute of Mental Health, Pueblo

County, Trane Company, and Convergys. While other industries have helped stabilize the Pueblo economy since the crash of the steel mill, the recent recession has significantly impacted employment in this AA. As noted in the table above, the unemployment rate was 10.2 percent for the MSA as of January 2012. This is well above the national unemployment rate of 8.3 percent and the state unemployment rate of 8.5 percent. Other demographic statistics from the 2000 U.S. Census that help shape the banking environment are as follows: 14.5 percent of the households live below the poverty level, 20.2 percent of the families are low-income, and 36.8 percent of the households receive Social Security or Public Assistance. In view of the recent recession, it is likely that some of those statistics are higher now.

According to the Colorado Association Realtors, the median sales price of a home in Pueblo as of December 31, 2011, was \$95,135. While this indicates that housing in the Pueblo MSA is very affordable, the most recent Consolidated Plan for the city indicates the condition of the housing stock, diminished incomes for LMI individuals, consumer credit burdens, and bad credit make it difficult for many LMI individuals to qualify for a home mortgage loan.

The Pueblo MSA has a moderate number of community development corporations and nonprofit organizations which provide a number of opportunities for financial institutions to make CD loans, investments and services. The organizations include those that provide affordable housing and community services to LMI individuals, revitalization of LMI areas, economic development activities, and small business financial and educational support. There are no community development financial institutions in this AA.

Colorado Non-MSA

Demographic Information for Full Scope Area: Colorado Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	52	1.92	3.85	46.15	44.23	3.85
Population by Geography	227,809	0.66	3.90	46.02	49.42	0.00
Owner-Occupied Housing by Geography	59,814	0.47	3.44	49.37	46.72	0.00
Business by Geography	34,997	0.12	4.55	39.30	56.03	0.00
Farms by Geography	1,450	0.07	2.21	53.79	43.93	0.00
Family Distribution by Income Level	56,750	14.73	16.15	21.93	47.18	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	17,528	1.55	7.18	62.02	29.24	0.00
Median Family Income		44,319	Median Housing Value			241,276
HUD Adjusted Median Family Income for 2010		56,400	Unemployment Rate (January 2012 US Bureau of Labor Statistics average for 8 counties)**			8.3%
Households Below Poverty Level		9%				

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 2000 US Census, 2011 US BLS, and 2010 HUD updated MFI.

This AA represents Vectra’s second most important market in Colorado. The AA consists of Garfield, Eagle, Pitkin, and Routt (contiguous counties) in Northwest Colorado; Montrose and San Miguel (contiguous counties) in West Central Colorado; and La Plata and Montezuma (contiguous counties) in Southwest Colorado. By dollar volume, Vectra obtains 18.9 percent of its Colorado deposits from this AA and it makes 25.0 percent of its reportable loans here. The Bank operates 11 branches and 11 deposit-taking ATMs in this AA.

There is significant banking competition in the AA. There are 28 chartered banks operating 148 branches in the Colorado Non-MSA. This includes Alpine Bank and Wells Fargo Bank, N.A. which have the largest deposit share in this market with 42.6 percent of deposits as of June 30, 2011. In comparison, Vectra ranks seventh and has a 5.0 percent market share representing \$345.6 million in deposits.

This AA encompasses a very large amount of land in Western Colorado, stretching from the northern border of the state to the southern border. Much of the eastern border of this AA follows the Continental Divide of the Rocky Mountains. The southwestern boundary of this AA encompasses the Colorado portion of the famous “Four Corners” area of the United States. The AA includes vast tracts of national forest land and uninhabitable mountainous terrain. There are national parks, national monuments, state parks, river canyons, ancient Indian cliff dwellings, and world class ski resorts within this AA. Resort towns such as Aspen, Vail, Steamboat Springs, and Telluride are recognizable nationally and internationally. The Ute Mountain and Southern Ute American Indian Reservations are located in the southwestern portion of the AA. In

terms of geography, economics, and population, this is a highly diverse AA that has a wide variety of banking needs.

The geographically scattered locations of the towns in the Colorado Non-MSA and the generally small size of the towns create significant banking challenges. The distances that separate some of the communities create accessibility challenges for some banking facilities, yet in some of the smaller towns it is not economically feasible to build a banking office.

There are substantial variations in the economic environments of the different communities in this AA. For instance, the ski resort of Aspen has the highest priced real estate in the U.S., but prices in other small towns in the AA fall at the opposite end of the economic spectrum. During the review period, median housing prices for this AA ranged from a high of \$4.6 million in Aspen to a low of \$164.5 thousand in Montrose.

The median family income and the unemployment percentage in the above demographic table are merely averages for the AA. As of January 2011, data from the Bureau of Labor Statistics shows that the actual range for the unemployment rate in the eight counties in the AA was 6.5 percent to 11.0 percent. The 2010 HUD updated median family income for the Colorado Non-MSA was \$56,400. The top industries in the Colorado Non-MSA are educational, health, and social services; arts and entertainment, retail trade, and specifically in Vail, Colorado, finance, insurance, and real estate. The top employers are Wells Fargo Bank, N.A., health related entities, such as Centura Health, Yampa Valley Medical Center, and Montrose Memorial Hospital; retail stores such as Home Depot, Staples, and Sports Authority, and travel and entertainment businesses such as Vail Resorts.

While there are a number of non-profit organizations located in this AA, there are few whose purpose meets the definition of community development. Consequently, opportunities for financial institutions to provide CD loans, investment, and services are limited.

State of New Mexico Full-Scope Area

Farmington MSA

Demographic Information for Full Scope Area: Farmington MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	23	4.35	21.74	43.48	26.09	4.35
Population by Geography	113,801	4.41	25.49	49.38	20.71	0.00
Owner-Occupied Housing by Geography	28,415	4.35	20.80	52.16	22.69	0.00
Business by Geography	6,367	3.00	12.14	60.83	24.03	0.00
Farms by Geography	117	1.71	7.69	55.56	35.04	0.00
Family Distribution by Income Level	29,188	22.47	16.42	20.54	40.57	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	11,352	7.07	33.45	46.35	13.13	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		37,279 51,400 20%		Median Housing Value Unemployment Rate (2011 Bureau of Labor Statistics)		72,481 6.3%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census, November 2011 BLS, and 2010 HUD updated MFI.

This AA represents Vectra’s only market in the State of New Mexico. In terms of the Bank’s total operation, by dollar volume Vectra obtains only 2.7 percent of its deposits and makes about 3.6 percent of its reportable loans in this AA. The Bank operates one branch and one deposit-taking ATM in the Farmington MSA.

This AA encompasses the entire county of San Juan in northwestern New Mexico. The AA includes vast tracts of land owned by the Navajo Nation American Indian Reservation, land that is not on the reservation but is owned by American Indians, and land owned by various government entities. Only 6.0 percent of the land is privately owned. The Federal Government owns 29.0 percent, the Navajo Indian Reservation and the Ute Mountain Indian Reservation own 60.0 percent, and the State Government owns 5.0 percent. According to the 2010 American Community Survey performed by the U.S. Census Bureau, the population of the entire county is only 130 thousand persons. The geography and low population are severely limiting factors in terms of economic diversity and banking opportunity.

There is significant banking competition in this AA. There are seven chartered banks operating 27 branches in the Farmington MSA. This includes Citizens Bank and Wells Fargo Bank, N.A. which have the largest deposit share in this market with 67.0 percent of deposits as of June 30, 2011. On the other hand, Vectra ranks sixth and has a 4.2 percent market share representing \$51 million in deposits as of this same date.

The industries employing the greatest numbers of workers in this AA include: healthcare and social assistance; mining, especially new projects in the reservation lands; construction trades; accommodations and food service; other services; and retail trade. The largest employers are San Juan Regional Medical Center, San Juan College, Northern Navajo Medical Center, Farmington City Government, Key Energy, Arizona Public Service, BHP Minerals and BHP Billiton. Recent economic data notes, however, that the top seven industries in San Juan County have experienced significant increases in unemployment benefit claimants. And the *2010 Workforce Snapshot* report states that “the recent recession resulted in significant job losses in the construction, mining & energy extraction, and healthcare & social assistance sectors.” The 2010 median family income for this AA was \$51,400. The unemployment rate as of December 31, 2011, was 6.3 percent.

In much of this market, it is extremely difficult for financial institutions to deliver conventional loan products. Many loan products are collateralized by liens on real estate, and American Indian reservations do not easily allow for this type of encumbrance. Also, the status of a sovereign American Indian reservation creates certain legal impediments that can severely impede a lender’s collection activity on the reservation. Furthermore, much of the land in the Navajo Nation is remote from any established infrastructure grid (water, electricity, sewer, etc.) and cannot be developed. These factors tend to limit much of the economic and banking activity that occurs in the county to the relatively small parcels of land occupied by the Farmington MSA and a few other communities. The difficult economic conditions create challenges in finding creditworthy persons. Making it even more difficult is the rising price of homes in this AA. The median sales price according to the National Association of Realtors was \$179,200 as of December 31, 2011.

This AA has a moderate number of federal, state, and local entities that provide services to LMI individuals, facilitate affordable housing, promote revitalization of LMI areas, promote economic development activities, and provide small business financial and educational support. These entities provide some opportunities for financial institutions to provide CD loans, investments, and services.

Appendix D: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of 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/AA; (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. Tables without data are not included in this PE.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. 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 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/AA.

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.

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

Table 1. Lending Volume

LENDING VOLUME		Geography: COLORADO						Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010				
Assessment Area:	% of Rated Area Loans (#) in MA/AA [*]	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans ^{**}		Total Reported Loans		% of Rated Area Deposits in MA/AA ^{***}
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
CO non-MSA areas	25.03	1,724	443,913	1,161	156,414	141	14,405	10	16,587	3,036	631,319	18.87
Denver-Aurora-Broomfield MSA	41.14	1,324	311,486	3,635	502,927	3	439	29	200,810	4,991	1,015,662	55.31
Pueblo MSA	9.55	717	76,698	398	41,857	38	4,100	5	30,690	1,158	153,345	11.04
Limited Review:												
Boulder MSA	7.61	218	68,309	702	68,965	0	0	3	50,901	923	188,175	4.79
Colorado Springs MSA	10.76	460	97,130	841	83,363	0	0	4	13,452	1,305	193,945	7.83
Grand Junction MSA	5.93	459	82,501	256	26,260	0	0	3	12,000	718	120,761	2.16

^{*} Loan Data as of December 31, 2010. Rated area refers to either state or multi-state MA rating area.

^{**} The evaluation period for Community Development Loans is from September 18, 2006 to March 12, 2012.

^{***} Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME		Geography: COLORADO		Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010	
MA/Assessment Area:	Other Unsecured Consumer Loans		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
Full Review:					
CO non-MSA areas					
Denver-Aurora-Broomfield MSA			2		39.2
Pueblo MSA					
Limited Review:					
Boulder MSA					
Colorado Springs MSA					
Grand Junction MSA					

(*)The evaluation period for Optional Product Line(s) is from [Date of Last CRA Evaluation] to [Start date of CRA Data Analysis Phase].

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: COLORADO				Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					Market Share (%) by Geography				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#**	% of Total***	% Owner Occ Units****	% BANK Loans*****	% Owner Occ Units****	% BANK Loans*****	% Owner Occ Units****	% BANK Loans*****	% Owner Occ Units****	% BANK Loans*****						
Full Review:																
CO non-MSA areas	830	33.85	0.47	0.12	3.44	7.95	49.37	53.01	46.72	38.92	3.61	0.00	13.40	3.57	3.11	
Denver-Aurora-Broomfield MSA	648	26.43	1.89	2.16	21.89	14.35	42.97	47.99	33.26	35.49	0.40	0.39	0.26	0.48	0.40	
Pueblo MSA	437	17.82	0.00	0.00	24.22	25.17	46.83	46.00	28.95	28.83	2.63	0.00	4.35	3.06	1.53	
Limited Review:																
Boulder MSA	57	2.32	0.27	1.75	19.36	12.28	44.99	45.61	35.39	40.35	0.17	2.78	0.00	0.16	0.21	
Colorado Springs MSA	243	9.91	0.11	0.41	18.75	8.23	51.81	76.13	29.33	15.23	0.22	0.00	0.05	0.40	0.04	
Grand Junction MSA	237	9.67	0.00	0.00	14.19	24.89	60.18	64.56	25.63	10.55	1.26	0.00	0.88	1.50	0.89	

* Based on 2010 Peer Mortgage Data (USPR)

** Total Home Purchase Loans does not include loans originated or purchased in NA census tracts.

*** 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 2000 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: COLORADO				Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					Market Share (%) by Geography				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total***	% Owner Occ Units****	% BANK Loans*****	% Owner Occ Units****	% BANK Loans*****	% Owner Occ Units****	% BANK Loans*****	% Owner Occ Units****	% BANK Loans*****						
Full Review:																
CO non-MSA areas	88	34.11	0.47	1.14	3.44	10.23	49.37	60.23	46.72	28.41	1.75	0.00	0.00	2.16	1.44	
Denver-Aurora-Broomfield MSA	65	25.19	1.89	4.62	21.89	33.85	42.97	33.85	33.26	27.69	0.41	3.03	0.30	0.73	0.10	
Pueblo MSA	53	20.54	0.00	0.00	24.22	32.08	46.83	33.96	28.95	33.96	3.65	0.00	3.13	4.26	3.23	
Limited Review:																
Boulder MSA	7	2.71	0.27	0.00	19.36	14.29	44.99	42.86	35.39	42.86	0.00	0.00	0.00	0.00	0.00	
Colorado Springs MSA	21	8.14	0.11	0.00	18.75	14.29	51.81	71.43	29.33	14.29	0.31	0.00	0.00	0.58	0.00	
Grand Junction MSA	24	9.30	0.00	0.00	14.19	16.67	60.18	58.33	25.63	25.00	1.41	0.00	5.00	0.71	1.89	

* Based on 2010 Peer Mortgage Data (USPR)

** Total Home Improvement Loans does not include loans originated or purchased in NA census tracts.

*** 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 2000 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: COLORADO				Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					Market Share (%) by Geography				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total	% Owner Occ Units****	% BANK Loans*****	% Owner Occ Units****	% BANK Loans*****	% Owner Occ Units****	% BANK Loans*****	% Owner Occ Units****	% BANK Loans*****						
Full Review:																
CO non-MSA areas	800	37.02	0.47	0.50	3.44	5.63	49.37	54.87	46.72	39.00	1.54	0.00	4.95	2.09	1.08	
Denver-Aurora-Broomfield MSA	594	27.49	1.89	1.85	21.89	16.50	42.97	40.40	33.26	41.25	0.16	0.06	0.16	0.18	0.14	
Pueblo MSA	226	10.46	0.00	0.00	24.22	24.78	46.83	38.05	28.95	37.17	1.19	0.00	1.34	1.29	1.08	
Limited Review:																
Boulder MSA	153	7.08	0.27	0.00	19.36	8.50	44.99	35.29	35.39	56.21	0.22	0.00	0.10	0.26	0.22	
Colorado Springs MSA	192	8.88	0.11	0.00	18.75	6.77	51.81	71.88	29.33	21.35	0.18	0.00	0.10	0.28	0.10	
Grand Junction MSA	196	9.07	0.00	0.00	14.19	9.69	60.18	66.33	25.63	23.98	0.43	0.00	0.68	0.42	0.37	

* Based on 2010 Peer Mortgage Data (USPR)

** Home Refinance Loans does not include loans originated or purchased in NA census tracts.

*** 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 2000 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: COLORADO								Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
CO non-MSA areas	6	26.09	0.01	0.00	2.23	0.00	13.05	16.67	84.72	83.33	7.14	0.00	0.00	0.00	10.00
Denver-Aurora-Broomfield MSA	9	39.13	8.54	22.22	40.67	33.33	42.00	44.44	8.79	0.00	1.49	4.65	0.00	1.45	0.00
Pueblo MSA	1	4.35	0.00	0.00	46.91	0.00	48.33	0.00	4.76	100.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Boulder MSA	1	4.35	5.73	0.00	38.53	100.00	42.03	0.00	13.71	0.00	3.45	0.00	4.76	0.00	0.00
Colorado Springs MSA	4	17.39	0.76	0.00	43.30	50.00	44.47	50.00	11.47	0.00	3.23	0.00	0.00	8.33	0.00
Grand Junction MSA	2	8.70	0.00	0.00	21.50	0.00	52.56	100.00	25.94	0.00	11.11	0.00	0.00	12.50	0.00

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 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: COLORADO				Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					Market Share (%) by Geography				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{***}	% of Businesses ^{****}	% BANK Loans	% of Businesses ^{****}	% BANK Loans	% of Businesses ^{****}	% BANK Loans	% of Businesses ^{****}	% BANK Loans						
Full Review:																
CO non-MSA areas	1,161	16.80	0.12	0.17	4.55	6.12	39.30	45.31	56.03	48.41	2.14	11.11	3.03	2.88	2.38	
Denver-Aurora-Broomfield MSA	3,551	51.40	3.33	3.66	21.49	36.36	37.53	30.81	36.64	29.17	0.81	1.08	1.46	0.68	0.63	
Pueblo MSA	398	5.76	0.00	0.00	30.02	34.67	38.21	34.17	31.71	31.16	3.08	0.00	3.15	3.10	3.34	
Limited Review:																
Boulder MSA	702	10.16	1.07	0.57	28.97	39.17	39.79	31.77	30.16	28.49	1.13	1.96	1.71	0.88	1.12	
Colorado Springs MSA	841	12.17	3.92	9.51	21.00	13.08	44.34	54.82	30.74	22.59	1.06	3.70	0.75	1.49	0.58	
Grand Junction MSA	256	3.71	0.00	0.00	23.79	32.42	51.78	50.78	24.43	16.80	0.97	0.00	1.44	1.30	0.13	

* Based on 2010 Peer Small Business Data -- US and PR

** Small Business Loans does not include loans originated or purchased in NA census tracts.

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

**** Source Data – Dun and Bradstreet (2010).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: COLORADO						Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010						
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
CO non-MSA areas	141	77.47	0.07	3.55	2.21	0.00	53.79	94.33	43.93	2.13	10.00	0.00	0.00	12.98	2.63
Denver-Aurora-Broomfield MSA	3	1.65	1.54	33.33	18.93	66.67	41.77	0.00	37.32	0.00	0.00	0.00	0.00	0.00	0.00
Pueblo MSA	38	20.88	0.00	0.00	15.99	18.42	41.07	47.37	42.95	34.21	21.21	0.00	40.00	23.53	9.09
Limited Review:															
Boulder MSA	0	0.00	0.13	0.00	21.79	0.00	47.99	0.00	29.95	0.00	0.00	0.00	0.00	0.00	0.00
Colorado Springs MSA	0	0.00	1.70	0.00	15.49	0.00	56.58	0.00	26.23	0.00	0.00	0.00	0.00	0.00	0.00
Grand Junction MSA	0	0.00	0.00	0.00	5.13	0.00	73.68	0.00	21.19	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2010 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 (2010).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: COLORADO								Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
CO non-MSA areas	830	33.81	14.73	3.34	16.15	13.74	21.93	25.99	47.18	56.93	3.94	11.25	6.25	4.65	2.85
Denver-Aurora-Broomfield MSA	651	26.52	18.01	14.00	18.65	26.59	23.68	24.42	39.66	34.99	0.44	0.57	0.50	0.51	0.31
Pueblo MSA	437	17.80	20.21	26.79	18.34	26.79	21.79	19.86	39.67	26.56	2.99	5.69	3.90	2.70	1.72
Limited Review:															
Boulder MSA	57	2.32	19.44	12.28	18.52	15.79	22.39	17.54	39.66	54.39	0.19	0.00	0.27	0.00	0.32
Colorado Springs MSA	243	9.90	16.86	11.49	18.85	17.87	24.72	21.70	39.57	48.94	0.26	0.28	0.16	0.21	0.40
Grand Junction MSA	237	9.65	17.40	8.47	19.63	28.39	23.69	30.51	39.28	32.63	1.49	1.50	2.00	2.03	0.61

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**** As a percentage of loans with borrower income information available. No information was available for 1.8% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: COLORADO								Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
CO non-MSA areas	88	33.98	14.73	5.88	16.15	15.29	21.93	15.29	47.18	63.53	1.87	0.00	2.94	1.56	1.92
Denver-Aurora-Broomfield MSA	66	25.48	18.01	6.35	18.65	28.57	23.68	23.81	39.66	41.27	0.44	0.00	0.66	0.19	0.55
Pueblo MSA	53	20.46	20.21	22.64	18.34	18.87	21.79	18.87	39.67	39.62	3.83	10.53	5.56	0.00	3.96
Limited Review:															
Boulder MSA	7	2.70	19.44	0.00	18.52	14.29	22.39	28.57	39.66	57.14	0.00	0.00	0.00	0.00	0.00
Colorado Springs MSA	21	8.11	16.86	5.26	18.85	21.05	24.72	31.58	39.57	42.11	0.22	0.00	0.00	0.44	0.26
Grand Junction MSA	24	9.27	17.40	12.50	19.63	20.83	23.69	37.50	39.28	29.17	1.45	4.00	2.63	1.43	0.00

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**** As a percentage of loans with borrower income information available. No information was available for 3.1% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: COLORADO				Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					Market Share				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
CO non-MSA areas	800	36.95	14.73	2.98	16.15	12.16	21.93	21.60	47.18	63.26	1.78	1.33	2.95	2.24	1.52	
Denver-Aurora-Broomfield MSA	598	27.62	18.01	9.84	18.65	18.10	23.68	24.25	39.66	47.80	0.19	0.23	0.24	0.17	0.19	
Pueblo MSA	226	10.44	20.21	11.47	18.34	25.23	21.79	29.82	39.67	33.49	1.51	1.23	2.82	1.54	1.13	
Limited Review:																
Boulder MSA	153	7.07	19.44	4.05	18.52	11.49	22.39	22.97	39.66	61.49	0.25	0.10	0.30	0.31	0.23	
Colorado Springs MSA	192	8.87	16.86	6.45	18.85	18.82	24.72	26.34	39.57	48.39	0.26	0.16	0.34	0.20	0.28	
Grand Junction MSA	196	9.05	17.40	5.82	19.63	16.93	23.69	25.40	39.28	51.85	0.60	0.31	0.95	0.17	0.75	

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**** As a percentage of loans with borrower income information available. No information was available for 3.8% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: COLORADO		Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
CO non-MSA areas	1,161	16.60	78.55	55.04	71.92	12.75	15.33	2.14	2.66
Denver-Aurora-Broomfield MSA	3,635	51.98	79.89	40.39	70.29	14.00	15.71	0.81	0.85
Pueblo MSA	398	5.69	79.74	59.05	76.88	10.30	12.81	3.08	3.28
Limited Review:									
Boulder MSA	702	10.04	81.91	42.45	78.92	9.97	11.11	1.13	1.50
Colorado Springs MSA	841	12.03	81.68	47.92	77.53	12.25	10.23	1.06	1.14
Grand Junction MSA	256	3.66	80.82	60.16	73.83	15.23	10.94	0.97	0.92

* Based on 2010 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 - 2010).

**** 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 25.9% 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: COLORADO		Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
CO non-MSA areas	141	77.47	97.52	92.20	70.92	19.86	9.22	10.00	11.56
Denver-Aurora-Broomfield MSA	3	1.65	95.21	33.33	33.33	33.33	33.33	0.00	0.00
Pueblo MSA	38	20.88	97.18	76.32	50.00	44.74	5.26	21.21	24.00
Limited Review:									
Boulder MSA	0	0.00	96.26	0.00	0.00	0.00	0.00	0.00	0.00
Colorado Springs MSA	0	0.00	95.52	0.00	0.00	0.00	0.00	0.00	0.00
Grand Junction MSA	0	0.00	98.51	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2010 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 - 2010).

**** 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 1.1% of small loans to farms originated and purchased by the bank.

Table 14 Qualified Investments

QUALIFIED INVESTMENTS		Geography: COLORADO				Evaluation Period: SEPTEMBER 18, 2006 TO MARCH 12, 2012				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**		
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)	
Full Review:										
CO non-MSA areas	2	847	56	227	58	1,074	2.87	0	0	
Denver-Aurora-Broomfield MSA	5	15,481	173	10,247	178	25,728	68.64	0	0	
Pueblo MSA	2	1,574	39	3,346	41	4,920	13.13	0	0	
Limited Review:										
Boulder MSA	2	157	29	349	31	506	1.35	0	0	
Colorado Springs MSA	3	2,842	20	955	23	3,797	10.13	0	0	
Grand Junction MSA	3	985	19	342	22	1,327	3.54	0	0	
CO Statewide	1	47	33	82	34	129	0.34	0	0	

* '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: SEPTEMBER 18, 2006 TO MARCH 12, 2012																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
CO non-MSA areas	18.87	11	27.5	0.00	0.00	36.4	63.6	1	1	0	0	0	0	0.66	3.90	46.02	49.42
Denver-Aurora-Broomfield MSA	55.31	*14	35.0	0.00	21.4	50.0	21.4	1	1	0	0	+1	-1	4.56	27.71	40.28	27.32
Pueblo MSA	11.04	5	12.5	0.00	40.0	40.0	20.0	0	0	0	0	0	0	0.00	30.02	43.31	25.47
Limited Review:																	
Boulder MSA	4.79	3	7.50	0.00	66.7	33.3	0.00	0	0	0	0	0	0	3.35	25.38	41.56	29.70
Colorado Springs MSA	7.83	4	10.0	25.0	0.00	75.0	0.00	0	0	0	0	0	0	0.32	25.37	49.82	24.49
Grand Junction MSA	2.16	2	5.00	0.00	100.0	0.00	0.00	0	0	0	0	0	0	0.00	17.70	60.49	21.81

*One branch has a N/A designation.

Table 1. Lending Volume

LENDING VOLUME		Geography: NEW MEXICO						Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010				
Assessment Area:	% of Rated Area Loans (#), in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Farmington MSA	100.00	141	30,399	220	43,940	2	274	4	10,050	367	84,663	100.00

* Loan Data as of December 31, 2010. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from September 18, 2006 to March 12, 2012.

*** Deposit Data as of June 30, 2011. 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: NEW MEXICO								Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Farmington MSA	69	100.00	4.35	0.00	20.80	10.14	52.16	49.28	22.69	40.58	1.21	0.00	3.28	1.01	1.19

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 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: NEW MEXICO				Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					Market Share (%) by Geography				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Farmington MSA	7	100.00	4.35	0.00	20.80	0.00	52.16	71.43	22.69	28.57	0.00	0.00	0.00	0.00	0.00	

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 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: NEW MEXICO				Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					Market Share (%) by Geography				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Farmington MSA	64	100.00	4.35	0.00	20.80	1.56	52.16	53.13	22.69	45.31	0.78	0.00	0.00	0.72	0.90	

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 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: NEW MEXICO						Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010							
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Farmington MSA	1	100.00	0.00	0.00	18.38	0.00	46.56	100.00	35.06	0.00	33.33	0.00	0.00	50.00	0.00

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 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: NEW MEXICO						Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010							
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Farmington MSA	220	100.00	3.00	0.00	12.14	6.36	60.83	62.27	24.03	31.36	4.08	0.00	4.55	4.33	5.88

* Based on 2010 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 (2010).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: NEW MEXICO				Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					Market Share (%) by Geography				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
Full Review:																
Farmington MSA	2	100.00	1.71	0.00	7.69	0.00	55.56	100.00	35.04	0.00	4.00	0.00	0.00	7.14	0.00	

* Based on 2010 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 (2010).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: NEW MEXICO						Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Farmington MSA	69	100.00	22.47	0.00	16.42	7.94	20.54	22.22	40.57	69.84	1.12	0.00	0.57	0.68	1.63

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**** As a percentage of loans with borrower income information available. No information was available for 8.7% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: NEW MEXICO						Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Farmington MSA	7	100.00	22.47	0.00	16.42	14.29	20.54	0.00	40.57	85.71	0.00	0.00	0.00	0.00	0.00

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: NEW MEXICO				Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010					Market Share				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****					
Full Review:															
Farmington MSA	64	100.00	22.47	0.00	16.42	8.33	20.54	10.00	40.57	81.67	0.80	0.00	0.00	0.74	0.95

* Based on 2010 Peer Mortgage Data (USPR)

** 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 2000 Census information. Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**** As a percentage of loans with borrower income information available. No information was available for 6.3% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: NEW MEXICO			Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses ***	% BANK Loans ****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Farmington MSA	220	100.00	71.59	43.18	50.00	22.27	27.73	4.08	4.78

* Based on 2010 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 - 2010).

**** 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 5.9% 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: NEW MEXICO			Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2010				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Farmington MSA	2	100.00	99.15	50.00	50.00	50.00	0.00	4.00	0.00

* Based on 2010 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 - 2010).

**** 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 50.0% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: NEW MEXICO				Evaluation Period: SEPTEMBER 18, 2006 TO MARCH 12, 2012			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Farmington MSA	1	71	21	130	22	201	100.00	1	29

* '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: NEW MEXICO Evaluation Period: SEPTEMBER 18, 2006 TO MARCH 12, 2012																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Farmington MSA	100.00	1	2.50	0.00	0.00	100.0	0.00	0	0	0	0	0	0	4.41	25.49	49.38	20.71

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: BROADER REGIONAL AREA				Evaluation Period: SEPTEMBER 18, 2006 TO MARCH 12, 2012			
Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Broader Regional Area with Potential to Benefit AAs	2	3,800	2	375	4	4,175	100.0	1	125

* '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.