

# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## Public Disclosure

October 17, 2005

### Community Reinvestment Act Performance Evaluation

Union Bank of California, N.A.

Charter Number: 21541

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San Francisco, California 94104

Office of the Comptroller of the Currency

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**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

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

The following table indicates the performance level of Union Bank of California, N.A. (UBOC), with respect to the Lending, Investment, and Service Tests:

Performance Levels	Union Bank of California, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
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:

- An excellent level of community development lending that has a positive impact on UBOC’s lending performance.
- Lending levels that reflect a good response to community credit needs.
- Good loan distribution to geographies and borrowers of different income levels.
- An overall excellent level and nature of community development investments.
- An excellent branch distribution such that they are readily accessible to geographies and individuals of different income levels.

## Definitions and Common Abbreviations

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

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

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

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan 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 (CD):** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male 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.

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**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/assessment area.

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

**Metropolitan Area (MA):** Any 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 (MD):** 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.

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

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

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

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

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

**Description of Institution**

Union Bank of California, N.A. (UBOC) is a wholly owned subsidiary of UnionBanCal Corporation (UBOCC), headquartered in San Francisco, California. It is the fourth largest commercial bank in California and within the top 35 in the country. The current bank and holding company were formed on April 1, 1996, through the merger of Union Bank and The Bank of California, N.A. and its respective holding company. Banking roots go back to 1864 and represent one of the oldest banking establishments in the western United States. UBOCC is 62% owned by The Bank of Tokyo-Mitsubishi, Ltd.

UBOC is an interstate bank that covers the states of California, Oregon, and Washington. California is UBOC's most significant state as this is where the predominance of its deposits are gathered. Lending activity and branch offices are likewise most prevalent in California. Competition in California is intense and comprised of a myriad of financial institution types. For the state of Oregon, UBOC has only one branch, which is in the Portland portion of that multi-state MSA. For the state of Washington, UBOC has three branches. As of June 30, 2005, UBOC operated 323 full-service branches throughout its tri-state assessment areas (AAs).

Since the last CRA examination in 2001, UBOC exited several of its outlying markets in the U.S. Territories of Guam and Saipan. UBOC also underwent five major acquisitions. In 2002, the bank acquired the First Western Bank and Valencia Bank and Trust. Monterey Bay Bank was added in 2003 and in 2004, UBOC acquired the Business Bank of California and Jackson Federal Bank. In April 2003, the bank consolidated its banking operations in the Pacific Northwest and in Oregon, closed offices in Eugene and Wenatchee, thereby eliminating the Eugene MSA and Chelan County AAs.

Based on additions and subtractions to UBOC's AAs resulting from branch acquisitions and closures, the bank would be expected to have a total of 33 designated AAs. However, in January 2004 the U.S. Census Bureau introduced new MSA and MD boundaries that resulted in additional AA consolidations leaving UBOC with 32 designated AAs.

UBOC had total assets of \$47 billion as of December 31, 2004. As of the same date, total deposits were \$41 billion, with \$38 billion in domestic deposits and \$3 billion in foreign deposits. Gross loans were \$30 billion, including \$1.5 billion from offshore offices and net Tier 1 capital was \$3.6 billion.

UBOC is a full service commercial bank providing a broad mix of financial services. The bank's commercial focus includes middle-market companies, corporate and multi-national companies headquartered in the United States, and the real estate development and real estate investment community. Also included are clients with large or unique cash management requirements, such as government entities and not-for-profits, national clients in communications, media, entertainment, energy, public utilities, retailing, and other specialty industries. Consumer, consumer real estate, and agricultural lending represent smaller lines of business for the bank.

UBOC also offers special loan programs designed to foster small business development. These programs include the Small Business Administration programs, the First Step Business Line of Credit, California Capital Access Program (CalCAP), The California Economic Development and Lending Initiative (CEDLI) and the Business Diversity Lending program. In addition, UBOC operates the only Regulation B 202.8 Special Purpose Business Lending Program in the country.

There are no legal or financial factors impeding the bank's ability to help meet credit needs in its AAs. The most recent previous evaluation of the CRA performance of the bank is dated March 31, 2001, when the bank received a "Satisfactory" rating.

## Scope of Evaluation

### Evaluation Period/Products Evaluated

This evaluation considered UBOC's HMDA-reportable loans (home purchase, home improvement and home refinance), small loans to businesses, and small loans to farms for the calendar years 2001, 2002, 2003, and 2004. CD lending, CD investments, retail and CD services were evaluated for the period beginning April 1, 2001 (the date of the previous CRA evaluation), and ending June 30, 2005. The ending date differs from the cover page date of October 17, 2005 so that we could allow for adequate analysis planning.

During the evaluation period, the U.S. Census Bureau and U.S. Department of Housing and Urban Development released the 2000 Census of the United States data. This changed demographic information in UBOC's AAs. New census tracts were formed as old tracts changed boundaries, merged, split, or disappeared. As a result of these changes, evaluation of the bank's performance under the Lending Test was conducted in three parts. This appropriately allowed for information collected for 2001 and 2002, to be combined and compared to 1990 Census Data. Lending activity for 2003 was compared to 2000 Census Data, and 2004 lending activity was compared to 2000 Census Data with the official geographic adjustments. Thus, under the Lending Test, narrative comments supporting UBOC's performance address the bank's performance for each of these periods (2004, 2003 and 2001-2002). Greater weight was given to the 2000 Census information since it more closely reflects the bank's current performance context. The 2004 standard tables are included in this public evaluation.

UBOC's volume of home improvement loans and small loans to farms was insignificant which precludes any meaningful analysis and conclusion. The bank does not generally offer home improvement loans, focusing on home equity loans instead and small loans to farms are not the bank's focus. Accordingly, these products were not evaluated, nor included in our analysis.

### Data Integrity

Examiners tested the accuracy of all the bank's reported data utilized in this evaluation. This testing revealed only minor errors, none of which made the data unreliable for analysis. Community development loans, investments, and services were also reviewed to ensure their qualification.

### Selection of Areas for Full-Scope Review

In each state where the bank has a branch office, a sample of AAs within that state was selected for full-scope reviews. Those AAs having the highest representation of deposit, lending, and branch volume were chosen to receive full-scope reviews.

### Ratings

The overall rating of the bank is a blend of the state ratings. However, performance in California was weighted considerably more heavily than the other states and drives the overall rating. This reflects the fact that nearly 99% of the bank's deposits are gathered from California. Likewise, UBOC's lending volume and branch locations are most heavily concentrated in California.

The state ratings are influenced most by AAs that received full-scope reviews. This is due to the significant deposits gathered from within these full-scope AAs, followed by their loan and branch office activity. For the state of California, full-scope review AAs carrying the most weight, in order, are the Los Angeles-Long Beach-Glendale MD, San Diego-Carlsbad-San Marcos MSA, San Francisco-San Mateo-Redwood City MD, Santa Ana-Anaheim-Irvine MD, and Riverside-San Bernardino-Ontario MSA. For the states of Oregon and Washington, the ratings were influenced most by the respective full-scope AAs reviewed there.

When determining conclusions for the Lending Test, small loans to businesses were weighted considerably more heavily than home mortgage loan products. This is consistent with the respective volume in these lending categories, as well as, the strategic business focus of UBOC, which is on small business lending. In addition, home improvement loans, multifamily loans, and small loans to farms are insignificant product lines for the bank. The insignificant volume of these two products over the evaluation period reflects this and as such precluded any



meaningful analysis or conclusions in these two loan categories. The level and nature of UBOC's community development loans were excellent and had a positive impact on its lending performance.

**Fair Lending or Other Illegal Credit Practices Review**

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

State Rating

<b>CRA Rating for California:</b>	<b><u>Outstanding</u></b>
<b>The lending test is rated:</b>	<b><u>Outstanding</u></b>
<b>The investment test is rated:</b>	<b><u>Outstanding</u></b>
<b>The Service Test is rated:</b>	<b><u>Outstanding</u></b>

The major factors that support this rating include:

- Lending levels reflect a good responsiveness by UBOC to the credit needs of its AAs.
- Good distribution of loans among geographies and borrowers of different income levels.
- An excellent level of CD lending that had a positive impact on lending performance.
- Investments that reflect an excellent response by UBOC to the needs of its AAs.
- An excellent branch distribution that is readily accessible to geographies and individuals of different income levels.

**Description of Institution's Operations in California**

UBOC is the fourth largest deposit-taking financial institution in California, with over 5% of the state's deposit base (FDIC, June 2004). Other large institutions include Bank of America (21%), Washington Mutual Bank, FA (16%), Wells Fargo Bank, NA (13%), and Citibank West, FSB (5%). UBOC operates 319 branches in its 27 AAs within the state. Nearly 99% of UBOC's deposits and 97% of its reportable loans are in California, thus driving the overall rating.

A contextual matter we considered during the evaluation relates to the bank's actual deposit gatherings, particularly from the San Francisco MD AA. A significant number of deposit relationships are government entities with multiple accounts booked in the San Francisco office because they are managed there. However, the actual addressees of these accounts are domiciled elsewhere. In 2004, the bank reported \$10.9 billion in deposits for this MD of which \$6.5 billion were account holders with non-San Francisco-San Mateo-Redwood City MD addresses. The bank provided the exact California addresses of these accounts and their respective deposit balances to confirm this information. This contextual matter also applies to the Los Angeles MD, but to a lesser extent. We considered in our analysis the proper address locations and its affect on each of the bank's AAs in California.

We also considered the significant affordability barriers that exist in the California housing market. According to the housing affordability index used by the California Association of Realtors, in November 2004, only 19% of California households were able to afford a home based on traditional underwriting criteria and household income levels. The median housing value then was \$471,980. In each of the bank's full-scope AAs, the median housing value ranged between \$321,950 and \$660,780 versus the national average in the \$150,000 range. The minimum household income needed to afford a home in California based on a traditional 30-year loan term was over \$105,000 annually, whereas the median family income in California was \$58,327. This affordability issue has a significant affect on a lender's ability to originate home purchase, home improvement, and home refinance loans to both low- and moderate-income borrowers. Poverty levels, which range from 7.5 to 15.2% in the bank's full-scope AAs, add further to the challenges of credit qualification for homeownership for both low- and moderate-income families. These factors bring significant challenges to lenders in their ability to reach demographic parity. In our evaluation of UBOC's home mortgage lending performance, we considered these factors throughout our analysis and tempered our conclusions to reflect this significant performance context.

Refer to the Market Profiles for the state of California in Appendix C for detailed demographics and other performance context information on AAs that received full-scope reviews.

## Scope of Evaluation in California

### LENDING TEST

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

The bank's performance under the Lending Test in California is rated "Outstanding". Based on full-scope reviews, the bank's performance is excellent in each of the full-scope AAs.

#### Lending Activity

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

In each full-scope AA during the entire evaluation period, generally less than one-third of the number of loans originated/purchased were for home mortgage loans. Small loans to businesses comprised the majority of the remainder. The volume of UBOC's small farm loan originations/purchases is not material as previously mentioned, as agricultural lending is not a primary business line of UBOC. Among home mortgage loan origination/purchases, approximately one-third were home purchase loans and the remainder home refinance loans. Home improvement loans are not a primary product line for UBOC. CD lending in each full-scope AA had a positive impact on the bank's lending performance.

UBOC's lending activity is good in each of the full-scope AAs. The following discussion on lending activity is based on 2004 market data.

#### *Los Angeles-Long Beach-Glendale MD*

UBOC ranks 4<sup>th</sup> in deposit market share in this AA with 5.6% of the market's deposit base. In small loans to business lending, the bank ranks 11<sup>th</sup> in market share (2.1%) by number, and 3<sup>rd</sup> (5.5%) by dollar. Approximately 53% of the reported loans in this market are business credit card products averaging \$6 thousand. Given the nature of such loan types, a comparison of market share based on dollar volume is meaningful.

UBOC's market rank and market share for HMDA loans by number are 36<sup>th</sup> and .5%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 20<sup>th</sup> and 1.0%, respectively. While UBOC offers mortgage loans, it does not actively compete in this market of over 980 financial institutions.

#### *Riverside-San Bernardino-Ontario MSA*

In this AA, UBOC ranks 4<sup>th</sup> in deposit market share at 5.5%. The bank ranks 12<sup>th</sup> in market share (2.3%) by number and 2<sup>nd</sup> (13.5%) by dollar. Approximately 56% of the reported loans in this market are business credit card products averaging \$5 thousand, which makes a comparison of the market share based on dollar volume meaningful.

UBOC's market rank and market share of the number of HMDA loans is 130<sup>th</sup> and .1%, respectively. The bank's market rank and market share based on HMDA loan dollar volume are 92<sup>nd</sup> and .2% respectively. While UBOC offers mortgage loans, it does not actively compete in this market of over 900 financial institutions.

#### *San Diego-Carlsbad-San Marcos MSA*

UBOC ranks 4<sup>th</sup> in deposit market share in this AA with 11.7% of the deposit base. UBOC ranks 4<sup>th</sup> in market share (8.1%) by number and 2<sup>nd</sup> (13.5%) by dollar in its small loans to businesses. Approximately 53% of the reported loans in this market are business credit card products averaging \$6 thousand, thus a comparison of market share based on dollar volume is meaningful.

UBOC's market rank and market share of the number of HMDA loans are 33<sup>rd</sup> and .6%, respectively. Based on HMDA loan dollar volume, the bank's market rank and market share are 19<sup>th</sup> and .9%, respectively. While UBOC offers mortgage loans, it does not actively compete in this market of over 800 financial institutions.

*San Francisco-San Mateo-Redwood City MD*

UBOC ranks 4<sup>th</sup> in deposit market share with 12.7% of the deposit base in this AA. In the number of small loans to businesses, UBOC ranks 11<sup>th</sup> in market share (1.7%) and 4<sup>th</sup> (5.0%) by dollar. Approximately 50% of the reported loans in this market are business credit card products averaging \$6 thousand, thus a comparison of market share based on dollars is meaningful.

UBOC's market rank and market share of HMDA loans by number are 31<sup>st</sup> and .7%, respectively. By dollar volume, the bank's market rank and market share of HMDA loans are 20<sup>th</sup> and 1.0%, respectively. While UBOC offers mortgage loans, it does not actively compete in this market of over 600 financial institutions.

*Santa Ana-Anaheim-Irvine MD*

In this AA, UBOC ranks 5<sup>th</sup> in deposit market share with 5.5%. Based on the number of small loans to businesses, UBOC ranks 7<sup>th</sup> in market share (4.0%) and 2<sup>nd</sup> (8.2%) by dollar. About 51% of the reported loans in this market are business credit card products averaging \$6 thousand, thus a comparison of market share based on dollars is meaningful.

Based on the number of HMDA loans, UBOC's market rank and market share are 51<sup>st</sup> and .4% respectively. Based on dollar volume, the bank's rank and market share are 29<sup>th</sup> and .6%, respectively. While UBOC offers mortgage loans, it does not actively compete in this market of over 800 financial institutions.

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

The overall geographic distribution of loans is excellent in the San Francisco-San Mateo-Redwood City MD, good in the Los Angeles-Long Beach-Glendale MD, San Diego-Carlsbad-San Marcos MSA and Santa Ana Anaheim-Irvine MD, and adequate in the Riverside-San Bernardino-Ontario MSA. The insignificant volume of small loans to farms, multifamily loans, and home improvement loans precluded any meaningful analysis and conclusion for these loan products.

***Small Loans to Businesses***

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

The geographic distribution of small loans to businesses is good overall. Performance is excellent in the San Francisco-San Mateo-Redwood City MD, good in the Los Angeles-Long Beach-Glendale MD, San Diego-Carlsbad-San Marcos MSA, and Santa Ana-Anaheim-Irvine MD and adequate in the Riverside-San Bernardino-Ontario MSA.

*Los Angeles-Long Beach-Glendale MD*

Throughout the evaluation period, UBOC's portion of small loans to businesses made in low-income geographies in this AA is reasonably near to the percentage of businesses that are within those geographies. UBOC's market share of such loans in low-income geographies exceeds its overall market share throughout the evaluation period. In moderate-income geographies, UBOC's portion of small loans to businesses is somewhat lower than the percentage of businesses there for the entire evaluation period, except for 2004 when the portion was reasonably near to that percentage. UBOC's market share of loans in moderate-income geographies substantially meets its overall market share in 2004 and 2003. Market share performance in the 2001-2002 period was lower.

*Riverside-San Bernardino-Ontario MSA*

In the low-income geographies of this AA in 2004 and 2003, the bank's portion of small loans to businesses is lower than the percentage of businesses located in those geographies, and is significantly lower in the 2001-2002 period. UBOC's market share in low-income geographies substantially meets its overall market share in 2004 and 2003, but in the 2001-2002 period, performance is significantly below. We considered the fact that only 1.9% of businesses in this MSA are located in low-income geographies. In moderate-income geographies in 2004, the percentage of loans is reasonably near to the percentage of businesses located in these geographies. The

percentage is somewhat lower in 2003, and in the 2001–2002 period. In contrast, the bank's market share of loans made in moderate-income geographies exceeds its overall market share in 2004 and 2003. In the 2001–2002 period, UBOC's market share of such loans made in moderate-income areas substantially meets its overall market share.

*San Diego-Carlsbad-San Marcos MSA*

In 2004 and 2003, the bank's portion of small loans to businesses made in low-income geographies in this AA is somewhat lower than the percentage of businesses located in these geographies. In the 2001–2002 period, this distribution is reasonably near to the percentage of businesses located in these geographies. In 2004 and 2003, UBOC's market share of small loans to businesses substantially meets its overall market share. In the 2001–2002 period, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share. In moderate-income geographies, UBOC's portion of loans made there is reasonably near to the demographic throughout the evaluation period. UBOC's market share of small loans to businesses in moderate-income geographies exceeds its overall market share throughout the evaluation period.

*San Francisco-San Mateo-Redwood City MD*

UBOC's portion of small loans to businesses made in both low-and moderate-income geographies here exceeds the percentage of businesses located in those geographies throughout the evaluation period. UBOC's market share in the low and moderate-income geographies also exceeds its overall market share throughout the evaluation period.

*Santa Ana-Anaheim-Irvine MD*

The bank's portion of small loans to businesses made in low-income geographies in this AA exceeds the percentage of businesses located in those geographies throughout the evaluation period. UBOC's market share in the low-income geographies exceeds its overall market share throughout the evaluation. In moderate-income geographies, the percentage of bank loans is reasonably near to the percentage of businesses located in these geographies in 2004 and 2003. In the 2001–2002 period, the percentage of bank loans exceeds the percentage of businesses located on those geographies. In addition, the bank's market share of such loans made in moderate-income areas exceeds its overall market share throughout the evaluation period.

***Small Loans to Farms***

Refer to Table 7 in Appendix D for the facts and data regarding the geographic distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, the bank's volume of loans to small farms was insignificant to allow for meaningful analysis or conclusions.

***Home Mortgage Loans***

Refer to Tables 2, 3 and 4 in the state of California 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 is good overall, and good in each full-scope AA, except the Los Angeles-Long Beach-Glendale MD and Riverside-San Bernardino-Ontario MSA where performance is adequate.

*Los Angeles-Long Beach-Glendale MD*

UBOC's portion of home purchase loans made in low-income geographies in this AA exceeds the percentage of owner occupied units there in 2004, is somewhat lower in 2003, and significantly lower in the 2001–2002 period. UBOC's market share of loans made in low-income geographies is significantly below its overall market share throughout the evaluation period. Throughout the evaluation periods, we considered the low percentage of owner occupied units in the MSA in low-income geographies making opportunities limited. In moderate-income geographies, UBOC's portion of home purchase mortgage loans is reasonably near to the percentage of owner occupied units in 2004 and 2003. In the 2001-2002 period, this percentage is significantly lower. UBOC's moderate-income market share in 2004 and 2003 is lower than its overall market share and significantly lower in the 2001-2002 period.

*Riverside-San Bernardino-Ontario MSA*

The bank's portion of home purchase loans made in low-income geographies here is significantly lower than the respective percentages of owner-occupied units in 2004, and the 2001-2002 period. However, the percentage exceeds the demographic comparator in 2003. Market share performance in low-income geographies is similar. UBOC's market share of home purchase mortgage loans is significantly below its overall market share in 2004 and the 2001-2002 period. In 2003, the bank's market share of such loans exceeds its overall market share. Throughout the evaluation periods, we considered the nominal opportunities in the MSA to be in low-income geographies. In moderate-income geographies in 2004, UBOC's portion of such lending is somewhat lower than the respective percentage of owner occupied units. In 2003 and the 2001-2002 period, the bank's percentage of loans in moderate-income geographies is reasonably near to the percentages of owner occupied units. With the exception of 2004, UBOC's market share of home purchase mortgage loans exceeds its overall market share throughout the evaluation period. In 2004, the bank's market share of such loans is below its overall market share in the MSA.

*San Diego-Carlsbad-San Marcos MSA*

UBOC's portion of home purchase lending in low-income geographies in 2004, and in the 2001-2002 period exceeds the respective percentages of owner-occupied units in this MSA. In 2003, the bank's percentage is reasonably near to the respective demographic. UBOC's market share for such loans in low-income geographies exceeds its overall market share in 2004, is significantly below in 2003, and exceeds in the 2001-2002 period. In moderate-income geographies in 2004, the bank's portion of home purchase loans is somewhat lower than the respective percentages of owner-occupied units and lower than the demographic in 2003 and in the 2002-2001 period. UBOC's market share of these loans is significantly below its overall market share throughout the evaluation period.

*San Francisco-San Mateo-Redwood City MD*

Throughout the evaluation period, the bank's portion of home purchase mortgage loans made in low-income geographies in this AA exceeds the percentage of owner-occupied units in those geographies. In 2003 and in the 2001-2002 period, UBOC's market share of home purchase mortgage loans made in low-income areas exceeds its overall market share. In 2004, the bank's such market share substantially meets its overall market share. Throughout the evaluation period, we considered the nominal opportunities reflected by the low percentage of owner occupied units located in low-income geographies. In moderate-income geographies, UBOC's portion of home purchase mortgage loans in 2004 and 2003 is somewhat lower than the percentage of owner-occupied units in those geographies and exceeds in the 2001-2002 period. UBOC's market share of loans made in moderate-income geographies is significantly below its overall market share in 2004 and 2003, but exceeds in the 2001-2002 period.

*Santa Ana-Anaheim-Irvine MD*

UBOC's portion of home purchase loans made in low-income geographies here is somewhat lower than demographics in the 2003 and the 2001-2002 period. UBOC's market share of home purchase mortgage loans made in low-income geographies is significantly below its overall market share over the evaluation period. Throughout the evaluation periods, we considered the nominal opportunities with owner occupied units in the MD in low-income geographies. In moderate-income geographies, UBOC's portion of home purchase mortgage loans

is somewhat lower than the respective percentages in 2004, reasonably near to the respective percentages in 2003, and significantly lower in the 2001-2002 period. UBOC's market share of home purchase mortgage loans in moderate-income geographies is significantly below its overall market share in 2004 and in the 2001-2002 period, but exceeds its overall market share in 2003.

*Los Angeles-Long Beach-Glendale MD*

The bank's portion of home refinance loans made in low- and moderate-income geographies here exceeds the respective percentage of owner-occupied units in 2004 and 2003. However, in the 2001-2002 period, the percentage is significantly lower than the respective percentage of owner occupied units. UBOC's market share performance in low-and moderate-income geographies is similar. In 2004 and 2003, the bank's market share of loans made in low and moderate-income areas exceeds its overall market share. Yet in the 2001- 2002 period, the bank's market share in both low- and moderate-income areas is significantly below its overall market share. Throughout the evaluation periods, we considered the limited level of owner occupied units in low-income geographies.

*Riverside-San Bernardino-Ontario MSA*

UBOC's portion of home refinance loans made in low-income geographies in this AA exceeds the percentage of owner-occupied units there. In 2003 and in the 2001-2002 period, the bank's portion of such loans is significantly lower than demographics. UBOC's 2004 market share of home refinance loans made in low-income geographies exceeds its overall market share, but is significantly below in 2003. In the 2001-2002 period, the bank's market share of home refinance loans in low-income areas substantially meets its overall market share. Throughout the evaluation periods, we considered the limited level of owner occupied units in low-income geographies. In moderate-income geographies in 2004, UBOC's portion of loans is reasonably near to the demographic. The percentage is somewhat lower in 2003 and in the 2001-2002 period. UBOC's market share of refinance mortgage loans in moderate-income areas exceeds its overall market share throughout the evaluation period.

*San Diego-Carlsbad-San Marcos MSA*

The bank's portion of refinance loans to low-income geographies in this AA exceeds the respective demographics in 2004 and 2003 and is reasonably near to the demographics in the 2001-2002 period. UBOC's market share of loans made in low-income areas exceeds its overall market share throughout the evaluation period. UBOC's portion of refinance mortgage loans in moderate-income geographies in 2004 exceeds the respective percentage of owner-occupied units there, is reasonably near to the demographic in 2003, and significantly lower in the 2001-2002 period. The bank's market share for loans made in moderate-income geographies exceeds its overall market share in 2004 and 2003, but is significantly below in the 2001-2002 period.

*San Francisco-San Mateo-Redwood City MD*

In 2004 and 2003, UBOC's portion of home refinance loans made in low-income geographies in this AA exceeds the respective demographics, but is somewhat lower in the 2001-2002 period. Similarly, UBOC's market share of loans made in low-income geographies exceeds its overall market share in 2004 and 2003, but is below in the 2001-2002 period. Throughout the evaluation periods, we considered the limited level of owner occupied units in low-income geographies. In moderate-income geographies, the bank's portion of loans made there exceeds the respective percentage of owner-occupied units in 2004, but is lower in 2003 and is somewhat lower in the 2001-2002 period. UBOC's market share of refinance mortgage loans in moderate-income geographies in 2004 substantially meets its overall market share, but is significantly below in 2003 and in the 2001-2002 period.

*Santa Ana-Anaheim-Irvine MD*

In low-income geographies in 2004, UBOC's portion of home refinance loans made in this AA exceeds the respective percentages of owner-occupied units, but below in 2003. In the 2001-2002 period, the bank's portion of loans made in low-income geographies is lower than the respective percentages of owner-occupied units. UBOC's market share of these loans exceeds its overall market share in 2004, substantially meets in 2003, but is significantly below its overall market share in the 2001-2002 period. In moderate-income geographies, UBOC's portion of refinance mortgage loans exceeds the percentages of owner-occupied units in 2004 and 2003, but in the 2001-2002 period is significantly lower. Similarly, UBOC's market share of these loans in the moderate-

income geographies exceeds its overall market share in 2004 and 2003, but is significantly below in the 2001-2002 period.

### ***Lending Gap Analysis***

Maps and reports detailing UBOC's lending activity did not reveal any unexplained conspicuous gaps in the geographic distribution of these loans.

### ***Inside/Outside Ratio***

A substantial majority of the bank's originations and purchases were within its AAs. During the three-year evaluation period, approximately 98% of the bank's loans to small businesses, and 98% of the bank's home mortgage loans were originated within the AAs. This performance was factored into the overall analysis of the geographic distribution of lending by income level of geography.

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

The overall loan borrower distribution is good in each full-scope AA.

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

Refer to Table 11 in the state of California 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.

In each of the full-scope AAs, UBOC's portion of small loans made to smaller businesses (those with annual revenues of \$1 million or less) is reasonably near to the percentage of such smaller businesses there in 2004 and in the 2001-2002 periods, and exceeds in 2003. UBOC's market share for such loans exceeds its overall market share throughout the evaluation period in each full-scope AA. Loans reported by original amounts also show a predominance of loans of \$100 thousand or less in the MSA throughout the period.

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

Refer to Tables 8, 9, and 10 in the state of California 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.

Previously mentioned is a significant performance context issue relating to affordable housing in California. The cost of housing in California remains amongst the highest in the country. As such, this presents severe challenges for a financial institution to lend to either low- or moderate-income borrowers so that demographic parity (the proportion of a lender's loans made to low or moderate-income borrowers versus the percentage of such borrowers in that AA) is attained. Accordingly, our analysis and final conclusions for each AA are tempered to reflect this performance context. See Appendix D for more detailed discussion on the declining affordability of housing in each full scope area.

### ***Los Angeles-Long Beach-Glendale MD***

Throughout the evaluation period in this AA, UBOC's portion of home purchase loans to low-and moderate-income borrowers is significantly lower than the percentage of families in those categories. UBOC's market share of loans to these families is significantly lower than its overall market share throughout the evaluation, with the exception of 2004. In 2004, such lending was near to the bank's overall market share and UBOC's market share of loans to moderate-income families was somewhat lower than its overall market share.

### ***Riverside-San Bernardino-Ontario MSA***

UBOC's portion of home purchase loans in this AA made to low-income families in 2004 is significantly lower than the percentage of such families in that category and is lower than the demographic in 2003, and in the 2002-2001 period. UBOC's market share of loans to low-income families exceeds the bank's overall market share. The bank's portion of home purchase mortgage loans to moderate-income families is also significantly lower than demographics in 2004, and somewhat lower in 2003. In the 2001-2002 period, the bank's lending to moderate-income families is lower than the percentage of families in that category. UBOC's market share of lending to



moderate-income families is below its overall market share in 2004, and in the 2001-2002 period. In 2003, UBOC's market share of such loans exceeds its overall market share.

*San Diego-Carlsbad-San Marcos MSA*

The bank's portion of home purchase loans made to both low- and moderate-income families in this AA is significantly lower than the percentage of families in that category throughout the evaluation period. However, UBOC's market share to low- and moderate-income families significantly exceeds its overall market share in 2003 and in the 2001-2002 period. Performance is weaker in 2004 when the bank's share of loans to low-income families is significantly below its overall market share. The bank's market share of such loans made to moderate-income families exceeds its overall market share in 2003, is significantly below in 2004, and substantially meets in the 2001-2002 period.

*San Francisco-San Mateo-Redwood City MD*

In this AA, the bank's portion of home purchase loans made to both low- and moderate-income borrowers is significantly lower than the percentage of such families defined as such throughout the evaluation period. The bank's market share for such loans to both low-and moderate-income borrowers is also significantly below its overall market share over the evaluation period. We considered the significant affordability issues in our analysis.

*Santa Ana-Anaheim-Irvine MD*

In this AA, UBOC's portion of home purchase loans to both low- and moderate-income borrowers is below the percentage of families defined as such in 2004, and significantly below in 2003 and in the 2001-2002 period. UBOC's market share of such loans to low-income borrowers is significantly below its overall market share during the evaluation period, except 2004 when it was below its overall market share. UBOC's market share of loans to moderate-income borrowers is significantly below its overall market share in 2004 and in the 2001-2002 period, and substantially meets its overall market share in 2003. We considered the significant affordability issues in our analysis.

*Los Angeles-Long Beach-Glendale MD*

In 2003 and in the 2001-2002 period in this AA, UBOC's portion of refinance loans made to both low-and moderate-income families are significantly lower than the percentage of such families in those categories. In 2004, the bank's portion of these loans is lower than the respective percentage of low-income families, but in its lending to moderate-income families, the bank's percentage is near to the comparator. UBOC's market share of lending to both low- and moderate-income families in 2004 exceeds its overall market share. In 2003, the bank's market share of lending to both low- and moderate-income families substantially meets its overall market share, but is significantly below its overall market share in the 2001-2002 period.

*Riverside-San Bernardino-Ontario MSA*

Throughout the evaluation period for refinance loans in this AA, UBOC's portion of such loans to low-income families is lower than the percentage of families in that category. In 2004 and 2003, the bank's portion of loans made to moderate-income borrowers exceeds the percentage of families in that category. In the 2001-2002 period, the bank's portion of such loans is reasonably near to the percentage of such families in that category. UBOC's market share of loans to both low- and moderate-income families exceeds its overall market share throughout the evaluation period.

*San Diego-Carlsbad-San Marcos MSA*

The bank's portion of refinance mortgage loans to low-income families in this AA is lower than the percent of families in that category in 2004 and 2003, and significantly lower in the 2001-2002 period. With moderate-income families, the bank's portion of refinance loans was lower than the percent of families in that category for 2004 and the 2001-2002 period, and reasonably near to the demographic for 2003. However, UBOC's market share of such loans to low-income families exceeds its overall market share in 2004 and 2003, and substantially meets its overall market share in the 2001-2002 period. In 2004 and 2003, the bank's market share exceeds its overall market share for moderate-income families, but is below in the 2001-2002 period.

*San Francisco-San Mateo-Redwood City MD*

UBOC's refinance loan distribution in this AA to both low- and moderate-income borrowers is also significantly lower than the percentage of such families defined as such throughout the evaluation period. UBOC's market share of loans to both low-and moderate-income borrowers is also significantly below its overall market share throughout the evaluation period. We considered the significant affordability issues in our analysis.

*Santa Ana-Anaheim-Irvine MD*

In this AA, UBOC's portion of refinance loans made to low-income borrowers is lower than the percentage of such families in 2004 and 2003, and significantly lower than the percentage of such families in the 2001-2002 period. Home refinance loan distribution to moderate-income borrowers was reasonably near to the percentage of such families defined as such in 2004, somewhat lower in 2003, and significantly lower in the 2001-2002 period. UBOC's market share of such loans to both low-and moderate-income borrowers exceeds its overall market share in 2004 and 2003, and is significantly below its overall market share in the 2001-2002 period. We considered the significant affordability issues in our analysis.

**Community Development Lending**

Refer to Table 1 in the state of California section of Appendix D for the facts and data used to evaluate the bank's level of CD lending.

UBOC's level and nature of CD lending had a positive impact upon its performance under the Lending Test in each California full-scope AA. UBOC placed most of its CD loan emphasis on affordable housing and community service initiatives; both identified as important needs. The high cost of residential real estate in much of the state gives significant weight to the bank's CD lending activities that provide and support affordable housing.

Many of UBOC's financing of large affordable housing and other CD projects was also complex. In several of UBOC's transactions, large affordable housing and mixed-use development and redevelopment projects contained multiple financing components, including grants, donations, tax credits, construction financing, and permanent financing. These large projects required the bank to foster effective coordination amongst government entities, financial institutions, nonprofit organizations, developers, and others in order to help ensure project success. During the evaluation period, UBOC financed large, complex projects in each of its full scope AAs.

*Other loan data*

UBOC provided for consideration 15 letters of credit totaling approximately \$83 million that have qualified CD purposes as well. All of these letters of credit support affordable housing related initiatives.

Following are highlights of UBOC's CD lending in each of the full-scope AAs.

*Los Angeles-Long Beach-Glendale MD*

UBOC originated 155 CD loans totaling \$280 million over the evaluation period in this AA. Approximately half of the dollar volume of these CD loans addressed affordable housing. The remainder focused on community services, economic development and revitalization/stabilization initiatives. UBOC's transactions included a \$30 million line of credit to one of the nation's leading affordable housing real estate investment and development companies, headquartered in Long Beach, CA. The company specializes in providing service-enriched affordable multi-family housing to both low- and moderate-income persons. The company also helps fund urban infill, mixed use development and redevelopment projects that provide jobs, reduce blight, and contain affordable housing. The loan helped fund several projects in this MD and other AAs in California.

*Riverside-San Bernardino-Ontario MSA*

UBOC originated 38 CD loans totaling \$98 million over the evaluation period here. Over two-thirds of the dollar volume of these CD loans went toward addressing community service needs followed by affordable housing and revitalization/stabilization initiatives. UBOC's transactions include \$12 million in construction financing for a

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162-unit affordable housing apartment complex. This project typifies the kind of public/private partnership that is often necessary to bring large community development projects to fruition. The bank coordinated with the City of Riverside Redevelopment Agency, the builder, the California Community Reinvestment Corporation, and others in structuring and closing this loan. The several parties involved, and the different financing tools used (grant money, Low Income Housing Tax Credit (LIHTC), loan), add complexity to this loan that is not found in most other lending activities of the bank. The project's rents are below market levels and incomes are restricted, on average, to 42% of the area median income.

*San Diego-Carlsbad-San Marcos MSA*

The bank originated 146 CD loans totaling \$68 million over the evaluation period in this AA. Nearly all of the dollar volume of these CD loans went toward addressing community service related needs. UBOC's transactions include a \$26 million loan to a nonprofit corporation that serves as a focal point for information and services for both low- and moderate-income persons with developmental disabilities. The corporation administers contracts, grants, and programs for a statewide network of regional centers that provides these community services. In this MSA, the corporation contracts for the operation of a network of offices and a clinic that provides the services, which include adult and child daycare, early intervention projects, newborn screening follow up, counseling, outreach, education, planning, and others.

*San Francisco-San Mateo-Redwood City MD*

UBOC originated 70 CD loans totaling \$131 million over the evaluation period in this AA. Over two-thirds of the dollar volume of these CD loans went toward affordable housing related needs, followed by community service and economic development needs. UBOC's activity includes a \$15 million loan to help fund one phase of a mixed-use master planned redevelopment of a former U.S. Navy facility located in a designated redevelopment district. The purpose of the redevelopment is to create jobs, reduce blight, attract population, stimulate businesses, revitalize areas, and provide housing (including affordable housing and housing for senior citizens). This loan was for construction of a 185-unit apartment complex, of which 27 units are restricted to low- and moderate-income households, and 11 of those units are restricted to very low-income households.

*Santa Ana-Anaheim-Irvine MD*

UBOC originated 40 CD loans totaling \$97 million over the evaluation period here. Two-thirds of the dollar volume of these CD loans went toward addressing affordable housing needs, followed by community service and revitalization/stabilization initiatives. UBOC's activity included \$9 million in construction financing for an 81-unit affordable housing apartment complex that targets the needs of financially disadvantaged senior citizens. Seventy-three (73) of the units are restricted to households earning less than 60% of the area median income and 24 of the units are in the HUD Section 8 subsidized housing program.

## **Product Innovation and Flexibility**

UBOC's product flexibility had a positive impact on its Lending Test conclusions. The bank offers flexible loan products directed toward affordable housing. Programs for affordable housing include the Economic Opportunity Mortgage (EOM), Mortgage Credit Certificates, and the Community Home Buyer Program.

UBOC provides direct-loan programs geared to the needs of both low- and moderate-income families. The bank's signature EOM program is available for borrowers meeting income limits, or residing in targeted low or moderate-income census tracts. Underwriting standards for the program are flexible, allowing higher loan-to-value, higher debt ratios, and limited credit history. The 7,392 loans in the state, under this program totaled over \$979 million.

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

Based on limited-scope reviews, UBOC's performance under the Lending Test in the Hanford-Corcoran MSA, Madera MSA, Modesto MSA, Oakland-Fremont-Hayward MD, Redding MSA, Sacramento-Arden-Arcade-Roseville MSA, Salinas MSA, San Jose-Sunnyvale-Santa Clara MSA, Santa Barbara-Santa Maria-Goleta MSA, Santa Cruz-Watsonville MSA, Stockton MSA, Vallejo-Fairfield MSA, Visalia-Porterville MSA, and Non-MSA AAs is not inconsistent with the bank's overall "Outstanding" performance under the Lending Test for the state of California.

Performance was weaker in the Bakersfield MSA, El Centro MSA, Fresno MSA, Oxnard-Thousand Oaks Venture MSA, and San Luis Obispo-Paso Robles MSA AAs. The weaker performances are centered in the weaker loan distribution and/or weaker performance with CD lending and did not negatively impact the overall conclusion for the Lending Test for California. In the Merced MSA, Santa Rosa-Petaluma MSA, and Yuba City MSA AAs, the volume of lending was insignificant to result in any meaningful analysis of conclusions.

Refer to the Tables 1 through 11 in the state of California section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

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

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

The bank's performance under the Investment Test in California is rated "Outstanding." Based on full-scope reviews, the bank's performance is excellent in the Los Angeles-Long Beach-Glendale MD, Riverside-San Bernardino-Ontario MSA, and Santa Ana-Anaheim-Irvine MD, good in the San Diego-Carlsbad-San Marcos MSA, and adequate in the San Francisco-San Mateo-Redwood City MD.

UBOC made a combination of investments, grants, and donations to a variety of organizations in its full-scope AAs. UBOC also made investments in statewide or broader regional CD funds that include benefit to the bank's AAs. The vast majority of these investments were in tax credit equity funds that financed projects for thousands of affordable housing units. Some of these investments were made in funds that finance small businesses, and through this activity created or preserved jobs to low- and moderate-income individuals. These additional investments further enhance the bank's overall performance under the Investment Test.

UBOC's investment funds had a positive effect in meeting other important community needs in its AAs such as job creation and preservation. UBOC also provided funding for homeless shelters, food banks, medical clinics, youth activities, CD financial institutions, CD corporations, job training, counseling centers, battered women shelters, developmental disability centers, economic development activities, small business technical assistance, emergency services, financial literacy programs, and other CD activities. In some of its investment activity, the bank and Union Bank of California Foundation (UBOCF) collaborated to provide a mix of investments and grants to help fund large affordable housing projects. In other investments the bank and/or the foundation partnered with local government agencies, nonprofits, developers, and others to provide multifaceted financial and technical assistance to maximize the impact of the bank's participation in complex CD projects.

During this evaluation period, the bank began an innovative program of packaging its investments in LIHTCs into UBOC Guaranteed Tax Credit Funds and then selling participations in these funds to other financial institutions. By using its in-house legal and investment expertise, the bank is able to reduce the overhead expense to create the funds and thus provide a better return to downstream investors. Furthermore, in this program UBOC sells participations in amounts as low as \$750 thousand, which enables much smaller financial institutions to participate in LIHTC investments. By effectively and efficiently expanding the accessibility of the LIHTC program, UBOC increases the capacity of the marketplace to invest in the creation of affordable housing.

UBOC also demonstrated leadership aspects in some of its investment initiatives. The bank created its Cornerstone Award program in cooperation with its Community Advisory Board. The program provides focus to the bank's grant and donation activity by specifically seeking out emerging non-profit housing developers and providing operational funding and technical assistance to help them succeed. The purpose is to increase development capacity for affordable housing and accelerate the pace at which new units are created. This type of financing for predevelopment soft costs, while relatively small in amount, plays a critical role in supporting selected developers in the early stages of affordable housing projects. This program helped provide the impetus for the creation of several hundred affordable housing units in the bank's Los Angeles-Long Beach-Glendale, San Jose-Sunnyvale-Santa Clara, and Vallejo-Fairfield AAs.

#### *Los Angeles-Long Beach-Glendale MD*

UBOC made 801 investments totaling nearly \$29 million in this AA during the evaluation period. The bank also had 88 outstanding prior investments totaling another \$12 million, along with \$42 million in 33 unfunded commitments. Nearly two-thirds of the dollar volume of UBOC's investment transactions was focused on affordable housing, a primary credit need in the AA. The impact of these transactions, along with statewide investments that benefited the AA is excellent. In February 2005, the bank committed to purchasing \$11.3 million of tax credit equity (of which \$220 thousand is funded) to two entities, one national and one local, who are co-sponsoring a large affordable housing redevelopment project in the AA. The project is located on the site of a deteriorated former public housing complex that will have to be demolished. This investment funds the majority of costs for the first phase of the project, in which 120 units of housing will be created. Of those, 72 units will be allocated to families with incomes that do not exceed 50% to 60% of the area median income, and 48 of the units will be set aside for families qualified with public housing subsidies. This project is structured as a HOPE VI finance project that is subject to HUD review, has multiple layers of financing and grants, and involves public and private entities, all of which makes it complex in nature.

#### *Riverside-San Bernardino-Ontario MSA*

In this AA, UBOC made 65 investments totaling \$14 million. The bank also had 34 outstanding prior investments totaling another \$12 million, along with \$6 million in 8 unfunded commitments. The impact of these transactions, along with statewide investments that benefited the AA is excellent. Nearly all of the dollar volume of UBOC's investment transactions was focused on affordable housing, a primary credit need in the AA. One of UBOC's investments in the AA was completing funding of a prior period commitment by providing an additional \$8.4 million in a CRA qualified real estate fund that financed 12 different CD projects variously located in the Riverside-San Bernardino-Ontario and Los Angeles-Long Beach-Glendale AAs. These projects focused on redevelopment of unused facilities like a former freight yard, a defense plant, a dumpsite, and a mixed-use complex looted/damaged in riots, etc. The fund partners with local government economic development agencies and others to revitalize inner city areas, develop new housing (including affordable housing), attract businesses, and create jobs. It is estimated that almost 4,600 jobs and 192 condominium units have been created by the investments made by the fund since the year 2000, thus having a substantial impact on the areas targeted for redevelopment by local governments.

#### *Santa Ana-Anaheim-Irvine MD*

During the evaluation period, UBOC made 129 investments totaling \$27 million in this AA. The bank also had 68 outstanding prior investments totaling another \$6 million. The impact of these transactions, along with statewide investments that benefited the AA is excellent. Nearly all of the dollar volume of UBOC's investment transactions there was focused on affordable housing, a primary credit need in the AA. In February 2002, UBOC provided \$7.8 million in tax credit equity to an organization that is a nationally recognized leader to develop affordable housing. The target project helps finance an 81-unit affordable apartment complex for senior citizens in the Santa Ana-Anaheim-Irvine (Orange County) AA and is also located in a designated redevelopment area. Twenty-five of

the units were set-aside for HUD Section 8 subsidized housing programs. For the remaining units, tenant incomes must fall between 35% and 60% of the area median income in order to qualify for this housing. Earlier, UBOC also provided \$9.2 million in construction financing for this project.

*San Diego-Carlsbad-San Marcos MSA*

UBOC made 311 investments totaling \$19 million in this AA during the evaluation period. The bank also had 27 outstanding prior investments totaling another \$3 million, along with \$3 million in 10 unfunded commitments. The impact of these transactions, along with statewide investments that benefited the AA is good. Nearly all of the dollar volume of UBOC's investment transactions there was focused on affordable housing, a primary credit need in the AA. In July 2004, UBOC purchased \$500,000 of preferred stock in a CDFI located in the San Diego-Carlsbad-San Marcos AA. The funds were utilized in accordance with that financial institution's New Market Tax Credit program allocation agreement with the CDFI fund, to further its mission to provide technical assistance, access to financial services, and financial literacy programs to low- and moderate-income persons. This new funding is in addition to a prior period investment in the CDFI made by UBOC as a founding owner of the CDFI, and demonstrates an ongoing commitment to a leadership role in this entity and its mission.

*San Francisco-San Mateo-Redwood City MD*

During the evaluation period in this AA, UBOC made 490 investments totaling \$9 million. The bank also had 16 outstanding prior investments totaling nearly another \$1 million, along with \$14 million in 25 unfunded commitments. The impact of these transactions, along with statewide investments that benefited the AA is adequate. Over two-thirds of the dollar volume of UBOC's investment transactions there was focused on affordable housing, a primary credit need in the AA. In February 2004, the bank committed to \$6.8 million of tax credit equity financing, of which \$55 thousand is funded, to maintain a 63-unit affordable housing apartment building located in the Mission District of the bank's San Francisco-San Mateo-Redwood City AA. The purpose of the project is to rehabilitate an existing facility and buy out ownership interests of for-profit organizations in order to maintain the affordability of the rents. The project will serve households with maximum incomes ranging from 30% to 60% of the area median income.

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

Based on limited-scope reviews, UBOC's performance under the Investment Test in the Oakland-Fremont-Hayward MD, Bakersfield MSA, Fresno MSA, Hanford-Corcoran MSA, Oxnard-Thousand Oaks-Ventura MSA, Redding MSA, Sacramento-Arden-Arcade-Roseville MSA, Salinas MSA, San Jose-Sunnyvale-Santa Clara MSA, San Luis Obispo-Paso Robles MSA, Santa Rosa-Petaluma MSA, Stockton MSA, and the Vallejo-Fairfield MSA AAs are not inconsistent with its overall "Outstanding" performance under the Investment Test in California.

Based on limited-scope reviews, the bank's performance under the Investment Test in the El Centro MSA, Madera MSA, Merced MSA, Modesto MSA, Santa Barbara-Santa Maria-Goleta MSA, Santa Cruz-Watsonville MSA, Visalia-Porterville MSA, and the Non-MSA AAs is weaker than the bank's overall performance in the state. This weaker performance is due to the lower level of investment activity in relation to the respective presence of the bank in these AAs. Together, these AAs account for a relatively small portion of the total reportable investments in California and thus did not adversely affect the overall state rating.

**SERVICE TEST**

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

The bank's performance under the Service Test is rated "Outstanding." Based on full-scope reviews, the bank's performance is excellent in the Los Angeles-Long Beach-Glendale MD, San Diego-Carlsbad-San Marcos MSA, San Francisco-San Mateo-Redwood City MD, and Riverside-San Bernardino-Ontario MSA, and adequate in the Santa Ana-Anaheim-Irvine MD.

## Retail Banking Services

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

The Service Test analysis focuses heavily on UBOC's distribution of branches by income level of the geography. However, there were instances where a branch located in a middle- or upper-income census tract was actually right on the border with a low- or moderate -income tract; literally across the street in many cases, or within a city block in others. In those instances, the middle- or upper-income branch provides ready accessibility to the bank's financial services to both income areas. Accordingly, our analysis considered the benefit that "bordering branches" provided to their respective communities.

UBOC's delivery systems are readily accessible to all portions of the bank's full-scope AAs, except in the Santa Ana-Anaheim-Irvine MD where accessibility is reasonable. Accessibility is excellent in the Los Angeles-Long Beach-Glendale MD, San Francisco-San Mateo-Redwood City MD, San Diego-Carlsbad-San Marcos MSA, and Riverside-San Bernardino-Ontario MSA, and adequate in the Santa Ana-Anaheim-Irvine MD.

UBOC has 319 branches in the state of California. The vast majority of the bank's statewide branches are located in southern California. Approximately 80% of the branches are traditional stand-alone branches and 17% are in-store branches; e.g., grocery stores. In addition to the traditional and in-store branches, 3% of the branches specifically target low- and moderate-income persons through the Alternative Financial Services (AFS) division. The AFS division branches are in southern California and include UBOC's "Cash & Save" branches and newer hybrid branches that consist of a traditional office, a Nix check-cashing outlet, and a financial literacy provider all in the same facility.

In the Los Angeles-Long Beach-Glendale MD, the distribution of UBOC's branches in low-income geographies exceeds the distribution of the population living in those geographies and is somewhat lower than demographics in moderate-income geographies. Overall accessibility to the bank's services in moderate-income CTs is improved with bordering branches.

In the San Diego-Carlsbad-San Marcos MSA, the portion of UBOC's branches in low-income geographies is near to the population living in those geographies and in moderate-income geographies, exceeds the demographics. Two branches in middle-income geographies that border moderate-income geographies improve accessibility further.

In the San Francisco-San Mateo-Redwood City MD, the percentage of UBOC's branches in low-income census tracts exceeds the respective population demographics. The percentage of branches in moderate-income census tracts is somewhat below the demographics. With the inclusion of bordering branches to moderate-income census tracts, overall accessibility is excellent.

In the Santa Ana-Anaheim-Irvine MD, the portion of UBOC's branches throughout low and moderate-income geographies is lower than the distribution of the population living in those geographies. Of the bank's 37 branches there, none are in low-income census tracts, where less than 5% of the population lives. In moderate-income areas, the portion of the bank's branches there are below the demographics, but improved by branches bordering moderate-income areas. These bordering branches make the bank's distribution there reasonably near to the percentage of the population living in those geographies.

In the Riverside-San Bernardino-Ontario MSA, the bank's distribution of branches in both low- and moderate-income census tracts exceeds the respective distribution of the population living in such geographies. UBOC has 34 branches in the AA, of which 9% are located in low-income census tracts, and 32% are located in moderate-income census tracts. The delivery of services in the AA is further augmented with one branch bordering moderate-income geographies.

During the evaluation period, UBOC had a moderate amount of branch opening and closing activity. To the extent changes have been made in the full-scope AAs, UBOC's opening and closing of branches has improved the accessibility of its delivery systems, particularly in low- and moderate-income geographies throughout the full-scope AAs. The bank added 74 branches, up 30% from the prior period. With the addition of the new branches

along with the changes in census tract designations, the bank has 34 additional branches in low- and moderate-income geographies, a 53% increase.

UBOC's "Cash & Save" branches and new "hybrid" branches specifically target low- and moderate-income persons and geographies. The "Cash & Save" program was introduced in 1993, which has been responsible for introducing many low- and moderate-income persons to banking for the first time. The "Cash & Save" program combines traditional banking products and services with those services provided by check cashers into a single business solution. The offices, mostly in underserved neighborhoods in the inner city, provide check cashing, savings, low cost checking, money order, wire, remittance, and other services to individuals who do not typically use traditional banking services.

In 2002, UBOC bought a 60% stake in Nix Check Cashers and created the Nix Alliance. Through this alliance, many Nix outlets now offer UBOC banking products, including the "Cash & Save" transitional banking products. As part of the alliance, Nix agreed to lower its prices to cash checks for its customers. This caused competing check cashers to also lower their rates, resulting in overall lower rates for check cashing in Southern California. Neither UBOC nor its "Cash & Save" division offers payday loans.

UBOC's hours and services offered throughout the AAs are good. Products and services do not vary in a way that inconveniences low and moderate-income geographies. Branches are typically opened for business Monday through Thursday from 9:00am to 5:00pm, Fridays from 9:00am to 6:00pm, and Saturdays from 9:00am to 1:00pm. Nix and In-Store branches typically have extended hours. Nix branches are opened from 10:00am until 6:00pm Monday through Saturday. In-Store branches are opened from 10:00am to 7:00pm Monday through Friday and until 6:00pm on Saturdays. Cash and Save branches have the longest opening hours from 9:00am to 7:00pm Monday through Thursday, 9:00am until 8:00pm on Fridays, and 10:00am to 6:00pm on Saturdays. Some branches are not opened on Saturdays, which are generally branches located in downtown areas that receive little customer traffic on Saturdays.

UBOC offers traditional deposit and loan products and services, including low cost basic checking accounts targeted to low-income individuals and students. The bank also offers the Electronic Transfer Account ("ETA") and Electronic Access Account ("EAA"). The ETA account is designed for recipients of Federal government benefits such as Social Security. The EAA account was developed in 2001 to target the unbanked, particularly Native American Tribal Welfare recipients. The basic checking, ETA, and EAA accounts require no minimum balance, have modest monthly service fees, and allow unlimited Automated Teller Machine ("ATM") access.

UBOC's ATM network offers an effective alternative delivery system for delivering retail-banking services to low- and moderate-income geographies and to low- and moderate-income individuals. With the exception of ATMs located in grocery stores, shopping malls, and other retail outlets where accessibility is determined by the operating hours of the establishment, ATMs are available 24-hours a day. UBOC has a number of ATMs located in Nix Check Cashing outlets, which are primarily located in inner-city low- and moderate-income neighborhoods.

In the Los Angeles-Long Beach-Glendale MD, the portion of UBOC's ATMs in low-income tracts matches the portion of the population that resides in those geographies. In moderate-income areas, the bank's portion of ATMs are below the demographic.

The bank's distribution of ATMs in low- and moderate-income areas in the San Diego-Carlsbad-San Marcos MSA MD exceeds the respective population demographics.

In the San Francisco-San Mateo-Redwood City MD UBOC's in low-income geographies, the percentage of the bank's ATMs significantly exceeds the percentage of population in low-income census tracts. In contrast, the percentage of ATMs in moderate-income tracts is below the demographics.

UBOC has no ATMs in low-income census tracts, where 5% of the population resides in the Santa Ana-Anaheim-Irvine MSA, the portion of the bank's ATMs in moderate-income tracts is below the percentage of the population residing in those geographies.

In the Riverside-San Bernardino-Ontario MSA, UBOC's portion of ATMs in low-income tracts exceeds the population percentage living in low-income tracts. Distribution of ATMs in moderate-income tracts is near demographics.



UBOC offers a wide array of alternative delivery systems for delivery of products and services to customers. Alternative delivery systems include online banking, telephone banking, and 594 ATMs. Although these alternative delivery systems are of potential benefit to persons across all income levels, there is no data available to show that these alternative delivery systems increase the accessibility of UBOC's services to low or moderate-income persons or geographies. As a result, significant weight was not placed on the alternative delivery system when drawing conclusions regarding UBOC's bank performance for each full-scope AA under the service test.

### **Community Development Services**

UBOC provides a high level of CD services to its full-scope AAs. The bank's performance is excellent in the San Diego-Carlsbad-San Marcos MSA and good in the Los Angeles-Long Beach-Glendale MD, Riverside-San Bernardino-Ontario MSA, San Francisco-San Mateo-Redwood City MD, and Santa Ana-Anaheim-Irvine MD AAs.

In the Los Angeles-Long Beach-Glendale MD where numerous CD opportunities exist, UBOC employees are involved with 21CD organizations that focus primarily on small business development and essential services to low- and moderate-income persons. During the evaluation period, these employees contributed more than 2,000 hours toward these organizations. Employee involvement consists primarily of board membership with 11 community organizations, assisting with strategic planning, providing credit counseling, and helping with fundraisers for 10 organizations.

In the San Diego-Carlsbad-San Marcos MSA, bank employees are involved in 54 CD organizations, which focus primarily on affordable housing, small business development, and essential services targeted to low- and moderate-income persons. During the evaluation period, employees contributed over 7,000 hours toward these community organizations. Their involvement primarily consists of board membership with 12 community organizations, assisting with strategic planning, credit counseling, and fundraising at 36 organizations.

In the San Francisco-San Mateo-Redwood City MD, bank employees are involved in 13 CD organizations that are focused primarily on affordable housing, small business development, and essential services targeted to low- and moderate-income persons. Employees contributed more than 1,000 hours toward these CD organizations. Their involvement primarily consists of board membership with one organization, assisting with strategic planning, credit counseling, and fundraising at nine organizations.

In the Santa Ana-Anaheim-Irvine MD, bank employees are involved in nine CD organizations that primarily provide affordable housing, revitalize low- and moderate-income areas, or provide essential services targeted to low- and moderate-income persons. Employees contributed more than 1,200 hours in their participation on the boards of the organizations or assisting with strategic planning, credit counseling, or fundraising efforts.

In the Riverside-San Bernardino-Ontario MSA, bank employees are involved in 20 CD organizations that are related to affordable housing, economic development, and essential services targeted to both low- and moderate-income persons. Bank employees contributed more than 1,600 hours toward the CD efforts of these organizations. Their involvement is mostly participation on the boards of eight organizations, or assisting with strategic planning, credit counseling, or fundraising efforts of 12 organizations.

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

Based on limited scope reviews, the bank's performance under the Service Test in the Oakland-Fremont-Hayward MD, El Centro MSA, Hanford-Corcoran MSA, Madera MSA, Oxnard-Thousand Oaks-Ventura MSA, Redding MSA, Riverside-San Bernardino MSA, Sacramento-Arden-Arcade-Roseville MSA, San Jose-Sunnyvale-Santa Clara MSA, San Luis Obispo-Paso-Robles MSA, Santa Cruz-Watsonville MSA, and non-MSA counties is not inconsistent with the bank's overall outstanding performance. Performance in the Bakersfield MSA, Fresno MSA, Merced MSA, Modesto MSA, Salinas MSA, Santa Barbara-Santa Maria-Lompoc MSA, Santa Rosa-Petaluma MSA, Stockton MSA, Vallejo-Fairfield MSA, Visalia-Porterville MSA, and Yuba City MSA is weaker than the bank's overall performance. The weaker performances are centered in the weaker distribution of branches in either low or moderate-income geographies compared to the respective population demographics. However, none of these weaker distributions of branches lowered the bank's overall conclusion under the Service Test.

### State Rating

<b>CRA Rating for Oregon:</b>	<b><u>Satisfactory</u></b>
<b>The Lending Test is rated:</b>	<b><u>High Satisfactory</u></b>
<b>The Investment Test is rated:</b>	<b><u>Outstanding</u></b>
<b>The Service Test is rated:</b>	<b><u>High Satisfactory</u></b>

The major factors that support this rating include:

- An excellent geographic distribution of small loans to businesses.
- An adequate borrower distribution of small loans to businesses.
- CD loan activity that is responsive and having a positive impact on lending performance.
- An excellent level and nature of investment activity.
- A good geographic distribution of branch office locations.

### Description of Institution's Operations in Oregon

UBOC has a very limited presence in the Portland-Vancouver-Beaverton, OR-WA MSA. The bank's sole branch office is in the Portland segment of the Portland-Vancouver-Beaverton, OR-WA MSA. UBOC has no presence in the Vancouver portion of this multi-state MSA.

UBOC is ranked 26th in deposit size for institutions in Oregon, with less than 1% of the state's deposit base (FDIC-June 2004). The four largest institutions, based on deposit market share include U.S. Bank National Association (23%), Washington Mutual Bank (14%), Bank of America, N.A. (11%), and Wells Fargo Bank, N.A. (13%). Less than 1% of UBOC's total deposits and 1% of its reportable loans are in Oregon.

Refer to the Market Profiles for the state of Oregon in Appendix C for detailed demographics and other contextual information for the full-scope AAs.

### Scope of the Evaluation in Oregon

We performed a full-scope review of the Portland-Vancouver-Beaverton, OR-WA MSA. This is the only AA of the bank and produces 100% of UBOC's deposits in the state of Oregon. In evaluating the bank's lending performance, the weight was placed on small loans to businesses. The other loan products are insignificant lines of business for UBOC and their associated loan volumes were insufficient to result in any meaningful analysis or conclusion.

Refer to the community profiles in Appendix B for discussion of community contacts made in the full-scope AA.

### LENDING TEST

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

The bank's performance under the Lending Test in Oregon is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the Portland-Vancouver-Beaverton, OR-WA MSA is good.

#### Lending Activity

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

UBOC's lending activity is good in the Portland-Vancouver-Beaverton, OR-WA MSA. Based on 2004 data, UBOC ranks 14th in deposit market share with approximately 1% of the deposits. The bank ranks 2nd in the number of

small loans to businesses it makes with just over 8% in the AA. As approximately 39% of the reported loans in this market are business credit card products averaging \$6 thousand, a comparison of market share based on dollar volume is meaningful. By dollar, UBOC's rank is 18<sup>th</sup> with just over 1% of such loans.

Based on 2004 HMDA aggregate data, the bank's market rank is nominal at 244th. Based on dollar volumes, the bank's market share is likewise nominal and ranks 208<sup>th</sup>. UBOC offers mortgage loans through their branch network, but does not accept brokered loans. Competition for these products is strong in this market, with over 100 financial institutions offering these products.

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

UBOC's overall geographic distribution in the Portland-Vancouver-Beaverton, OR-WA MSA full-scope AA is excellent.

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

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

During the evaluation period, UBOC's mortgage loan origination/purchase volume was insignificant to allow for any meaningful analysis or conclusion.

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

Refer to Table 6 in the state of Oregon 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 excellent. In 2004 and 2003, the bank's portion of small loans to businesses made in low-income geographies exceeds the portion of businesses that are within those geographies. In the 2001-2002 period, UBOC's percentage of small loans to businesses is somewhat lower than the percentage of businesses located in those geographies. However, opportunities were limited as few businesses were located in low-income geographies that year. UBOC's market share for such loans exceeds its overall market share in 2004 and 2003, but is below in the 2001-2002 period.

Geographic distribution of small loans to businesses made in moderate-income geographies in 2004 is reasonably near to the portion of businesses that are within those geographies. UBOC's percentage of small loans to businesses in 2003, and in the 2001-2002 period, exceeds the percentage of such businesses that are within those geographies. Over the entire evaluation period, UBOC's market shares for such loans exceed UBOC's market shares in the AA for small loans to businesses.

#### ***Small Loans to Farms***

Refer to Table 7 in Appendix D for the facts and data regarding the geographic distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, the bank's volume of loans to small farms was insignificant to allow for meaningful analysis or conclusions.

#### ***Lending Gap Analysis***

Maps and reports detailing UBOC's lending activity over the evaluation period for small loans to businesses were reviewed to identify gaps in the geographic distribution of those loans. No unexplained conspicuous gaps were identified. We focused on the distribution of small business loans in the full-scope AA.

#### ***Inside/Outside Ratio***

A substantial majority of the small loans to businesses and CD loans originated/purchased by UBOC over the evaluation period were within its AA. Ninety percent of the banks small loans to businesses and 100% of the CD loans were within its AA.

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

The borrower distribution of UBOC's small loans to businesses reflects an adequate dispersion among borrowers of different income levels. Performance is adequate in the Portland-Vancouver-Beaverton AA.

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

Refer to Tables 8, 9, and 10 in the state of Oregon 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.

During the evaluation period, UBOC's mortgage loan origination volume was insignificant to allow for meaningful analysis or conclusions.

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

Refer to Table 11 in the state of Oregon 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.

Borrower distribution of small loans to businesses is adequate in the Portland-Vancouver-Beaverton, OR-WA MSA. In 2004, UBOC's portion of small loans made to smaller businesses (those with annual revenues of \$1 million or less) is significantly lower than the businesses defined as such. In 2003, the bank's such portion is somewhat lower than the demographic and in the 2001-2002 period, performance is lower than this demographic. In 2004, UBOC's market share of loans made to smaller businesses is somewhat lower than its overall market share in the AA, but exceeds in 2003 and the 2001-2002 period. Loans originated by the bank are predominately in amounts of \$100,000 or less throughout the entire evaluation period.

#### ***Small Loans to Farms***

Refer to Table 12 in the Appendix D for the facts and data regarding the borrower distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, the bank's volume of small loans to farms was not significant enough to allow for any meaningful analysis or conclusions.

### **Community Development Lending**

Refer to Table 1 in the state of Oregon section of Appendix D for the facts and data used to evaluate the bank's level of CD lending.

CD lending had a positive impact on the Lending Test conclusions for the Portland-Vancouver-Beaverton, OR-WA AA. During the evaluation period, UBOC originated 19 loans totaling \$2.9 million in the Portland-Vancouver-Beaverton, OR-WA AA. This CD lending was focused on affordable housing initiatives, a primary credit need in the AA. Both the number and dollar amount of the bank's CD lending is significant.

### **Product Innovation and Flexibility**

Product innovation and flexibility had a positive impact on the Lending Test conclusions for the Portland-Vancouver-Beaverton, OR-WA AA.

UBOC offers flexible mortgage lending that targets low-and moderate-income borrowers through its EOM program. The EOM program is available to borrowers meeting income limitations or who resides in targeted CTs. Underwriting standards for the program are flexible, allowing higher loan-to-value, higher debt ratios, and limited credit history. Over the evaluation period, UBOC originated 19 loans under this program totaling \$3 million in the Portland-Vancouver-Beaverton, OR-WA MSA.

## **INVESTMENT TEST**

### **Conclusions for Area Receiving Full-Scope Review**

UBOC's performance under the Investment Test in Oregon is rated "Outstanding." Based upon a full-scope review, the bank's performance in the Portland-Vancouver-Beaverton, OR-WA AA is excellent.

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

UBOC made a combination of 38 investments, grants, and donations to a variety of organizations in this AA. Current period investments total nearly \$1.9 million. In addition, UBOC made four investments totaling another \$1.1 million in a tax credit equity fund focused on the broader statewide areas. This investment has the potential to benefit the bank's AA as well. These investments represent a substantial commitment of resources by the bank.

UBOC also has a substantial amount of unfunded commitments that is reflective of its future commitment toward helping to meet its community needs, as well as needs in the broader statewide area. The bank also has investments in CD funds that are regional or national in scope, as more fully discussed in the state of California Investment Test section. Those investments enhance the bank's overall performance under the Investment Test.

## **SERVICE TEST**

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

The bank's performance under the Service Test is rated "High Satisfactory." Based on a full-scope review, the bank's performance is good in the Portland-Vancouver-Beaverton, OR-WA AA.

### **Retail Banking Services**

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

UBOC's delivery systems are accessible to geographies and individuals of different income levels in the Portland-Vancouver-Beaverton OR-WA AA. However, the bank has only one branch and it is located in a low-income census tract. There have been no branch openings or closures during the evaluation period.

UBOC's hours and services offered are adequate. The reasonableness of business hours and services offered at branch locations do not vary in a way that inconveniences low- and moderate-income geographies or individuals. Typical branch hours are Monday through Thursday from 9:00am to 5:00pm, Fridays from 9:00am to 6:00pm, and Saturdays from 9:00am to 1:00pm.

UBOC's products and services are available at the branch. The bank also offers low cost basic checking accounts targeted to low-income individuals. The bank also offers the ETA and EAA. The ETA account is designed for recipients of Federal government benefits such as Social Security. The EAA account was developed in 2001 to target the unbanked, particularly Native American Tribal Welfare recipients. The basic checking, ETA, and EAA accounts require no minimum balance, have modest monthly service fees, and allow unlimited ATM access.

UBOC offers an array of alternative delivery systems for its products/services to help reach its customers. These include online banking, telephone banking, and one ATM. Although these alternative delivery systems are of potential benefit to persons across all income levels, there is no data available to show that these alternative delivery systems increase the accessibility of UBOC's services to low or moderate-income persons or geographies. As a result, significant weight was not placed on the alternative delivery systems when drawing conclusions regarding UBOC's performance for the full-scope AA under the Service Test.

**Community Development Services**

UBOC's performance in providing CD services in the Portland-Vancouver-Beaverton MSA is adequate. During the evaluation period, UBOC provided CD services through two community organizations with technical expertise through financial literacy programs targeted to low- and moderate-income individuals. In doing so, the bank partnered with a community organization in offering the service. UBOC also helped by sponsoring and facilitating, via financial and technical expertise, a 12-week financial education program for small businesses owned by low- and moderate-income Native Americans. The program also led to an unsecured loan or line of credit up to \$5 thousand for businesses that completed the program.

## State Rating

<b>CRA Rating for Washington:</b>	<b><u>Satisfactory</u></b>
<b>The Lending Test is rated:</b>	<b><u>High Satisfactory</u></b>
<b>The Investment Test is rated:</b>	<b><u>Low Satisfactory</u></b>
<b>The Service Test is rated:</b>	<b><u>Low Satisfactory</u></b>

The major factors that support this rating include:

- Good geographic distribution and adequate borrower distribution of loans.
- CD lending activity that had a positive impact to the bank's overall lending performance.
- An adequate level and nature of investment activity.
- Banking services that are reasonably accessible to geographies and individuals of different income levels.

### Description of Institution's Operations in Washington

UBOC has a very modest presence in the state of Washington. The bank ranks 41st in deposit size there with 0.31% of the state's deposit base (FDIC-June 2004). More than half of the state's deposits are held by three institutions; Bank of America, N.A. with 22%, Washington Mutual Bank at 19%, and U.S. Bank National Association at 11%. UBOC operates three branches in three AAs within the state. Approximately 1% of UBOC's total deposits and reportable loans are in Washington.

Refer to the Market Profiles for the state of Washington in Appendix C for detailed demographics and other contextual information for the full-scope AAs.

### Scope of the Evaluation in Washington

We performed a full-scope review of the Seattle-Bellevue-Everett MD. This AA provides over 70% of UBOC's state of Washington deposits and 75% of UBOC's loans were originated in this area. In evaluating the bank's lending performance, the weight was placed on small loans to businesses. This is due to the high volume of small loans to businesses and the insignificant activity of the other loan products to result in any meaningful analysis or conclusions.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Washington is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the Seattle-Bellevue-Everett MD is good.

### Lending Activity

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

UBOC's lending activity is adequate. Based on 2004 data, the bank ranks 22nd in deposit market share and 34th in the number of small loans to businesses in the MD. As approximately 20% of the reported loans in this market are business credit card products averaging \$5 thousand, a comparison of market share based on dollars is meaningful. By dollar, UBOC's rank is 27<sup>th</sup>.

UBOC's market rank of HMDA loans is nominal at 216<sup>th</sup>. Based on dollar volumes, UBOC's market rank is likewise nominal at 188<sup>th</sup>. The bank offers mortgage loans through their branch network, but does not accept brokered loans and does not actively compete in this market of over 600 financial institutions.

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

UBOC's overall geographic distribution in the Seattle-Bellevue-Everett MD full-scope AA is good.

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

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

During the evaluation period, the insignificant volume of home mortgage loans precluded any meaningful analysis and conclusions.

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

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

The geographic distribution of small loans to businesses is good in the full-scope AA. In low-income geographies throughout the evaluation period, UBOC's percentage of loans made there exceeds the percentage of businesses located there. The bank's market shares for such loans also exceeds UBOC's overall market share in the AA for small loans to businesses. In moderate-income geographies, the bank's portion of loans to smaller businesses in 2004 and 2003 is somewhat lower than the portion of businesses defined as such. In the 2001-2002 periods, the portion of small loans to businesses is reasonably near to the portion of businesses that are within those geographies. UBOC's market share for such loans were lower than its overall market share in 2004 and 2003. In the 2001-2002 period, UBOC's market share in moderate-income areas exceeds the percentage of such businesses located in those geographies.

### ***Small Loans to Farms***

Refer to Table 7 in Appendix D for the facts and data regarding the geographic distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, the bank's volume of small loans to farms was insignificant to allow for any meaningful analysis and conclusions.

### ***Lending Gap Analysis***

An analysis of UBOC's lending in the full-scope AA with loans to small businesses revealed no unexplained conspicuous gaps.

### ***Inside/Outside Ratio***

A substantial majority of the small loans to businesses and CD loans originated/purchased by UBOC over the evaluation period were within its AAs. Ninety percent of the banks small loans to businesses and 100% of the CD loans were within its AA.

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

The bank's distribution of loans by income level of the borrower in the full-scope AA is adequate.

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

Refer to Tables 8, 9, and 10 in the state of Washington 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.

During the evaluation period, mortgage loan volume was not significant enough to allow for meaningful analysis and conclusions.



***Small Loans to Businesses***

Refer to Table 11 in the state of Washington 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.

The borrower distribution of small loans to businesses is adequate in the full-scope AA. In 2004, UBOC's portion of small loans made to smaller businesses (those with annual revenues of \$1 million or less) is lower than the portion of businesses that are defined as such. In 2003, the portion of such loans is reasonably near to the percentage of businesses that are defined as small. In the 2001-2002 period, performance is somewhat lower than the respective percentages of businesses defined as small in the AA. However, UBOC's market shares of loans made to smaller businesses exceed its overall market shares over the entire evaluation period. During the period, approximately half of the bank's such loan originations were \$100,000 or less.

***Small Loans to Farms***

Refer to Table 12 in the Appendix D for the facts and data regarding the borrower distribution of the bank's origination/purchase of small loans to farms.

During the evaluation period, the bank's volume of small loans to farms was insignificant to allow for any meaningful analysis and conclusions.

**Community Development Lending**

Refer to Table 1 in the state of Washington section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

CD lending had a positive impact on the Lending Test conclusions for the Seattle-Bellevue-Everett AA.

During the evaluation period, UBOC originated fifteen loans totaling \$814 thousand in the Seattle-Bellevue-Everett MD. These loans were focused on addressing affordable housing, a primary credit need in the AA.

**Product Innovation and Flexibility**

Product innovation and flexibility had a positive impact on the Lending Test conclusions for the Seattle-Bellevue-Everett MD. UBOC offers flexible mortgage lending that targets low-and moderate-income borrowers through its EOM program. The EOM program is available to borrowers meeting income limitations or who reside in targeted CTs. Underwriting standards for the program are flexible, allowing higher loan-to-value, higher debt ratios, and limited credit history. Over the evaluation period, UBOC originated six loans under this program totaling over \$758 thousand in the Seattle-Bellevue-Everett MD.

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

Based on limited-scope reviews, UBOC's performance under the Lending Test in the Tacoma MD is not inconsistent with its overall good performance under the Lending Test in Washington. Refer to the Tables 1 through 12 in the state of Washington section of Appendix D for the facts and data that support these conclusions.

**INVESTMENT TEST**

**Conclusions for Area Receiving Full-Scope Review**

The bank's performance under the Investment Test in Washington is rated "Low Satisfactory".

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

Based upon a full scope review, UBOC's performance in the Seattle-Bellevue-Everett MD is adequate. UBOC made a combination of 13 grants and donations totaling \$168 thousand to six different organizations in this AA. In addition, the bank made one investment totaling \$171 thousand in a tax credit equity fund. This investment has

the potential to benefit the bank's AAs as the entity involved provides CD benefits throughout the state, including the bank's AA.

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

Based on a limited-scope review, UBOC's performance under the Investment Test in the Tacoma AA is stronger than the bank's overall performance in the state. This is primarily due to a higher volume of investments. However, this did not affect the overall rating for the Investment Test in the state.

## **SERVICE TEST**

### **Conclusions for Area Receiving Full-Scope Review**

The bank's performance under the Service Test is rated "Low Satisfactory." Based on a full-scope review, the bank's performance is adequate in the Seattle-Bellevue-Everett MD.

### **Retail Banking Services**

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

The bank's retail banking services are reasonably accessible to geographies and individuals of different income levels in the Seattle-Bellevue-Everett MD.

UBOC has only three branches in the state of Washington of which two are in the Seattle-Bellevue-Everett MD. UBOC has no branches in low- or moderate-income geographies in the Seattle-Bellevue-Everett MD. Due to the reclassification of tracts from the 2000 census, one branch that was formerly in a moderate-income tract is now in an upper-income tract. However, one of the two branches in upper-income tracts borders a moderate-income tract. While UBOC does not have any branches located in low-income areas, we considered the fact that only 2% of the population resides in those geographies.

UBOC's hours and services offered are adequate in the Seattle-Bellevue-Everett MD. The traditional branch format provides a wide array of banking services including; full teller transactional services, safe deposit, and new account and loan services. Traditional branch banking hours are Monday-Friday 9am- 6pm and Fridays 9am to 5pm or 9am to 6pm.

In addition to the traditional deposit, loan products and services available at each branch, UBOC offers low cost basic checking accounts targeted to low-income individuals. UBOC also offers the ETA and EAA. The ETA account is designed for recipients of Federal government benefits such as Social Security. The EAA account was developed in 2001 to target the unbanked, particularly Native American Tribal Welfare recipients. The basic checking, ETA, and EAA accounts require no minimum balance, have modest monthly service fees, and allow unlimited ATM access.

UBOC offers a wide array of alternative delivery systems for delivery of products and services to customers. These alternative delivery systems include online banking, telephone banking, and one ATM at each of the two branches. Although these alternative delivery systems are of potential benefit to persons across all income levels, there is no data available to show that these alternative delivery systems increase the accessibility of UBOC's services to low or moderate-income persons or geographies. As a result, significant weight was not placed on the alternative delivery system when drawing conclusions regarding UBOC's bank performance for each full-scope AA under the service test.

**Community Development Services**

UBOC demonstrates poor performance in providing CD services in the Seattle-Bellevue-Everett MD. During the evaluation period, the bank's CD services were limited to a UBOC employee serving as a board member for an agency that services at risk children and families who are primarily of low- or moderate-income profile. The agency operates 17 residential treatment centers for high-risk youth. To date the agency has provided shelter, care and professional treatment to more than 35,000 children and families.

**Conclusions for Area receiving Limited-Scope Review**

Based on a limited scope review, the bank's performance under the Service Test in the Tacoma MD is stronger than the bank's overall performance. However, UBOC has only one other branch, which is in a moderate-income geography of this Tacoma MD AA. As such, this precludes any meaningful analysis. The stronger performance did not result in any changes to the overall conclusion for the bank under the Service Test.

**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 areas that received comprehensive examination reviews (designated by the term "full-scope") and those that received a less comprehensive review (designated by the term "limited-scope").

<p><b>Time Period Reviewed:</b> Lending Test (excludes CD loans): 1/1/2001 to 12/31/2004, Investment and Service Tests and CD loans: 4/1/2001 to 6/30/2005</p> <p><b>Products Reviewed:</b> Small business, small farm, home purchase, home improvement, home refinance, and CD loans. CD Services, and Investments.</p>	
<p><b>Financial Institution:</b> Union Bank of California, N.A. San Francisco, California</p>	
<p><b>Assessment Area</b></p>	<p><b>Type of Exam</b></p>
<p><b>California</b></p>	
Los Angeles-Long Beach-Glendale MD	Full-scope
Santa Ana-Anaheim-Irvine MD	Full-scope
San Francisco-San Mateo-Redwood City MD	Full-scope
Riverside-San Bernardino-Ontario MSA	Full-scope
San Diego-Carlsbad-San Marcos MSA	Full-scope
Oakland-Fremont-Hayward MD	Limited-scope
Bakersfield MSA	Limited-scope
El Centro MSA	Limited-scope
Fresno MSA	Limited-scope
Hanford-Corcoran MSA	Limited-scope
Madera MSA	Limited-scope
Merced MSA	Limited-scope
Modesto MSA	Limited-scope
Oxnard-Thousand Oaks Venture MSA	Limited-scope
Redding MSA	Limited-scope
Sacramento-Arden-Arcade-Roseville MSA	Limited-scope
Salinas MSA	Limited-scope
San Jose-Sunnyvale-Santa Clara MSA	Limited-scope
San Luis Obispo-Paso Robles MSA	Limited-scope
Santa Barbara-Santa Maria-Goleta MSA	Limited-scope
Santa Cruz-Watsonville MSA	Limited-scope
Santa Rosa-Petaluma MSA	Limited-scope
Stockton MSA	Limited-scope
Vallejo-Fairfield MSA	Limited-scope
Visalia-Porterville MSA	Limited-scope
Yuba City MSA	Limited-scope
Non-MSA Areas (includes the counties of Inyo, Mono and Tuolumne)	Limited-scope
<p><b>Oregon</b></p>	
Portland-Vancouver-Beaverton, OR-WA MSA	Full-scope
<p><b>Washington</b></p>	
Seattle-Bellevue-Everett MD	Full-Scope
Tacoma MD	Limited-scope

Appendix B: Summary of State Ratings

<b>RATINGS      BANK NAME: Union Bank of California, N.A.</b>				
<b>Overall Bank:</b>	<b>Lending Test Rating*</b>	<b>Investment Test Rating</b>	<b>Service Test Rating</b>	<b>Overall Bank/State Rating</b>
UBOC	Outstanding	Outstanding	Outstanding	Outstanding
State:				
California	Outstanding	Outstanding	Outstanding	Outstanding
Oregon	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Washington	High Satisfactory	Low Satisfactory	Low 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 California Full-Scope Areas: Los Angeles-Long Beach-Glendale MD #31084

Demographic Information for Full Scope Area: MD 3108 Los Angeles-Long Beach-Glendale CA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2,054	8.71	28.29	27.99	34.23	0.78
Population by Geography	9,519,338	8.00	29.44	30.88	31.58	0.10
Owner-Occupied Housing by Geography	1,499,694	1.91	15.46	31.30	51.33	0.00
Business by Geography	694,415	7.82	20.35	25.99	45.13	0.71
Farms by Geography	5,625	3.06	13.67	31.77	51.18	0.32
Family Distribution by Income Level	2,154,311	23.87	16.49	17.40	42.24	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	869,463	13.65	41.46	28.95	15.94	0.00
Median Family Income		46,509	Median Housing Value			240,248
HUD Adjusted Median Family Income for 2004		54,200	Unemployment Rate			3.72%
Households Below Poverty Level		15.13%	(1990 US Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 US Census and 2004 HUD updated MFI

The Los Angeles -Long Beach-Glendale Metropolitan Division is comprised of Los Angeles County and located in southern California. Los Angeles County is a complex and highly diverse urban area that encompasses over 80 cities and a number of unincorporated areas. It is the nation's largest county in size covering nearly 5,000 square miles and has an estimated population of nearly 10 million making it the ninth largest state in the nation. The City of Los Angeles is the largest city in the AA with an estimated population of 3.8 million.

The area economy has largely recovered from structural changes, major natural disasters, and civil disturbances over the last few decades. However, Los Angeles County continues to exceed state and national unemployment rates. International trade ranks as the largest industry in the County with 286,000 employees, followed by the tourism industry with approximately 266,700 employees. Film and television production ranks close behind, followed by wholesale trade, and professional and business services. Dun and Bradstreet's 2004 data reflect that businesses with revenues of \$1 million or less represent 63 percent of total businesses. An improved 2005 economy was projected for Los Angeles County following notable growth toward the end of 2004. International trade is expected to have another strong year and the declining dollar is prompting increased international travel, which should have a benefit to the tourism industry. The aerospace industry is expected to add jobs from certain weapons programs and the Boeing 7E7 program, but there are some reservations about potential spending cuts from the U.S. Department of Defense. No major labor problems are expected in the film and television production industries, which bodes well for 2005 after strong job growth in 2004.

Housing affordability remains an ongoing and worsening problem throughout California and in the Los Angeles area. The California Association of Realtors (CAR) Housing Affordability Index ("HAI") measures the percentage of households that can afford to purchase a median-priced home by qualifying for a 30-year fixed-rate mortgage. As of November 2004, the HAI indicated that only 17% of the households in Los Angeles County could afford a

median-priced home of \$475,000, compared to 19% for the state and 55% for the nation. The affordability gap between the state and local HAI versus the national average stems mainly from the state's long-term housing needs versus a housing production shortfall. Each year, California adds approximately 250,000 new households, but only produces about 150,000 new housing units, resulting in an annual shortfall of approximately 100,000 housing units. This ongoing production shortfall puts pressure on market prices and will continue to contribute to the affordability gap between Los Angeles County, the state of California, and the nation.

Los Angeles is the entertainment capital of the world, with many jobs dependent on the television and film industries, which show recent increases in production activities. The MSA is also heavily dependent on domestic and international trade, with the ports of Los Angeles and Long Beach and the airport playing key roles in this sector. Leading the economic recovery are expanding international trade, rising defense spending, stable construction spending, gains in the leisure & hospitality sectors, and large immigration inflows. The cost of doing business and the cost of living are above the national average.

Significant geo-demographic changes occurred in this MSA between the 1990 and 2000 U.S. Census. The number of total census tracts increased by 402, which includes a disproportionate increase in those tracts designated as moderate-income, and a slight drop in the percentage of low-income tracts.

Within the Los Angeles-Long Beach-Glendale Metropolitan Division, numerous opportunities exist for CD lending, investments, and services. Nonprofit organizations are numerous and active, and local government promotes and assists a variety of CD and redevelopment activities. In January 2002, HUD announced that Los Angeles will be designated a Renewal Community eligible to share in an estimated \$17 billion in tax incentives to stimulate job growth and economic development, and to create affordable housing. There is a Federal Empowerment Zone and four state Enterprise Zones in the MSA, and we noted 24 Community Development Financial Institutions that have received grants to date. There are blighted areas in need of redevelopment. The large influx of immigrants, predominantly Latino, creates a need for the provision of multi-lingual community and financial services, including financial literacy. The predominant community credit needs in the Los Angeles-Long Beach MSA continue to be financing for affordable housing and micro-loans and other types of credit for small businesses. There are also needs for technical assistance for small businesses and funding for CDC's and other nonprofits that provide technical assistance, loans, and other support for small businesses and economic development.

State of California Full-Scope Areas, Riverside-San Bernardino-Ontario MSA

Demographic Information for Full Scope Area: MSA 4014 Riverside-San Bernardino-Ontario CA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	587	4.60	28.79	41.06	24.87	0.68
Population by Geography	3,254,821	3.53	28.54	41.16	26.73	0.04
Owner-Occupied Housing by Geography	689,493	1.49	21.74	43.33	33.44	0.00
Business by Geography	170,822	4.22	29.70	41.42	24.58	0.08
Farms by Geography	4,104	1.97	27.97	42.03	28.02	0.00
Family Distribution by Income Level	782,412	21.73	17.48	20.23	40.56	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	306,792	5.90	39.74	41.18	13.19	0.00
Median Family Income		47,448	Median Housing Value			130,941
HUD Adjusted Median Family Income for 2004		55,300	Unemployment Rate			3.35%
Households Below Poverty Level		12.79%	(1990 US Census)			

(\* ) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 US Census and 2004 HUD updated MFI

The Riverside-San Bernardino-Ontario MSA is comprised of the Riverside and San Bernardino counties. Riverside and San Bernardino counties comprise what is commonly known as the Inland Empire, one of the fastest growing metropolitan areas in the nation. Riverside is bordered by San Bernardino County to the north, Orange County to the west, San Diego and Imperial counties to the south and the state of Arizona to the east.

The economy continues to expand and job growth is in line with the national average. While more than 1.4 million acres are used for agriculture, there has been extraordinary housing and population growth in the area due to its proximity to the Los Angeles-Orange County area. The relative availability and affordability of land has also contributed to a robust manufacturing base. According to data from the California Department of Finance, the largest employment sectors of the MSA in 2000 were services, trade, state and local government, and manufacturing. Strengths in the MSA are rapid population growth, rising per capita income, increased economic linkages outside of the southern California through its rail and air facilities, and available land. Links to the ports of Los Angeles, and Long Beach and growth in passenger and cargo flows through Riverside's airports are expected to help drive the economy over the long term. The MSA will increasingly be a port of entry for air cargo and entry port center for goods coming through the seaports.

Since 2000, Riverside County's labor force has increased by more than 19% up 129,000 to total 810,600 in 2004. The unemployment rate declined to 5.8% in 2004, after a high of 6.3% during the previous two years.

High housing costs are also an issue in this AA as well as the overall supply of affordable housing. In November 2004, only 19% of the households in the Riverside-San Bernardino-Ontario MSA were able to afford a median value home of \$322,000 using traditional underwriting terms. This affordability ratio for state was also 19%, but 55% for the nation. The influx of population and the disproportionate increase in housing prices relative to family incomes exacerbated the shortage of affordable housing.

There are a number of opportunities for bank involvement in CD activities. In addition to affordable housing, other credit needs in the community include small business capital, as well as, financial literacy for small business owners, credit counseling, job training/placement and utility assistance programs.



**State of California Full-Scope Areas, San Diego-Carlsbad-San Marcos MSA**

Demographic Information for Full Scope Area: MSA 4174 San Diego-Carlsbad-San Marcos CA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	605	7.93	22.48	37.69	31.40	0.50
Population by Geography	2,813,833	7.78	24.46	37.46	30.01	0.30
Owner-Occupied Housing by Geography	551,489	2.30	14.03	41.01	42.66	0.00
Business by Geography	199,486	4.97	21.92	37.93	35.13	0.04
Farms by Geography	3,643	2.94	18.50	41.17	37.36	0.03
Family Distribution by Income Level	669,102	21.02	17.91	20.09	40.98	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	260,483	13.60	34.90	35.56	15.94	0.00
Median Family Income		53,544	Median Housing Value			229,602
HUD Adjusted Median Family Income for 2004		62,400	Unemployment Rate			2.78%
Households Below Poverty Level		10.34%	(1990 US Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 US Census and 2004 HUD updated MFI

UBOC has 57 offices in this AA. The San Diego-Carlsbad-San Marcos Metropolitan Statistical Area consists of San Diego County and is the southern-most major metropolitan area in California. Bordered on the north by Orange and Riverside counties, on the east by Imperial County, on the west by the Pacific Ocean, and on the south by Mexico, San Diego County includes 4,261 square miles of urban and rural land. The 2000 U.S. Census indicates a population of 2,813,833, a 13% increase over the 1990 numbers. The San Diego Regional Planning Agency projects another 38% in population growth over the next 20 years. The most heavily populated areas are located along the coast where jobs are concentrated in the military, biotechnology, commercial, international trade, tourism, and professional services. The region's location on the Pacific Rim and its proximity to the Mexican border (17 miles from downtown San Diego) has resulted in trade benefits for businesses seeking to take advantage of the North American Free Trade Agreement.

Significant geo-demographic changes occurred in this MSA between the 1990 and 2000 U.S. Census. The number of total census tracts increased by 289 and the population increased over a half million. Inland areas have more of an agricultural presence. There are also several Indian tribes and reservations located within the county with Native Americans comprising 1% of the area's population. There is even a tribally owned bank located within the county. San Diego is the sixth largest city in the country, and the second largest in California. The Milken Institute has labeled the city as the top-performing city in the state in job, wage and salary growth, and high-tech output. According to the same study, it is the fifth top-performing city in the country. Business opportunities exist in the county in the form of a workforce with access to several institutes of higher learning including the University of California at San Diego, San Diego State University, the University of San Diego, and other private colleges, community colleges, and vocational schools. There is a good employee base with a median age of 32. Telecommunications, software, and biotech are the fastest growing industries. San Diego's unemployment rates are just under 4% in 2004, comparing favorably to California's 5.5%, and the nation's 6% rate.

Banking competition is strong with numerous large, regional, and community banks and other financial service providers. The largest banks offering commercial and consumer financial products include Bank of America, Washington Mutual Bank, Wells Fargo Bank, Union Bank of California, California Bank and Trust, and Citibank.

Often such large institutions have the advantages of brand recognition and marketing power over smaller local institutions. There are over 900 reporting lenders that recorded HMDA loans and nearly 200 reporting lenders made small loans to businesses, including large credit card companies that do not take deposits from the area. Other financial service providers who don't report lending data are also active in the market.

Low interest rates are expected to keep the region's housing market strong during the upcoming year, and housing sales are projected to increase around 10%. The supply of housing is not anticipated to keep pace with local population growth, so prices are projected to increase about 12%. As local housing prices continue to escalate, fewer residents can afford to own a home. As of November 2004, only 12% of the AA's population can afford a median priced home (which was \$565,000), compared to 19% throughout California, and 55% nationwide. Currently, there is a housing shortage for all income groups, but the shortage has impacted low- and moderate-income residents most acutely. The increase in single-family housing prices has led more residents to purchase condominiums. The apartment to condominium conversion has affected the area's apartment rental market, with vacancies projected to continue to run in the 4 to 5% range, and possible rent increases of 2 to 3% for the upcoming year.

There are a number of opportunities for bank involvement in CD activities. In addition to affordable housing, other credit needs in the community include small business capital, financial literacy for small business owners, credit counseling, job training/placement and utility assistance programs.

State of California Full-Scope Areas: San Francisco-San Mateo-Redwood City MD

Demographic Information for Full Scope Area: MD 4188 San Francisco-San Mateo-Redwood City CA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	382	7.33	21.47	39.01	31.68	0.52
Population by Geography	1,731,183	7.21	21.80	42.21	28.77	0.00
Owner-Occupied Housing by Geography	335,597	1.54	12.79	45.12	40.55	0.00
Business by Geography	160,201	15.35	18.34	34.27	31.94	0.10
Farms by Geography	1,884	7.32	14.54	42.14	35.99	0.00
Family Distribution by Income Level	381,072	21.33	17.59	19.98	41.11	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	148,300	11.85	28.05	42.49	17.60	0.00
Median Family Income		75,188	Median Housing Value			501,526
HUD Adjusted Median Family Income for 2004		87,700	Unemployment Rate			2.12%
Households Below Poverty Level		7.58%	(1990 US Census)			

(\* The NA category consists of geographies that have not been assigned an income classification. Source: 2000 US Census and 2004 HUD updated MFI

The San Francisco-San Mateo-Redwood City, MD consists of three contiguous counties in northern California, which are Marin, San Francisco, and San Mateo. Significant geo-demographic changes occurred in this MD between the 1990 and 2000 U.S. Census. The number of total CTs increased by 21, which includes a disproportionate increase in those tracts designated as low- and moderate-income.

The San Francisco-San Mateo-Redwood City, MD economy is expanding, but at a pace below the national average. The San Francisco Bay Area economy was severely impacted by the information technology (IT) downturn. The annual unemployment rate peaked at 5.9% in 2002, and has been declining since. Leading the economic recovery are the manufacturing, healthcare, leisure & hospitality, and financial services sectors.

The population is again growing, after three years of decline. Residential real estate prices have continued to climb, making San Francisco one of the least affordable housing markets in the entire country. As of November 2004, about 14% of the AA's population could afford a median priced home (which was \$661,000), compared to 19% throughout California, and 55% nationwide. Both the cost of living and the cost of doing business are above the national average.

Analysis of peer loan data for 2004 shows that the financial services market is highly competitive. About 623 reporting lenders made HMDA loans and 177 reporting lenders made small loans to businesses, including large credit card companies and mortgage companies that do not take deposits from the area. Other financial service providers who don't report lending data are also active in the market. Analysis of FDIC deposits market share data as of June 30, 2004, shows a more concentrated market, with 50 banks competing for deposits in the MSA. Bank of America, N.A., is in a commanding lead by holding 35% of the market.

Opportunities for CD activities in this AA are good. There are a number of nonprofits, government agencies, and other organizations active in the area that promote or provide financial services, affordable housing, small business development, and community services. A large immigrant Asian population creates the need for the provision of multi-lingual community services and financial services, including financial literacy. The predominant community credit needs continues to be financing for affordable housing and micro-loans and other types of credit for small businesses, including start-ups. Technical support for small businesses is also a need.

State of California Full-Scope Areas: Santa Ana-Anaheim-Irvine MD

Demographic Information for Full-Scope Area: MSA 4204 Santa Ana-Anaheim-Irvine CA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	577	3.64	26.86	33.10	36.22	0.17
Population by Geography	2,846,289	4.95	30.96	31.84	32.26	0.00
Owner-Occupied Housing by Geography	574,193	1.25	19.56	33.56	45.63	0.00
Business by Geography	251,847	3.16	28.65	35.79	31.73	0.67
Farms by Geography	2,914	3.26	25.29	35.04	36.20	0.21
Family Distribution by Income Level	673,912	20.69	17.97	20.68	40.65	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	260,573	7.49	42.05	32.12	18.35	0.00
Median Family Income		64,321	Median Housing Value			275,476
HUD Adjusted Median Family Income for 2004		75,000	Unemployment Rate			2.50%
Households Below Poverty Level		7.74%	(1990 US Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 US Census and 2004 HUD updated MFI

The AA is comprised of Orange County. UBOC has 37 branch offices here and competes with 811 mortgage lenders, 181 small business lenders, and 91 financial institutions for deposits. Orange County is a culturally and economically diverse area that encompasses 34 cities and a number of unincorporated areas. It covers 798 square miles, including 42 miles of coastline and nine beaches. According to the 2000 U.S. Census, the estimated population of the assessment area is 2.8 million.

Significant geo-demographic changes occurred in this MSA between the 1990 and 2000 U.S. Census. The number of total census tracts increased by 93 (19%) with an increase in those tracts designated as low-and moderate-income. Over the decade, the population steadily increased by 435.7 thousand and the percentage of households below the poverty level increased by 2%. The weighted median housing prices increased by 7% and the weighted average of median family income increased by 25%.

The area economy is robust with an unemployment rate below that of neighboring Los Angeles County, the state of California, and the nation. The Bureau of Labor Statistics reported a seasonally adjusted unemployment rate for Orange County of 3.4 percent compared to Los Angeles County at 6.6 percent, California at 6.4 percent, and the U.S. at 5.4 percent. By the end of 2005, the unemployment rate is expected to improve to 3.0 percent.

Travel and tourism, the mainstay of the local economy, are benefiting from an expanding Asian economy and the weaker dollar, bringing business and leisure travelers from overseas. The 50<sup>th</sup> anniversary events at Anaheim-based Disneyland add further stimulus to this industry sector. The LAEDC ranks tourism as the largest industry employer with approximately 116,300 employees, followed by technology-related industries (computer and electronics manufacturing, aerospace products, computer system-design, etc.) with 89,500 employees, and wholesale trade with 79,500 employees. Dun and Bradstreet data for 2004 reflect that businesses with sales of \$1 million or less represented 64 percent of total businesses.

The strong and growing economy in Orange County is contributing to over-population with severe traffic congestion and housing shortages. New home building is expected to slip by 5.6 percent despite job and population growth, keeping upward pressure on housing prices. Orange County is one of the most expensive areas in the nation to live. Affordable housing availability is an ongoing problem and at an all-time low. As of

November 2004, the HAI indicates that only 13% of the AAs households could afford a median-priced home there of \$633,000.

The City of Santa Ana has become the densest city in California, partially due to the large immigrant population growth during the past 10 years. The cost of the average lot in the central areas of Orange County (most affordable areas) is now \$200,000. Because of the growing population, several cities in the county have passed low-density laws that prevent the construction of multi-family housing. High-rise condominium projects are in planning stages in various areas in Orange County, including Santa Ana, Irvine, and Anaheim.

Analysis of peer loan data for 2004 shows that the financial services market is highly competitive. Nearly 200 reporting lenders made small loans to businesses and about 800 reporting lenders made HMDA loans, including large credit card companies and mortgage companies that do not take deposits from the area. Other financial service providers who don't report lending data are also active in the market. Analysis of FDIC deposits market share data as of June 30, 2004, shows a more concentrated market, with 89 banks competing for deposits in the AA.

Due to the high-cost of housing in the area, community contacts for the area revealed a need for all types of affordable housing. Other needs include micro-loans for startups and emerging small businesses. There is a need for technical assistance for small businesses, and for nonprofits that support small businesses. Additionally, there is a need for funding of redevelopment projects.

State of Oregon Full-Scope Areas: Portland-Vancouver-Beaverton OR-WA MSA 3890 (Partial)

Demographic Information for Full Scope Area: MSA 3890 Portland-Vancouver-Beaverton OR-WA (Partial)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	313	2.24	23.32	47.28	27.16	0.00
Population by Geography	1,444,219	1.02	21.75	49.63	27.60	0.00
Owner-Occupied Housing by Geography	348,353	0.43	15.84	51.13	32.60	0.00
Business by Geography	113,495	4.35	21.22	45.48	28.96	0.00
Farms by Geography	3,435	0.84	8.68	60.20	30.28	0.00
Family Distribution by Income Level	361,295	18.05	18.82	22.88	40.25	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	133,199	1.33	29.83	52.05	16.79	0.00
Median Family Income		55,453	Median Housing Value			181,983
HUD Adjusted Median Family Income for 2004		65,900	Unemployment Rate			3.02%
Households Below Poverty Level		8.74%	(1990 US Census)			

(\* ) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 US Census and 2004 HUD updated MFI

UBOC's has a very modest presence in this AA. Significant geo-demographic changes occurred in this MSA between the 1990 and 2000 U.S. Census. The number of total census tracts increased by 39, which includes a decrease in the percentage of census tracts designated as low-income, and moderate-income. Over the decade the population increased by 295 thousand, while the percentage of households below poverty level decreased from 10% to the current level. The weighted average of median housing prices increased by 140% and the weighted average of median family income increased by 0.53%. The influx of population and the disproportionate increase in housing prices relative to family incomes exacerbated the shortage of affordable housing.

Manufacturing plays a large role in the Portland-Vancouver-Beaverton, OR-WA MSA Oregon's economy, and within the manufacturing sector, high technology manufacturing, food processing, primary metals and metal fabrication, and forest-product manufacturing are key subsectors. The recovery of the Portland-Vancouver-Beaverton, OR-WA MSA, economy has reached its peak, and is now transitioning into a sustained expansion. The areas labor market has added jobs in all but two months over the past two years. The expansion has been particularly broad based, with all major industries adding jobs over the past year. While continued economic expansion is expected to occur across most of the state, the outlook is not without risk. Oregon's economy has been altered dramatically over the recent past because of transformations in the national and global economic landscape. Changes that have particularly impacted the state's economy include the increasing importance of the technology industry and of technology use across a wide variety of industries, the effect of federal forests policy on the timber industry, the increasing costs of energy, and the increasing globalization of the U.S. economy.

The AA's housing market has shown significant improvement, but has experienced difficulty keeping up with the state's changing economy, and demographics. After consistently lagging behind nationwide trends, local house-price appreciation has finally caught up to the national average. The AA had the ninth-lowest homeownership rate in the country, with only 66% of households owning their own home. This situation does not seem likely to change in the near future, as median home values have increased much faster than median income in the recent past. Rental housing is not much more affordable for lower-income individuals and families, as Oregon is ranked 48<sup>th</sup> on rental housing affordability, making it the third least affordable state for renters.

The annual unemployment rate peaked at 6.3% in 2003, and has been declining since then. During this time the unemployment rate was among the worst in the nation, ranking 49<sup>th</sup> in 2002, and 50<sup>th</sup> at times during 2003. Recently, however, the economy in the MSA has been slowly improving, recently exhibiting the 7<sup>th</sup> highest job growth nationally during spring 2004, although unemployment in the state remains higher than the national average 6.5% in October 2004 versus 5.5% for the U.S. as a whole.

The financial services market is highly competitive. About 525 reporting lenders made HMDA loans and over 100 reporting lenders made small loans to businesses, including large credit card companies that do not take deposits from the area. Other financial service providers who don't report lending data are also active in the market.

There are a number of opportunities for bank involvement. These include support for affordable housing initiatives and small business loans that could promote job creation. The small business segment is important to Oregon's economy. Businesses with fewer than ten employees account for 13% of the state's employment, which is among the highest in the country. Opportunities also exist for assisting in programs that sponsor and/or host small business development.

State of Washington Full-Scope Areas: Seattle-Bellevue-Everett MD 4264

Demographic Information for Full Scope Area: MD 4264 Seattle-Bellevue-Everett WA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	506	2.17	20.75	52.96	24.11	0.00
Population by Geography	2,343,058	1.93	21.89	52.39	23.79	0.00
Owner-Occupied Housing by Geography	577,775	0.49	15.58	55.45	28.48	0.00
Business by Geography	188,112	2.37	23.61	46.92	27.11	0.00
Farms by Geography	4,530	1.13	15.28	57.86	25.74	0.00
Family Distribution by Income Level	582,505	18.50	18.70	24.54	38.26	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	216,658	2.61	31.49	51.85	14.06	0.00
Median Family Income		63,951	Median Housing Value			228,785
HUD Adjusted Median Family Income for 2004		72,600	Unemployment Rate			2.54%
Households Below Poverty Level		7.51%	(1990 US Census)			

(\* The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2004 HUD updated MFI

UBOC has a very modest presence in Washington with only three branches in the state. The Seattle-Bellevue-Everett MD has a significant economic and cultural presence in the northwest and has the largest concentration of population north of San Francisco and west of Chicago. Significant geo-demographic changes occurred in this MD between the 1990 and 2000 U.S. Census. The number of total census tracts increased by 88 (21%) and the population has steadily increased by over a third of a million. The weighted median housing prices increased by 60% and the weighted average of median family income increased by 49%.

The Seattle-Bellevue-Everett MD economy has expanded faster than the national economy and that of most other west coast cities. Above-average growth is a long-run trend transcending business cycles that should continue throughout the foreseeable future. Since 2001, the end of the dot-com boom and the collapse of demand for air travel and aircraft following September 11<sup>th</sup> combined to intensify the recession in the state. In Seattle, more than half of lost manufacturing jobs were in aerospace, which shed over 44,000 jobs between 1999 and 2004. However, employment swung upward in 2004 and 2005 as the state's recovery strengthened. Emerging major industries include software, biotechnology, tourism, and telecommunications. Strengths in the economy include per capita income that is well above the national average, and a highly trained and educated labor force. Weaknesses in the economy include low economic diversity, high business tax burden, and high housing costs. The Seattle-Bellevue-Everett MD also faces a severe shortage of affordable housing, caused in part by the state's rapid population growth during the 1990s. The state's rental housing affordability profile is one of the weakest in the nation with nearly one quarter of the renters paying more than 50% of their income towards housing costs. The housing affordability index for the Seattle-Washington-Bellevue MD is 20%.

The financial services market is highly competitive. About 142 reporting lenders made small loans to businesses and 600 reporting lenders made HMDA loans, including large credit card companies and mortgage companies that do not take deposits from the area. Other financial service providers who don't report lending data are also active in the market. Analysis of FDIC deposits market share data as of June 30, 2004, shows a more concentrated market, with 64 banks competing for deposits in the MSA. Bank of America, N.A., is in a strong lead by holding 28% of the deposit market.

The high-cost of housing in the area has led to the need for all types of affordable housing. There is also the need for increased support for small businesses from financial institutions, such as micro-loans for startups.



## Appendix D: Tables of Performance Data

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**NOTE:** An attached Table 1 is provided for each separate census period (2004, 2003, and 2001-2002) in order to illustrate UBOC's lending volume in its entirety. For Tables 2 - 15, only the most recent year is listed, however, each period is discussed in our analysis as appropriate.

### 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/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE.

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

**Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank's assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Community Development Loans" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of Assessment Area" is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.

**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** - 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 AA.

**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 Home Mortgage Refinance Loans** - See Table 8.

**Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

**Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

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

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system. A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments.

**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: California												
Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004												
Assessment Area (2004):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
MD 3108 Los Angeles Long Beach Glendale CA	24.76	3,264	2,006,751	6,632	499,500	44	1,593	50	77,933	9,990	2,585,777	26.56
MD 4188 San Francisco San Mateo Redwood City CA	5.26	773	555,929	1,310	126,607	25	1,352	12	17,775	2,120	701,663	12.88
MD 4204 Santa Ana Anaheim Irvine CA	14.77	959	546,310	4,895	282,265	91	5,969	12	42,945	5,957	877,489	11.60
MSA 4014 Riverside San Bernardino Ontario CA	6.55	556	172,699	2,031	136,800	39	1,552	17	10,395	2,643	321,446	7.15
MSA 4174 San Diego Carlsbad San Marcos CA	25.08	1,779	860,768	8,069	348,118	227	6,505	41	10,287	10,116	1,225,678	16.83
<b>Limited Review:</b>												
MD 3608 Oakland Fremont Hayward CA	3.72	419	212,218	1,051	99,030	15	1,116	17	19,132	1,502	331,496	4.09
MSA 1254 Bakersfield CA	1.62	145	18,299	479	31,090	28	1,791	1	212	653	51,392	1.09
MSA 2094 El Centro CA	0.47	21	4,962	150	10,265	19	881	1	270	191	16,378	0.47
MSA 2342 Fresno CA	3.43	123	26,011	1,160	49,269	92	4,013	7	7,935	1,382	87,228	1.47
MSA 2526 Hanford Corcoran CA	0.38	17	4,270	117	3,236	21	2,372	0	0	155	9,878	0.23
MSA 3146 Madera CA	0.43	23	5,611	128	3,573	23	2,113	1	216	175	11,513	0.09
MSA 3290 Merced CA	0.11	9	2,138	21	556	16	2,818	0	0	46	5,512	0.01
MSA 3370 Modesto CA	0.60	28	5,664	149	12,270	64	10,792	0	0	241	28,726	0.21

\* Loan Data as of December 31, 2004. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from April 1, 2001 to June 30, 2005.

\*\*\* Deposit Data as of June 30, 2004 (Allocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Charter Number: 21541

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: California												
Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004												
Assessment Area (2004):	% of Rated Area Loans (#) in MA/AA <sup>*</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in MA/AA <sup>***</sup>
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Limited Review:</b>												
MSA 3710 Oxnard Thousand Oaks Ventura CA	1.37	132	75,855	407	22,685	11	537	3	3,782	553	102,859	0.99
MSA 3982 Redding CA	0.28	8	1,581	99	7,361	6	402	1	1,050	114	10,394	0.08
MSA 4090 Sacramento Arden Arcade Roseville CA	2.33	266	87,350	631	59,707	31	4,354	13	27,943	941	179,354	4.66
MSA 4150 Salinas CA	0.80	87	34,526	212	6,392	22	861	0	0	321	41,779	0.76
MSA 4194 San Jose Sunnyvale Santa Clara CA	3.35	313	166,040	1,011	69,652	20	946	6	42,750	1,350	279,388	5.05
MSA 4202 San Luis Obispo Paso Robles CA	0.29	35	15,073	78	2,777	5	33	0	0	118	17,883	0.34
MSA 4206 Santa Barbara Santa Maria Goleta CA	0.58	81	56,658	140	8,923	14	566	0	0	235	66,147	2.18
MSA 4210 Santa Cruz Watsonville CA	0.53	43	15,757	160	5,772	8	648	3	550	214	22,727	0.97
MSA 4222 Santa Rosa Petaluma CA	0.15	37	46,952	23	2,290	0	0	1	28,800	61	78,042	0.17
MSA 4470 Stockton CA	0.72	46	14,756	207	15,808	36	6,511	1	300	290	37,375	0.62
MSA 4670 Vallejo Fairfield CA	0.23	20	7,327	65	3,358	4	68	2	2,509	91	13,262	0.19
MSA 4730 Visalia Porterville CA	1.49	73	9,453	455	15,477	70	2,960	3	6,976	601	34,866	0.64
MSA 4970 Yuba City CA	0.16	11	3,514	33	4,263	20	2,128	1	4,900	65	14,805	0.17
Non MSA Counties CA	0.54	35	9,486	176	7,404	1	50	4	123	216	17,063	0.49

<sup>\*</sup> Loan Data as of December 31, 2004. Rated area refers to either state or multi-state MA rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from April 1, 2001 to June 30, 2005.

<sup>\*\*\*</sup> Deposit Data as of June 30, 2004 (Allocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: California			Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003									
Assessment Area (2003):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
MSA 4480 Los Angeles Long Beach CA	23.15	3,191	1,767,459	6,169	481,737	43	1,986	27	10,390	9,430	2,261,572	31.55
MSA 5945 Orange County CA	14.96	1,463	639,082	4,521	283,404	100	5,047	11	3,929	6,095	931,462	8.28
MSA 6780 Riverside San Bernardino CA	6.29	868	197,187	1,655	110,762	32	1,961	9	50,357	2,564	360,267	3.01
MSA 7320 San Diego CA	25.43	2,781	1,026,167	7,393	351,471	145	6,410	39	38,188	10,358	1,422,236	13.15
MSA 7360 San Francisco CA	5.08	938	612,898	1,094	119,977	17	1,076	20	44,281	2,069	778,232	29.86
<b>Limited Review:</b>												
MSA 0680 Bakersfield CA	1.88	300	29,241	439	26,120	23	2,540	3	13,071	765	70,972	0.74
MSA 2840 Fresno CA	4.01	316	39,513	1,206	55,762	109	8,722	3	112	1,634	104,109	1.37
MSA 4940 Merced CA	0.13	17	3,001	19	491	16	3,007	0	0	52	6,499	0.01
MSA 5170 Modesto CA	0.58	53	8,937	119	11,812	63	12,740	0	0	235	33,489	0.21
MSA 5775 Oakland CA	3.63	518	219,059	933	89,630	17	1,466	9	62,460	1,477	372,615	2.56
MSA 6690 Redding CA	0.35	16	3,529	118	8,453	7	530	0	0	141	12,512	0.09
MSA 6920 Sacramento CA	2.77	528	105,370	574	53,921	21	2,956	6	29,428	1,129	191,675	1.58
MSA 7120 Salinas CA	0.69	178	60,756	83	5,554	19	1,341	0	0	280	67,651	0.13

\* Loan Data as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from April 1, 2001 to June 30, 2005.

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

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: California												
Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003												
Assessment Area (2003):	% of Rated Area Loans (#) in MA/AA <sup>*</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in MA/AA <sup>***</sup>
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Limited Review:</b>												
MSA 7400 San Jose CA	3.42	514	253,403	859	69,774	17	1,088	5	13,900	1,395	338,165	4.29
MSA 7460 San Luis Obispo Atascadero Paso Robles CA	0.28	25	5,337	86	3,706	3	530	0	0	114	9,573	0.20
MSA 7480 Santa Barbara Santa Maria Lompoc CA	0.52	71	36,022	133	15,327	8	420	1	50	213	51,819	0.33
MSA 7485 Santa Cruz Watsonville CA	0.44	121	36,506	56	3,048	1	150	0	0	178	39,704	0.00
MSA 7500 Santa Rosa CA	0.14	44	23,740	14	2,824	0	0	0	0	58	26,564	0.00
MSA 8120 Stockton Lodi CA	0.64	84	13,688	141	11,002	33	5,803	2	19,631	260	50,124	0.27
MSA 8720 Vallejo Fairfield Napa CA	0.33	67	26,120	63	6,082	4	376	1	15,494	135	48,072	0.08
MSA 8735 Ventura CA	1.38	147	70,489	395	27,617	20	800	0	0	562	98,906	0.59
MSA 8780 Visalia Tulare Porterville CA	1.56	139	16,075	424	15,065	71	3,416	1	1	635	34,557	0.49
MSA 9270 Yolo CA	0.30	57	19,745	58	6,536	6	705	0	0	121	26,986	0.12
MSA 9340 Yuba City CA	0.18	18	2,505	37	2,526	20	4,265	0	0	75	9,296	0.08
Non MSA Counties CA	1.88	214	31,904	492	23,146	53	5,328	5	4,970	764	65,348	1.01

<sup>\*</sup> Loan Data as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from April 1, 2001 to June 30, 2005.

<sup>\*\*\*</sup> Deposit Data as of June 30, 2003 (Unallocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: California												
Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002												
Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA <sup>†</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in MA/AA <sup>***</sup>
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>												
MSA 4480 Los Angeles Long Beach CA	22.02	3,890	2,302,780	9,757	935,523	25	2,199	78	192,070	13,750	3,432,572	33.99
MSA 5945 Orange County CA	14.94	1,896	950,853	7,345	533,712	69	5,184	17	50,082	9,327	1,539,831	8.74
MSA 6780 Riverside San Bernardino CA	5.94	1,072	214,009	2,596	206,114	29	2,525	12	37,286	3,709	459,934	2.98
MSA 7320 San Diego CA	27.85	4,370	1,760,742	12,828	658,025	126	5,688	66	19,660	17,390	2,444,115	14.13
MSA 7360 San Francisco CA	5.20	1,286	892,113	1,909	264,216	16	1,730	38	68,568	3,249	1,226,627	23.99
<b>Limited Review:</b>												
MSA 0680 Bakersfield CA	1.77	282	25,822	800	62,584	20	2,575	6	426	1,108	91,407	0.87
MSA 2840 Fresno CA	3.92	253	34,303	2,035	98,057	153	20,356	5	708	2,446	153,424	1.55
MSA 4940 Merced CA	0.14	17	1,453	25	2,469	48	7,805	0	0	90	11,727	0.01
MSA 5170 Modesto CA	0.65	78	10,402	202	15,821	123	23,605	4	471	407	50,299	0.22
MSA 5775 Oakland CA	3.71	677	313,731	1,607	190,832	12	2,469	19	79,000	2,315	586,032	2.89
MSA 6690 Redding CA	0.40	17	2,367	216	23,832	15	1,503	2	7,404	250	35,106	0.10
MSA 6920 Sacramento CA	2.74	659	134,476	1,000	94,269	32	5,625	17	44,475	1,708	278,845	1.72
MSA 7120 Salinas CA	0.41	146	42,405	82	5,361	26	2,954	1	145	255	50,865	0.16

<sup>†</sup> Loan Data as of December 31, 2002. Rated area refers to either state or multi-state MA rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from April 1, 2001 to June 30, 2005.

<sup>\*\*\*</sup> Deposit Data as of June 30, 2002 (Unallocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Charter Number: 21541

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: California			Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002									
Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Limited Review:</b>												
MSA 7400 San Jose CA	3.62	769	409,792	1,455	149,902	22	1,497	11	59,591	2,257	620,782	5.07
MSA 7460 San Luis Obispo Atascadero Paso Robles CA	0.22	47	11,482	88	4,585	1	500	2	65	138	16,632	0.23
MSA 7480 Santa Barbara Santa Maria Lompoc CA	0.49	84	40,581	210	19,571	12	729	1	13,026	307	73,907	0.35
MSA 7485 Santa Cruz Watsonville CA	0.08	32	12,576	20	1,813	0	0	0	0	52	14,389	0.00
MSA 7500 Santa Rosa CA	0.13	61	36,291	20	5,577	0	0	0	0	81	41,868	0.00
MSA 8120 Stockton-Lodi CA	0.74	113	24,409	270	21,400	70	11,341	6	11,544	459	68,694	0.28
MSA 8720 Vallejo Fairfield Napa CA	0.34	71	37,157	133	19,122	3	820	6	38,326	213	95,425	0.09
MSA 8735 Ventura CA	0.82	193	103,722	304	33,748	12	1,467	2	450	511	139,387	0.62
MSA 8780 Visalia Tulare Porterville CA	1.52	154	13,403	716	28,482	75	5,163	2	180	947	47,228	0.59
MSA 9270 Yolo CA	0.30	53	9,209	115	12,993	15	3,321	2	3,000	185	28,523	0.14
MSA 9340 Yuba City CA	0.20	20	2,750	70	9,136	32	6,570	0	0	122	18,456	0.09
Non MSA Counties CA	1.85	260	37,515	818	38,373	75	11,284	3	575	1,156	87,747	1.19

\* Loan Data as of December 31, 2002. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from April 1, 2001 to June 30, 2005.

\*\*\* Deposit Data as of June 30, 2002 (Unallocated). 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: California					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>†</sup>													
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% Bank Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
MD 3108 Los Angeles Long Beach Glendale CA	1,050	34.55	1.91	2.48	15.46	13.81	31.30	10.38	51.33	73.33	0.44	0.29	0.31	0.13	0.77									
MD 4188 San Francisco San Mateo Redwood City CA	257	8.46	1.54	3.89	12.79	9.73	45.12	28.02	40.55	58.37	0.66	0.61	0.40	0.42	1.08									
MD 4204 Santa Ana Anaheim Irvine CA	274	9.02	1.25	0.73	19.56	12.41	33.56	19.34	45.63	67.52	0.32	0.12	0.18	0.20	0.48									
MSA 4014 Riverside San Bernardino Ontario CA	194	6.38	1.49	0.52	21.74	15.46	43.33	43.30	33.44	40.72	0.10	0.03	0.07	0.09	0.12									
MSA 4174 San Diego Carlsbad San Marcos CA	579	19.05	2.30	5.35	14.03	8.98	41.01	24.18	42.66	61.49	0.53	0.54	0.30	0.34	0.77									
<b>Limited Review:</b>																								
MD 3608 Oakland Fremont Hayward CA	192	6.32	3.49	1.04	13.07	7.29	43.58	13.54	39.86	78.13	0.22	0.04	0.09	0.06	0.52									
MSA 1254 Bakersfield CA	38	1.25	2.10	0.00	23.06	15.79	33.51	36.84	41.33	47.37	0.12	0.00	0.12	0.13	0.13									
MSA 2094 El Centro CA	7	0.23	0.00	0.00	23.53	14.29	42.36	42.86	34.11	42.86	0.18	0.00	0.17	0.20	0.16									
MSA 2342 Fresno CA	30	0.99	1.60	0.00	21.71	26.67	35.87	33.33	40.82	40.00	0.12	0.00	0.16	0.11	0.10									
MSA 2526 Hanford Corcoran CA	8	0.26	0.00	0.00	22.35	12.50	39.08	25.00	38.57	62.50	0.22	0.00	0.15	0.17	0.28									
MSA 3146 Madera CA	5	0.16	0.00	0.00	11.37	20.00	52.17	80.00	36.46	0.00	0.12	0.00	0.17	0.19	0.00									
MSA 3290 Merced CA	3	0.10	0.00	0.00	17.13	0.00	50.94	33.33	31.94	66.67	0.03	0.00	0.00	0.02	0.06									
MSA 3370 Modesto CA	9	0.30	1.12	0.00	14.63	0.00	53.88	66.67	30.36	33.33	0.04	0.00	0.00	0.04	0.05									

<sup>†</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> 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.

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

Geographic Distribution: HOME PURCHASE		Geography: California				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004						Market Share (%) by Geography <sup>*</sup>				
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 <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% Bank Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans						
<b>Limited Review:</b>																
MSA 3710 Oxnard Thousand Oaks Ventura CA	41	1.35	1.20	0.00	15.46	0.00	46.06	36.59	37.29	63.41	0.18	0.00	0.00	0.14	0.38	
MSA 3982 Redding CA	5	0.16	0.00	0.00	12.78	0.00	70.92	20.00	16.30	80.00	0.09	0.00	0.00	0.03	0.38	
MSA 4090 Sacramento Arden Arcade Roseville CA	112	3.69	3.32	3.57	18.33	24.11	42.14	32.14	36.21	40.18	0.11	0.09	0.16	0.10	0.11	
MSA 4150 Salinas CA	11	0.36	0.00	0.00	13.83	9.09	45.09	18.18	41.08	72.73	0.11	0.00	0.06	0.04	0.25	
MSA 4194 San Jose Sunnyvale Santa Clara CA	106	3.49	1.13	0.00	16.54	11.32	47.80	51.89	34.53	36.79	0.20	0.00	0.09	0.22	0.30	
MSA 4202 San Luis Obispo Paso Robles CA	16	0.53	0.00	0.00	10.27	6.25	75.43	81.25	14.31	12.50	0.19	0.00	0.08	0.20	0.22	
MSA 4206 Santa Barbara Santa Maria Goleta CA	29	0.95	0.97	0.00	17.42	10.34	39.94	27.59	41.68	62.07	0.29	0.00	0.12	0.16	0.75	
MSA 4210 Santa Cruz Watsonville CA	8	0.26	0.00	0.00	20.21	0.00	40.44	87.50	39.35	12.50	0.12	0.00	0.00	0.27	0.04	
MSA 4222 Santa Rosa Petaluma CA	13	0.43	0.00	0.00	9.17	0.00	71.27	69.23	19.56	30.77	0.08	0.00	0.00	0.08	0.14	
MSA 4470 Stockton CA	13	0.43	1.80	15.38	19.48	0.00	39.28	23.08	39.43	61.54	0.04	0.30	0.00	0.03	0.05	
MSA 4670 Vallejo Fairfield CA	8	0.26	0.52	12.50	15.69	12.50	50.32	25.00	33.48	50.00	0.04	0.73	0.03	0.02	0.07	
MSA 4730 Visalia Porterville CA	19	0.63	0.00	0.00	22.02	31.58	38.85	42.11	39.13	26.32	0.16	0.00	0.27	0.18	0.10	
MSA 4970 Yuba City CA	4	0.13	0.00	0.00	17.49	0.00	52.57	75.00	29.94	25.00	0.06	0.00	0.00	0.10	0.05	
Non MSA Counties CA	8	0.26	0.00	0.00	7.27	12.50	68.87	0.00	23.86	87.50	0.26	0.00	1.18	0.00	0.57	

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> 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.

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

Geographic Distribution: HOME IMPROVEMENT															Geography: California		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>†</sup>										
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% Bank Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
MD 3108 Los Angeles Long Beach Glendale CA	12	13.64	1.91	8.33	15.46	8.33	31.30	58.33	51.33	25.00	0.03	0.09	0.01	0.05	0.02						
MD 4188 San Francisco San Mateo Redwood City CA	2	2.27	1.54	0.00	12.79	0.00	45.12	100.00	40.55	0.00	0.05	0.00	0.00	0.10	0.00						
MD 4204 Santa Ana Anaheim Irvine CA	7	7.95	1.25	0.00	19.56	71.43	33.56	14.29	45.63	14.29	0.05	0.00	0.18	0.02	0.02						
MSA 4014 Riverside San Bernardino Ontario CA	14	15.91	1.49	0.00	21.74	14.29	43.33	28.57	33.44	57.14	0.05	0.00	0.04	0.03	0.08						
MSA 4174 San Diego Carlsbad San Marcos CA	22	25.00	2.30	0.00	14.03	22.73	41.01	59.09	42.66	18.18	0.21	0.00	0.31	0.27	0.11						
<b>Limited Review:</b>																					
MD 3608 Oakland Fremont Hayward CA	3	3.41	3.49	33.33	13.07	0.00	43.58	66.67	39.86	0.00	0.03	0.18	0.00	0.04	0.00						
MSA 1254 Bakersfield CA	5	5.68	2.10	20.00	23.06	20.00	33.51	0.00	41.33	60.00	0.15	2.00	0.21	0.00	0.18						
MSA 2094 El Centro CA	1	1.14	0.00	0.00	23.53	0.00	42.36	0.00	34.11	100.00	0.16	0.00	0.00	0.00	0.33						
MSA 2342 Fresno CA	8	9.09	1.60	12.50	21.71	12.50	35.87	37.50	40.82	37.50	0.19	1.18	0.12	0.21	0.17						
MSA 2526 Hanford Corcoran CA	0	0.00	0.00	0.00	22.35	0.00	39.08	0.00	38.57	0.00	0.00	0.00	0.00	0.00	0.00						
MSA 3146 Madera CA	1	1.14	0.00	0.00	11.37	100.00	52.17	0.00	36.46	0.00	0.15	0.00	1.64	0.00	0.00						
MSA 3290 Merced CA	0	0.00	0.00	0.00	17.13	0.00	50.94	0.00	31.94	0.00	0.00	0.00	0.00	0.00	0.00						
MSA 3370 Modesto CA	0	0.00	1.12	0.00	14.63	0.00	53.88	0.00	30.36	0.00	0.00	0.00	0.00	0.00	0.00						

<sup>†</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> 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.

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

Geographic Distribution: HOME IMPROVEMENT		Geography: California					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share (%) by Geography <sup>†</sup>				
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 <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% Bank Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans						
<b>Limited Review:</b>																
MSA 3710 Oxnard Thousand Oaks Ventura CA	0	0.00	1.20	0.00	15.46	0.00	46.06	0.00	37.29	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 3982 Redding CA	0	0.00	0.00	0.00	12.78	0.00	70.92	0.00	16.30	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 4090 Sacramento Arden Arcade Roseville CA	4	4.55	3.32	0.00	18.33	50.00	42.14	50.00	36.21	0.00	0.03	0.00	0.07	0.03	0.00	
MSA 4150 Salinas CA	1	1.14	0.00	0.00	13.83	100.00	45.09	0.00	41.08	0.00	0.09	0.00	0.47	0.00	0.00	
MSA 4194 San Jose Sunnyvale Santa Clara CA	0	0.00	1.13	0.00	16.54	0.00	47.80	0.00	34.53	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 4202 San Luis Obispo Paso Robles CA	0	0.00	0.00	0.00	10.27	0.00	75.43	0.00	14.31	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 4206 Santa Barbara Santa Maria Goleta CA	1	1.14	0.97	0.00	17.42	100.00	39.94	0.00	41.68	0.00	0.05	0.00	0.22	0.00	0.00	
MSA 4210 Santa Cruz Watsonville CA	2	2.27	0.00	0.00	20.21	0.00	40.44	100.00	39.35	0.00	0.36	0.00	0.00	0.85	0.00	
MSA 4222 Santa Rosa Petaluma CA	0	0.00	0.00	0.00	9.17	0.00	71.27	0.00	19.56	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 4470 Stockton CA	2	2.27	1.80	0.00	19.48	0.00	39.28	100.00	39.43	0.00	0.06	0.00	0.00	0.17	0.00	
MSA 4670 Vallejo Fairfield CA	0	0.00	0.52	0.00	15.69	0.00	50.32	0.00	33.48	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 4730 Visalia Porterville CA	3	3.41	0.00	0.00	22.02	33.33	38.85	0.00	39.13	66.67	0.20	0.00	0.39	0.00	0.30	
MSA 4970 Yuba City CA	0	0.00	0.00	0.00	17.49	0.00	52.57	0.00	29.94	0.00	0.00	0.00	0.00	0.00	0.00	
Non MSA Counties CA	0	0.00	0.00	0.00	7.27	0.00	68.87	0.00	23.86	0.00	0.00	0.00	0.00	0.00	0.00	

<sup>†</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> 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.

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

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: California		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>										
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% Bank Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
MD 3108 Los Angeles Long Beach Glendale CA	2,201	35.64	1.91	4.32	15.46	28.85	31.30	10.18	51.33	56.66	0.49	0.75	0.75	0.15	0.61						
MD 4188 San Francisco San Mateo Redwood City CA	514	8.32	1.54	2.53	12.79	13.04	45.12	25.49	40.55	58.95	0.67	0.75	0.61	0.39	1.00						
MD 4204 Santa Ana Anaheim Irvine CA	678	10.98	1.25	1.47	19.56	34.81	33.56	14.01	45.63	49.71	0.41	0.43	0.74	0.18	0.43						
MSA 4014 Riverside San Bernardino Ontario CA	348	5.64	1.49	1.72	21.74	21.55	43.33	45.69	33.44	31.03	0.12	0.16	0.15	0.13	0.11						
MSA 4174 San Diego Carlsbad San Marcos CA	1,178	19.08	2.30	5.26	14.03	15.70	41.01	25.21	42.66	53.82	0.68	1.05	0.77	0.42	0.87						
<b>Limited Review:</b>																					
MD 3608 Oakland Fremont Hayward CA	224	3.63	3.49	6.25	13.07	20.09	43.58	24.55	39.86	49.11	0.15	0.20	0.20	0.08	0.19						
MSA 1254 Bakersfield CA	102	1.65	2.10	0.00	23.06	26.47	33.51	47.06	41.33	26.47	0.31	0.00	0.50	0.41	0.18						
MSA 2094 El Centro CA	13	0.21	0.00	0.00	23.53	7.69	42.36	38.46	34.11	53.85	0.26	0.00	0.18	0.24	0.30						
MSA 2342 Fresno CA	85	1.38	1.60	4.71	21.71	29.41	35.87	36.47	40.82	29.41	0.22	0.55	0.32	0.23	0.16						
MSA 2526 Hanford Corcoran CA	9	0.15	0.00	0.00	22.35	44.44	39.08	33.33	38.57	22.22	0.18	0.00	0.56	0.17	0.08						
MSA 3146 Madera CA	17	0.28	0.00	0.00	11.37	41.18	52.17	52.94	36.46	5.88	0.26	0.00	0.85	0.27	0.04						
MSA 3290 Merced CA	6	0.10	0.00	0.00	17.13	16.67	50.94	33.33	31.94	50.00	0.05	0.00	0.05	0.04	0.07						
MSA 3370 Modesto CA	19	0.31	1.12	0.00	14.63	36.84	53.88	36.84	30.36	26.32	0.06	0.00	0.16	0.04	0.05						

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> 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.

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

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: California		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>										
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% Bank Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp						
<b>Limited Review:</b>																					
MSA 3710 Oxnard Thousand Oaks Ventura CA	91	1.47	1.20	1.10	15.46	5.49	46.06	26.37	37.29	67.03	0.18	0.14	0.06	0.11	0.33						
MSA 3982 Redding CA	3	0.05	0.00	0.00	12.78	0.00	70.92	100.00	16.30	0.00	0.04	0.00	0.00	0.06	0.00						
MSA 4090 Sacramento Arden Arcade Roseville CA	150	2.43	3.32	4.00	18.33	20.67	42.14	36.00	36.21	39.33	0.11	0.11	0.12	0.10	0.11						
MSA 4150 Salinas CA	75	1.21	0.00	0.00	13.83	16.00	45.09	36.00	41.08	48.00	0.44	0.00	0.43	0.33	0.60						
MSA 4194 San Jose Sunnyvale Santa Clara CA	207	3.35	1.13	2.90	16.54	13.04	47.80	34.78	34.53	49.28	0.22	0.45	0.16	0.17	0.32						
MSA 4202 San Luis Obispo Paso Robles CA	19	0.31	0.00	0.00	10.27	0.00	75.43	89.47	14.31	10.53	0.15	0.00	0.00	0.18	0.12						
MSA 4206 Santa Barbara Santa Maria Goleta CA	51	0.83	0.97	3.92	17.42	11.76	39.94	27.45	41.68	56.86	0.28	0.56	0.15	0.19	0.46						
MSA 4210 Santa Cruz Watsonville CA	33	0.53	0.00	0.00	20.21	42.42	40.44	24.24	39.35	33.33	0.28	0.00	0.60	0.17	0.24						
MSA 4222 Santa Rosa Petaluma CA	24	0.39	0.00	0.00	9.17	0.00	71.27	75.00	19.56	25.00	0.09	0.00	0.00	0.09	0.11						
MSA 4470 Stockton CA	31	0.50	1.80	9.68	19.48	19.35	39.28	29.03	39.43	41.94	0.08	0.37	0.09	0.06	0.07						
MSA 4670 Vallejo Fairfield CA	12	0.19	0.52	8.33	15.69	16.67	50.32	16.67	33.48	58.33	0.04	0.68	0.04	0.01	0.07						
MSA 4730 Visalia Porterville CA	51	0.83	0.00	0.00	22.02	33.33	38.85	35.29	39.13	31.37	0.35	0.00	0.70	0.31	0.24						
MSA 4970 Yuba City CA	7	0.11	0.00	0.00	17.49	57.14	52.57	14.29	29.94	28.57	0.10	0.00	0.31	0.03	0.09						
Non MSA Counties CA	27	0.44	0.00	0.00	7.27	14.81	68.87	25.93	23.86	59.26	0.61	0.00	3.42	0.25	1.04						

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> 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.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: California		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>										
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp						
<b>Full Review:</b>																					
MD 3108 Los Angeles Long Beach Glendale CA	6,536	21.96	7.82	6.79	20.35	18.51	25.99	25.95	45.13	48.75	2.09	2.27	2.07	1.99	2.20						
MD 4188 San Francisco San Mateo Redwood City CA	1,310	4.40	15.35	21.76	18.34	21.22	34.27	30.38	31.94	26.64	1.71	3.16	2.06	1.45	1.43						
MD 4204 Santa Ana Anaheim Irvine CA	4,867	16.35	3.16	3.88	28.65	27.20	35.79	35.48	31.73	33.43	4.02	5.53	4.13	4.24	3.84						
MSA 4014 Riverside San Bernardino Ontario CA	2,029	6.82	4.22	2.27	29.70	26.07	41.42	43.17	24.58	28.49	2.28	2.13	2.51	2.53	2.12						
MSA 4174 San Diego Carlsbad San Marcos CA	8,069	27.11	4.97	3.59	21.92	21.53	37.93	38.41	35.13	36.47	8.12	7.56	9.36	8.39	7.95						
<b>Limited Review:</b>																					
MD 3608 Oakland Fremont Hayward CA	1,051	3.53	10.75	12.56	16.36	12.84	38.95	37.87	33.81	36.73	1.34	2.08	1.17	1.32	1.38						
MSA 1254 Bakersfield CA	479	1.61	2.88	1.04	31.10	22.76	28.47	20.25	37.55	55.95	2.94	1.32	2.77	2.37	3.79						
MSA 2094 El Centro CA	150	0.50	0.00	0.00	34.67	32.00	35.88	45.33	29.45	22.67	6.69	0.00	7.33	7.91	5.87						
MSA 2342 Fresno CA	1,159	3.89	7.03	4.75	27.86	24.16	34.31	34.51	30.59	36.58	5.77	5.64	6.12	6.31	5.65						
MSA 2526 Hanford Corcoran CA	117	0.39	0.00	0.00	40.16	34.19	32.33	35.90	27.51	29.91	6.19	0.00	6.79	6.28	6.36						
MSA 3146 Madera CA	128	0.43	0.00	0.00	17.06	28.91	51.94	44.53	31.00	26.56	4.34	0.00	10.48	3.77	3.86						
MSA 3290 Merced CA	21	0.07	0.00	0.00	33.40	33.33	47.60	33.33	19.00	33.33	0.59	0.00	0.82	0.42	0.84						
MSA 3370 Modesto CA	149	0.50	9.03	17.45	17.62	15.44	48.93	34.90	24.41	32.21	1.35	3.30	1.56	1.01	1.57						

<sup>\*</sup> Based on 2004 Peer Small Business Data - (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> Source Data - Dun and Bradstreet (2004).

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

Geographic Distribution: SMALL LOANS TO BUSINESSES															
Geography: California															
Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004															
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>				
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>imited Review:</b>															
MSA 3710 Oxnard Thousand Oaks Ventura CA	407	1.37	3.92	2.46	18.78	11.06	49.77	55.28	27.53	31.20	1.47	1.14	1.02	1.71	1.51
MSA 3982 Redding CA	99	0.33	0.00	0.00	25.90	32.32	60.85	48.48	13.25	19.19	1.67	0.00	2.50	1.36	2.51
MSA 4090 Sacramento Arden Arcade Roseville CA	631	2.12	7.86	6.02	24.18	19.97	38.81	43.42	29.14	30.59	1.02	1.09	1.07	1.23	0.93
MSA 4150 Salinas CA	212	0.71	0.00	0.00	20.69	18.87	44.80	40.09	34.51	41.04	1.92	0.00	2.09	1.94	2.28
MSA 4194 San Jose Sunnyvale Santa Clara CA	1,011	3.40	3.09	3.46	23.61	25.91	42.83	45.50	30.47	25.12	1.69	2.19	1.98	1.73	1.51
MSA 4202 San Luis Obispo Paso Robles CA	78	0.26	0.00	0.00	21.21	12.82	66.68	74.36	12.10	12.82	0.72	0.00	0.53	0.84	0.69
MSA 4206 Santa Barbara Santa Maria Goleta CA	140	0.47	2.54	4.29	37.20	19.29	31.46	58.57	28.80	17.86	0.93	2.01	0.57	1.78	0.54
MSA 4210 Santa Cruz Watsonville CA	160	0.54	0.00	0.00	21.45	26.25	47.24	48.75	31.30	25.00	1.56	0.00	1.95	1.76	1.28
MSA 4222 Santa Rosa Petaluma CA	23	0.08	0.00	0.00	18.08	8.70	68.66	69.57	13.26	21.74	0.13	0.00	0.09	0.13	0.19
MSA 4470 Stockton CA	207	0.70	10.02	10.14	24.62	19.81	38.09	37.68	27.27	32.37	1.59	2.46	1.60	1.72	1.51
MSA 4670 Vallejo Fairfield CA	65	0.22	2.73	3.08	26.54	23.08	45.87	33.85	24.81	40.00	0.68	1.11	0.77	0.50	0.94
MSA 4730 Visalia Porterville CA	455	1.53	0.00	0.00	31.88	27.03	33.21	35.82	34.87	37.14	5.97	0.00	6.24	6.19	6.38
MSA 4970 Yuba City CA	33	0.11	0.00	0.00	38.66	39.39	40.91	27.27	20.43	33.33	0.94	0.00	1.44	0.63	1.22
Non MSA Counties CA	176	0.59	0.00	0.00	11.97	26.14	69.81	22.73	18.21	51.14	5.66	0.00	15.18	2.17	18.67

<sup>\*</sup> Based on 2004 Peer Small Business Data - (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> Source Data - Dun and Bradstreet (2004).



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

Geographic Distribution: SMALL LOANS TO FARMS															
Geography: California															
Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004															
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
<b>ull Review:</b>															
MD 3108 Los Angeles Long Beach Glendale CA	44	4.63	3.06	2.27	13.67	22.73	31.77	31.82	51.18	43.18	3.92	1.56	3.88	4.43	4.15
MD 4188 San Francisco San Mateo Redwood City CA	25	2.63	7.32	12.00	14.54	28.00	42.14	24.00	35.99	36.00	9.29	14.29	15.22	6.74	8.82
MD 4204 Santa Ana Anaheim Irvine CA	89	9.37	3.26	5.62	25.29	19.10	35.04	33.71	36.20	41.57	22.36	26.32	16.04	23.26	25.87
MSA 4014 Riverside San Bernardino Ontario CA	39	4.11	1.97	2.56	27.97	33.33	42.03	30.77	28.02	33.33	6.25	33.33	8.23	5.66	5.94
MSA 4174 San Diego Carlsbad San Marcos CA	227	23.89	2.94	4.41	18.50	17.18	41.17	34.80	37.36	43.61	34.55	40.00	46.99	30.98	36.94
<b>imited Review:</b>															
MD 3608 Oakland Fremont Hayward CA	15	1.58	6.03	0.00	15.20	20.00	37.96	46.67	40.81	33.33	5.66	0.00	8.82	7.53	4.42
MSA 1254 Bakersfield CA	28	2.95	1.60	3.57	36.17	25.00	33.55	14.29	28.68	57.14	7.27	20.00	5.98	3.92	11.85
MSA 2094 El Centro CA	19	2.00	0.00	0.00	15.14	10.53	48.19	42.11	36.67	47.37	7.85	0.00	7.14	6.84	10.00
MSA 2342 Fresno CA	92	9.68	1.17	0.00	26.01	26.09	45.29	42.39	27.43	31.52	11.66	0.00	13.04	10.51	14.87
MSA 2526 Hanford Corcoran CA	21	2.21	0.00	0.00	16.12	9.52	64.47	61.90	19.41	28.57	10.29	0.00	11.76	8.84	16.22
MSA 3146 Madera CA	23	2.42	0.00	0.00	2.53	0.00	82.15	78.26	15.32	21.74	10.00	0.00	0.00	9.68	17.86
MSA 3290 Merced CA	16	1.68	0.00	0.00	16.14	6.25	70.86	75.00	13.00	18.75	4.85	0.00	2.86	4.80	8.33
MSA 3370 Modesto CA	64	6.74	1.99	1.56	12.31	9.38	64.50	60.94	21.20	28.13	12.88	14.29	13.33	12.11	17.31

\* Based on 2004 Peer Small Business Data - (WE)

\*\* 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 (2004).

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

Geographic Distribution: SMALL LOANS TO FARMS															
Geography: California															
Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004															
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
<b>imited Review:</b>															
MSA 3710 Oxnard Thousand Oaks Ventura CA	11	1.16	4.22	0.00	20.83	18.18	54.98	45.45	19.97	36.36	4.72	0.00	4.08	4.35	7.41
MSA 3982 Redding CA	6	0.63	0.00	0.00	13.73	50.00	74.23	50.00	12.04	0.00	9.52	0.00	37.50	7.69	0.00
MSA 4090 Sacramento Arden Arcade Roseville CA	31	3.26	3.82	3.23	17.83	9.68	48.09	67.74	30.25	19.35	5.33	5.88	3.85	7.02	3.75
MSA 4150 Salinas CA	22	2.32	0.00	0.00	20.58	4.55	51.12	54.55	28.31	40.91	8.76	0.00	2.56	11.01	13.64
MSA 4194 San Jose Sunnyvale Santa Clara CA	20	2.11	2.35	0.00	30.14	35.00	44.01	50.00	23.50	15.00	7.14	0.00	9.21	7.46	5.26
MSA 4202 San Luis Obispo Paso Robles CA	5	0.53	0.00	0.00	10.97	0.00	74.62	80.00	14.41	20.00	1.67	0.00	0.00	1.90	2.17
MSA 4206 Santa Barbara Santa Maria Goleta CA	14	1.47	1.53	14.29	23.90	21.43	32.71	14.29	41.86	50.00	6.22	100.00	6.38	2.53	8.64
MSA 4210 Santa Cruz Watsonville CA	8	0.84	0.00	0.00	24.25	62.50	44.38	37.50	31.37	0.00	6.45	0.00	13.51	7.89	0.00
MSA 4222 Santa Rosa Petaluma CA	0	0.00	0.00	0.00	6.44	0.00	81.70	0.00	11.86	0.00	0.00	0.00	0.00	0.00	0.00
MSA 4470 Stockton CA	36	3.79	1.69	0.00	9.22	0.00	54.56	44.44	34.53	55.56	7.50	0.00	0.00	6.27	11.24
MSA 4670 Vallejo Fairfield CA	4	0.42	0.88	0.00	14.41	0.00	54.48	100.00	30.23	0.00	3.42	0.00	0.00	5.41	0.00
MSA 4730 Visalia Porterville CA	70	7.37	0.00	0.00	24.88	14.29	43.73	40.00	31.39	45.71	11.69	0.00	6.25	12.67	16.67
MSA 4970 Yuba City CA	20	2.11	0.00	0.00	8.04	5.00	61.10	70.00	30.87	25.00	7.46	0.00	10.00	9.40	5.10
Non MSA Counties CA	1	0.11	0.00	0.00	8.14	100.00	75.58	0.00	16.28	0.00	5.88	0.00	50.00	0.00	0.00

\* Based on 2004 Peer Small Business Data - (WE)

\*\* 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 (2004).

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

Borrower Distribution: HOME PURCHASE															Geography: California					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>													
	#	% of Total <sup>**</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families	% BANK Loans <sup>****</sup>	% Families <sup>*</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp									
<b>ull Review:</b>																								
MD 3108 Los Angeles Long Beach Glendale CA	944	35.56	23.87	0.42	16.49	2.22	17.40	4.87	42.24	92.48	0.49	0.44	0.35	0.16	0.56									
MD 4188 San Francisco San Mateo Redwood City CA	239	9.00	21.33	0.00	17.59	2.09	19.98	6.69	41.11	91.21	0.76	0.00	0.32	0.28	0.91									
MD 4204 Santa Ana Anaheim Irvine CA	240	9.04	20.69	0.83	17.97	3.75	20.68	10.00	40.65	85.42	0.35	0.28	0.22	0.17										
MSA 4014 Riverside San Bernardino Ontario CA	168	6.33	21.73	2.98	17.48	5.95	20.23	17.26	40.56	73.81	0.10	0.22	0.08	0.07	0.11									
MSA 4174 San Diego Carlsbad San Marcos CA	468	17.63	21.02	0.21	17.91	2.14	20.09	7.05	40.98	90.60	0.53	0.21	0.29	0.23	0.61									
<b>imited Review:</b>																								
MD 3608 Oakland Fremont Hayward CA	181	6.82	20.97	1.10	17.47	24.86	21.18	32.60	40.38	41.44	0.25	0.27	0.72	0.28	0.17									
MSA 1254 Bakersfield CA	34	1.28	23.46	11.76	16.67	14.71	18.13	17.65	41.75	55.88	0.13	0.77	0.16	0.09	0.12									
MSA 2094 El Centro CA	5	0.19	23.24	0.00	17.60	0.00	17.11	40.00	42.05	60.00	0.15	0.00	0.00	0.25	0.14									
MSA 2342 Fresno CA	21	0.79	22.80	0.00	17.05	14.29	18.53	33.33	41.63	52.38	0.10	0.00	0.18	0.15	0.07									
MSA 2526 Hanford Corcoran CA	6	0.23	20.55	16.67	18.31	0.00	19.92	0.00	41.22	83.33	0.20	1.54	0.00	0.00	0.26									
MSA 3146 Madera CA	3	0.11	22.09	0.00	16.65	0.00	21.11	0.00	40.14	100.00	0.09	0.00	0.00	0.00	0.13									
MSA 3290 Merced CA	2	0.08	20.72	0.00	18.32	0.00	19.88	0.00	41.08	100.00	0.02	0.00	0.00	0.00	0.03									
MSA 3370 Modesto CA	7	0.26	21.74	0.00	17.27	0.00	20.71	28.57	40.28	71.43	0.04	0.00	0.00	0.04	0.04									

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 15.9% of loans originated and purchased by bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

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

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

Borrower Distribution: HOME PURCHASE															
Geography: California															
Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004															
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
<b>imited Review:</b>															
MSA 3710 Oxnard Thousand Oaks Ventura CA	37	1.39	19.55	0.00	18.43	0.00	22.09	10.81	39.92	89.19	0.20	0.00	0.00	0.09	0.26
MSA 3982 Redding CA	3	0.11	20.36	0.00	18.02	0.00	21.24	33.33	40.38	66.67	0.06	0.00	0.00	0.08	0.06
MSA 4090 Sacramento Arden Arcade Roseville CA	97	3.65	20.59	4.12	18.32	40.21	21.00	12.37	40.09	43.30	0.12	0.36	0.47	0.05	0.08
MSA 4150 Salinas CA	9	0.34	19.70	0.00	18.38	11.11	21.52	0.00	40.40	88.89	0.11	0.00	0.37	0.00	0.11
MSA 4194 San Jose Sunnyvale Santa Clara CA	94	3.54	20.54	0.00	18.11	6.38	21.70	29.79	39.66	63.83	0.22	0.00	0.13	0.19	0.26
MSA 4202 San Luis Obispo Paso Robles CA	13	0.49	18.57	0.00	18.88	7.69	22.65	0.00	39.90	92.31	0.18	0.00	0.28	0.00	0.21
MSA 4206 Santa Barbara Santa Maria Goleta CA	23	0.87	20.00	0.00	18.61	0.00	20.45	0.00	40.95	100.00	0.27	0.00	0.00	0.00	0.37
MSA 4210 Santa Cruz Watsonville CA	7	0.26	19.96	0.00	17.98	0.00	21.23	0.00	40.83	100.00	0.13	0.00	0.00	0.00	0.17
MSA 4222 Santa Rosa Petaluma CA	9	0.34	17.73	0.00	18.87	0.00	24.32	0.00	39.08	100.00	0.07	0.00	0.00	0.00	0.10
MSA 4470 Stockton CA	10	0.38	22.77	10.00	16.48	0.00	19.80	10.00	40.95	80.00	0.04	0.51	0.00	0.02	0.04
MSA 4670 Vallejo Fairfield CA	7	0.26	19.26	14.29	18.51	28.57	23.45	0.00	38.79	57.14	0.05	0.60	0.16	0.00	0.04
MSA 4730 Visalia Porterville CA	17	0.64	22.23	0.00	17.27	35.29	19.30	29.41	41.20	35.29	0.17	0.00	0.57	0.21	0.10
MSA 4970 Yuba City CA	4	0.15	20.84	0.00	18.18	25.00	20.53	0.00	40.46	75.00	0.07	0.00	0.31	0.00	0.08
Non MSA Counties CA	7	0.26	17.46	0.00	17.52	0.00	21.14	0.00	43.87	100.00	0.27	0.00	0.00	0.00	0.33

\* Based on 2004 Peer Mortgage Data (WE)

\*\* As a percentage of loans with borrower income information available. No information was available for 15.9% of loans originated and purchased by bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

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

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

Borrower Distribution: HOME IMPROVEMENT		Geography: California				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share <sup>*</sup>				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>					
<b>ull Review:</b>															
MD 3108 Los Angeles Long Beach Glendale CA	6	7.50	23.87	0.00	16.49	16.67	17.40	33.33	42.24	50.00	0.02	0.00	0.03	0.02	0.01
MD 4188 San Francisco San Mateo Redwood City CA	2	2.50	21.33	0.00	17.59	0.00	19.98	100.00	41.11	0.00	0.05	0.00	0.00	0.20	0.00
MD 4204 Santa Ana Anaheim Irvine CA	7	8.75	20.69	0.00	17.97	57.14	20.68	0.00	40.65	42.86	0.06	0.00	0.22	0.00	0.05
MSA 4014 Riverside San Bernardino Ontario CA	12	15.00	21.73	0.00	17.48	33.33	20.23	33.33	40.56	33.33	0.05	0.00	0.11	0.05	0.03
MSA 4174 San Diego Carlsbad San Marcos CA	22	27.50	21.02	4.55	17.91	31.82	20.09	13.64	40.98	50.00	0.22	0.33	0.63	0.12	0.19
<b>imited Review:</b>															
MD 3608 Oakland Fremont Hayward CA	3	3.75	20.97	0.00	17.47	0.00	21.18	0.00	40.38	100.00	0.03	0.00	0.00	0.00	0.07
MSA 1254 Bakersfield CA	5	6.25	23.46	20.00	16.67	20.00	18.13	0.00	41.75	60.00	0.16	0.85	0.24	0.00	0.17
MSA 2094 El Centro CA	1	1.25	23.24	0.00	17.60	0.00	17.11	0.00	42.05	100.00	0.17	0.00	0.00	0.00	0.25
MSA 2342 Fresno CA	8	10.00	22.80	12.50	17.05	0.00	18.53	12.50	41.63	75.00	0.20	0.74	0.00	0.11	0.24
MSA 2526 Hanford Corcoran CA	0	0.00	20.55	0.00	18.31	0.00	19.92	0.00	41.22	0.00	0.00	0.00	0.00	0.00	0.00
MSA 3146 Madera CA	1	1.25	22.09	0.00	16.65	100.00	21.11	0.00	40.14	0.00	0.15	0.00	1.43	0.00	0.00
MSA 3290 Merced CA	0	0.00	20.72	0.00	18.32	0.00	19.88	0.00	41.08	0.00	0.00	0.00	0.00	0.00	0.00
MSA 3370 Modesto CA	0	0.00	21.74	0.00	17.27	0.00	20.71	0.00	40.28	0.00	0.00	0.00	0.00	0.00	0.00

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> As a percentage of loans with borrower income information available.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> 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.

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

Borrower Distribution: HOME IMPROVEMENT		Geography: California					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share *				
Assessment Area:	Total Home Improvement 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****						
<b>imited Review:</b>																
MSA 3710 Oxnard Thousand Oaks Ventura CA	0	0.00	19.55	0.00	18.43	0.00	22.09	0.00	39.92	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 3982 Redding CA	0	0.00	20.36	0.00	18.02	0.00	21.24	0.00	40.38	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 4090 Sacramento Arden Arcade Roseville CA	4	5.00	20.59	0.00	18.32	75.00	21.00	25.00	40.09	0.00	0.03	0.00	0.12	0.02	0.00	
MSA 4150 Salinas CA	1	1.25	19.70	0.00	18.38	100.00	21.52	0.00	40.40	0.00	0.09	0.00	0.76	0.00	0.00	
MSA 4194 San Jose Sunnyvale Santa Clara CA	0	0.00	20.54	0.00	18.11	0.00	21.70	0.00	39.66	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 4202 San Luis Obispo Paso Robles CA	0	0.00	18.57	0.00	18.88	0.00	22.65	0.00	39.90	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 4206 Santa Barbara Santa Maria Goleta CA	1	1.25	20.00	0.00	18.61	100.00	20.45	0.00	40.95	0.00	0.05	0.00	0.37	0.00	0.00	
MSA 4210 Santa Cruz Watsonville CA	2	2.50	19.96	0.00	17.98	50.00	21.23	0.00	40.83	50.00	0.39	0.00	1.69	0.00	0.32	
MSA 4222 Santa Rosa Petaluma CA	0	0.00	17.73	0.00	18.87	0.00	24.32	0.00	39.08	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 4470 Stockton CA	2	2.50	22.77	0.00	16.48	0.00	19.80	50.00	40.95	50.00	0.06	0.00	0.00	0.12	0.05	
MSA 4670 Vallejo Fairfield CA	0	0.00	19.26	0.00	18.51	0.00	23.45	0.00	38.79	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 4730 Visalia Porterville CA	3	3.75	22.23	0.00	17.27	0.00	19.30	0.00	41.20	100.00	0.22	0.00	0.00	0.00	0.37	
MSA 4970 Yuba City CA	0	0.00	20.84	0.00	18.18	0.00	20.53	0.00	40.46	0.00	0.00	0.00	0.00	0.00	0.00	
Non MSA Counties CA	0	0.00	17.46	0.00	17.52	0.00	21.14	0.00	43.87	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2004 Peer Mortgage Data (WE)

\*\* As a percentage of loans with borrower income information available.

\*\*\* Percentage of Families is based on the 2000 Census information.

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

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

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: California				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share <sup>*</sup>				
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 <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>					
<b>ull Review:</b>															
MD 3108 Los Angeles Long Beach Glendale CA	1,852	36.70	23.87	3.67	16.49	14.63	17.40	12.96	42.24	68.74	0.49	1.01	0.75	0.27	0.52
MD 4188 San Francisco San Mateo Redwood City CA	398	7.89	21.33	1.76	17.59	7.29	19.98	11.31	41.11	79.65	0.65	0.35	0.40	0.31	0.85
MD 4204 Santa Ana Anaheim Irvine CA	562	11.14	20.69	4.98	17.97	17.26	20.68	21.53	40.65	56.23	0.40	0.61	0.51	0.32	0.40
MSA 4014 Riverside San Bernardino Ontario CA	307	6.08	21.73	7.17	17.48	26.71	20.23	19.54	40.56	46.58	0.13	0.29	0.23	0.09	0.12
MSA 4174 San Diego Carlsbad San Marcos CA	941	18.64	21.02	6.38	17.91	11.69	20.09	15.30	40.98	66.63	0.65	1.76	0.76	0.41	0.68
<b>imited Review:</b>															
MD 3608 Oakland Fremont Hayward CA	171	3.39	20.97	8.19	17.47	23.39	21.18	18.13	40.38	50.29	0.14	0.30	0.20	0.08	0.13
MSA 1254 Bakersfield CA	85	1.68	23.46	5.88	16.67	34.12	18.13	28.24	41.75	31.76	0.31	0.54	0.72	0.32	0.18
MSA 2094 El Centro CA	12	0.24	23.24	8.33	17.60	41.67	17.11	0.00	42.05	50.00	0.30	1.06	1.45	0.00	0.23
MSA 2342 Fresno CA	69	1.37	22.80	8.70	17.05	20.29	18.53	21.74	41.63	49.28	0.21	0.54	0.34	0.19	0.18
MSA 2526 Hanford Corcoran CA	7	0.14	20.55	0.00	18.31	42.86	19.92	0.00	41.22	57.14	0.18	0.00	0.64	0.00	0.17
MSA 3146 Madera CA	15	0.30	22.09	20.00	16.65	33.33	21.11	13.33	40.14	33.33	0.27	1.46	0.60	0.14	0.16
MSA 3290 Merced CA	4	0.08	20.72	25.00	18.32	50.00	19.88	0.00	41.08	25.00	0.04	0.43	0.18	0.00	0.02
MSA 3370 Modesto CA	16	0.32	21.74	12.50	17.27	6.25	20.71	37.50	40.28	43.75	0.06	0.22	0.03	0.08	0.05

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 18.2% of loans originated and purchased by bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> 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.

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

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: California					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>													
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp									
<b>imited Review:</b>																								
MSA 3710 Oxnard Thousand Oaks Ventura CA	62	1.23	19.55	0.00	18.43	11.29	22.09	14.52	39.92	74.19	0.15	0.00	0.10	0.07	0.21									
MSA 3982 Redding CA	3	0.06	20.36	0.00	18.02	0.00	21.24	33.33	40.38	66.67	0.04	0.00	0.00	0.05	0.05									
MSA 4090 Sacramento Arden Arcade Roseville CA	124	2.46	20.59	20.16	18.32	27.42	21.00	14.52	40.09	37.90	0.10	0.49	0.16	0.05	0.08									
MSA 4150 Salinas CA	61	1.21	19.70	6.56	18.38	16.39	21.52	24.59	40.40	52.46	0.43	1.45	0.76	0.46	0.34									
MSA 4194 San Jose Sunnyvale Santa Clara CA	160	3.17	20.54	6.25	18.11	15.63	21.70	16.25	39.66	61.88	0.21	0.32	0.22	0.11	0.26									
MSA 4202 San Luis Obispo Paso Robles CA	17	0.34	18.57	0.00	18.88	5.88	22.65	23.53	39.90	70.59	0.16	0.00	0.08	0.15	0.19									
MSA 4206 Santa Barbara Santa Maria Goleta CA	33	0.65	20.00	6.06	18.61	15.15	20.45	9.09	40.95	69.70	0.22	0.43	0.26	0.08	0.25									
MSA 4210 Santa Cruz Watsonville CA	22	0.44	19.96	18.18	17.98	9.09	21.23	13.64	40.83	59.09	0.23	1.53	0.19	0.14	0.22									
MSA 4222 Santa Rosa Petaluma CA	16	0.32	17.73	6.25	18.87	18.75	24.32	18.75	39.08	56.25	0.07	0.11	0.10	0.04	0.07									
MSA 4470 Stockton CA	24	0.48	22.77	8.33	16.48	16.67	19.80	8.33	40.95	66.67	0.07	0.22	0.10	0.02	0.08									
MSA 4670 Vallejo Fairfield CA	10	0.20	19.26	0.00	18.51	20.00	23.45	20.00	38.79	60.00	0.04	0.00	0.05	0.02	0.05									
MSA 4730 Visalia Porterville CA	50	0.99	22.23	8.00	17.27	38.00	19.30	20.00	41.20	34.00	0.41	0.87	1.15	0.33	0.24									
MSA 4970 Yuba City CA	5	0.10	20.84	0.00	18.18	0.00	20.53	20.00	40.46	80.00	0.08	0.00	0.00	0.06	0.12									
Non MSA Counties CA	21	0.42	17.46	9.52	17.52	9.52	21.14	9.52	43.87	71.43	0.57	1.94	0.58	0.26	0.60									

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 18.2% of loans originated and purchased by bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> 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.



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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: California			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					
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 <sup>*</sup>		
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less	
<b>Full Review:</b>										
MD 3108 Los Angeles Long Beach Glendale CA	6,632	22.19	62.83	55.19	88.87	5.20	5.93	2.09	3.13	
MD 4188 San Francisco San Mateo Redwood City CA	1,310	4.38	63.67	54.50	81.98	9.47	8.55	1.71	2.44	
MD 4204 Santa Ana Anaheim Irvine CA	4,895	16.38	63.85	57.04	92.28	3.80	3.92	4.02	6.17	
MSA 4014 Riverside San Bernardino Ontario CA	2,031	6.80	66.19	60.71	89.36	4.63	6.01	2.28	4.05	
MSA 4174 San Diego Carlsbad San Marcos CA	8,069	27.00	65.37	63.48	94.86	2.44	2.70	8.12	13.16	
<b>Limited Review:</b>										
MD 3608 Oakland Fremont Hayward CA	1,051	3.52	63.27	54.80	82.97	8.47	8.56	1.34	1.98	
MSA 1254 Bakersfield CA	479	1.60	64.90	55.32	87.89	6.68	5.43	2.94	4.64	
MSA 2094 El Centro CA	150	0.50	60.46	54.67	88.67	4.00	7.33	6.69	10.15	
MSA 2342 Fresno CA	1,160	3.88	64.44	60.34	93.88	3.97	2.16	5.77	9.54	
MSA 2526 Hanford Corcoran CA	117	0.39	63.34	62.39	96.58	2.56	0.85	6.19	10.22	
MSA 3146 Madera CA	128	0.43	68.21	70.31	98.44	0.78	0.78	4.34	8.01	
MSA 3290 Merced CA	21	0.07	64.22	61.90	95.24	4.76	0.00	0.59	1.01	
MSA 3370 Modesto CA	149	0.50	66.68	58.39	85.91	6.04	8.05	1.35	2.29	

<sup>\*</sup> Based on 2004 Peer Small Business Data - (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2004).

<sup>\*\*\*\*</sup> 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 20.22% of small loans to businesses originated and purchased by the bank.

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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: California			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
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
<b>Limited Review:</b>									
MSA 3710 Oxnard Thousand Oaks Ventura CA	407	1.36	66.19	68.30	91.65	2.21	6.14	1.47	2.70
MSA 3982 Redding CA	99	0.33	67.49	56.57	86.87	9.09	4.04	1.67	2.35
MSA 4090 Sacramento Arden Arcade Roseville CA	631	2.11	64.80	46.43	83.52	7.29	9.19	1.02	1.32
MSA 4150 Salinas CA	212	0.71	66.17	75.47	96.23	2.36	1.42	1.92	3.84
MSA 4194 San Jose Sunnyvale Santa Clara CA	1,011	3.38	61.98	57.07	90.50	4.15	5.34	1.69	2.62
MSA 4202 San Luis Obispo Paso Robles CA	78	0.26	69.18	67.95	96.15	0.00	3.85	0.72	1.35
MSA 4206 Santa Barbara Santa Maria Goleta CA	140	0.47	66.06	59.29	87.86	5.71	6.43	0.93	1.51
MSA 4210 Santa Cruz Watsonville CA	160	0.54	68.92	70.00	94.38	3.75	1.88	1.56	2.90
MSA 4222 Santa Rosa Petaluma CA	23	0.08	68.19	60.87	78.26	17.39	4.35	0.13	0.22
MSA 4470 Stockton CA	207	0.69	64.01	58.45	89.86	2.90	7.25	1.59	2.57
MSA 4670 Vallejo Fairfield CA	65	0.22	65.82	52.31	93.85	3.08	3.08	0.68	1.07
MSA 4730 Visalia Porterville CA	455	1.52	65.68	67.47	94.95	3.30	1.76	5.97	11.03
MSA 4970 Yuba City CA	33	0.11	64.72	54.55	78.79	3.03	18.18	0.94	1.55
Non MSA Counties CA	176	0.59	71.02	48.30	95.45	2.84	1.70	5.66	7.32

\* Based on 2004 Peer Small Business Data - (WE)

\*\* Small loans to businesses originated and purchased in the MAVAA 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 - 2004).

\*\*\*\* 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 20.22% 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: California			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share *	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
MD 3108 Los Angeles Long Beach Glendale CA	44	4.62	84.18	54.55	95.45	4.55	0.00	3.92	2.92
MD 4188 San Francisco San Mateo Redwood City CA	25	2.63	85.03	60.00	88.00	12.00	0.00	9.29	8.06
MD 4204 Santa Ana Anaheim Irvine CA	91	9.56	83.08	31.87	92.31	3.30	4.40	22.36	11.20
MSA 4014 Riverside San Bernardino Ontario CA	39	4.10	81.92	69.23	94.87	5.13	0.00	6.25	7.52
MSA 4174 San Diego Carlsbad San Marcos CA	227	23.84	82.71	60.79	97.36	1.32	1.32	34.55	31.44
<b>Limited Review:</b>									
MD 3608 Oakland Fremont Hayward CA	15	1.58	82.85	73.33	86.67	0.00	13.33	5.66	5.53
MSA 1254 Bakersfield CA	28	2.94	75.54	82.14	85.71	7.14	7.14	7.27	9.79
MSA 2094 El Centro CA	19	2.00	65.25	42.11	100.00	0.00	0.00	7.85	9.30
MSA 2342 Fresno CA	92	9.66	80.31	48.91	92.39	3.26	4.35	11.66	9.80
MSA 2526 Hanford Corcoran CA	21	2.21	76.01	47.62	66.67	19.05	14.29	10.29	12.20
MSA 3146 Madera CA	23	2.42	80.13	69.57	69.57	17.39	13.04	10.00	11.11
MSA 3290 Merced CA	16	1.68	79.52	62.50	37.50	43.75	18.75	4.85	5.49
MSA 3370 Modesto CA	64	6.72	82.84	81.25	45.31	32.81	21.88	12.88	16.99

\* Based on 2004 Peer Small Business Data - (WE)

\*\* Small loans to farms originated and purchased in the M/AAA 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 - 2004).

\*\*\*\* 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 20.06% of small loans to farms originated and purchased by the bank.

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

Borrower Distribution: SMALL LOANS TO FARMS		Geography: California			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share *	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Limited Review:</b>									
MSA 3710 Oxnard Thousand Oaks Ventura CA	11	1.16	78.44	63.64	90.91	9.09	0.00	4.72	5.43
MSA 3982 Redding CA	6	0.63	85.15	66.67	83.33	16.67	0.00	9.52	9.30
MSA 4090 Sacramento Arden Arcade Roseville CA	31	3.26	83.25	61.29	61.29	16.13	22.58	5.33	4.46
MSA 4150 Salinas CA	22	2.31	66.39	63.64	95.45	4.55	0.00	8.76	9.93
MSA 4194 San Jose Sunnyvale Santa Clara CA	20	2.10	83.23	75.00	90.00	10.00	0.00	7.14	7.61
MSA 4202 San Luis Obispo Paso Robles CA	5	0.53	85.16	100.00	100.00	0.00	0.00	1.67	2.46
MSA 4206 Santa Barbara Santa Maria Goleta CA	14	1.47	80.00	50.00	92.86	7.14	0.00	6.22	5.04
MSA 4210 Santa Cruz Watsonville CA	8	0.84	80.38	75.00	75.00	0.00	25.00	6.45	7.79
MSA 4222 Santa Rosa Petaluma CA	0	0.00	83.29	0.00	0.00	0.00	0.00	0.00	0.00
MSA 4470 Stockton CA	36	3.78	81.61	63.89	36.11	44.44	19.44	7.50	7.52
MSA 4670 Vallejo Fairfield CA	4	0.42	82.07	75.00	100.00	0.00	0.00	3.42	3.53
MSA 4730 Visalia Porterville CA	70	7.35	76.97	64.29	91.43	4.29	4.29	11.69	13.72
MSA 4970 Yuba City CA	20	2.10	84.18	80.00	70.00	25.00	5.00	7.46	7.84
Non MSA Counties CA	1	0.11	84.88	0.00	100.00	0.00	0.00	5.88	0.00

\* Based on 2004 Peer Small Business Data - (WE)

\*\* Small loans to farms originated and purchased in the MAVAA 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 - 2004).

\*\*\*\* 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 20.06% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: California									
Evaluation Period: APRIL 1, 2001 TO JUNE 30, 2005									
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
MD 3108 Los Angeles Long Beach Glendale CA	88	11,824	801	28,660	889	40,484	11.15	33	41,898
MD 4188 San Francisco San Mateo Redwood City CA	16	617	490	9,448	506	10,065	2.77	25	13,686
MD 4204 Santa Ana Anaheim Irvine CA	68	6,379	129	26,709	197	33,088	9.12	0	0
MSA 4014 Riverside San Bernardino Ontario CA	34	11,524	65	14,327	99	25,851	7.12	8	6,207
MSA 4174 San Diego Carlsbad San Marcos CA	27	3,051	311	19,097	338	22,148	6.10	10	3,137
<b>Limited Review:</b>									
MD 3608 Oakland Fremont Hayward CA	12	4,924	261	25,732	273	30,656	8.45	23	13,325
MSA 1254 Bakersfield CA	3	3,032	39	3,057	42	6,089	1.68	4	693
MSA 2094 El Centro CA	1	3	3	4	4	7	0.00	0	0
MSA 2342 Fresno CA	1	37	70	7,394	71	7,431	2.05	0	0
MSA 2526 Hanford Corcoran CA	0	0	3	1,257	3	1,257	0.35	1	633
MSA 3146 Madera CA	0	0	9	14	9	14	0.00	0	0
MSA 3290 Merced CA	0	0	0	0	0	0	0.00	0	0
MSA 3370 Modesto CA	0	0	8	15	8	15	0.00	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 14. Qualified Investments**

QUALIFIED INVESTMENTS									
	Geography: California				Evaluation Period: APRIL 1, 2001 TO JUNE 30, 2005				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Limited Review:</b>									
MSA 3710 Oxnard Thousand Oaks Ventura CA	1	567	23	1,262	24	1,829	0.50	1	559
MSA 3982 Redding CA	0	0	8	182	8	182	0.05	2	491
MSA 4090 Sacramento Arden Arcade Roseville CA	20	3,551	112	9,210	132	12,761	3.52	12	20,064
MSA 4150 Salinas CA	2	1,809	19	1,094	21	2,903	0.80	5	6,820
MSA 4194 San Jose Sunnyvale Santa Clara CA	13	6,725	109	54,655	122	61,380	16.91	17	4,388
MSA 4202 San Luis Obispo Paso Robles CA	1	495	14	231	15	726	0.20	2	156
MSA 4206 Santa Barbara Santa Maria Goleta CA	0	0	22	64	22	64	0.02	1	2,076
MSA 4210 Santa Cruz Watsonville CA	0	0	12	317	12	317	0.09	2	2,161
MSA 4222 Santa Rosa Petaluma CA	3	3,924	14	2,709	17	6,633	1.83	4	8,499
MSA 4470 Stockton CA	0	0	18	1,610	18	1,610	0.44	4	562
MSA 4670 Vallejo Fairfield CA	1	815	19	7,379	20	8,194	2.26	3	2,271
MSA 4730 Visalia Porterville CA	0	0	14	661	14	661	0.18	1	172
MSA 4970 Yuba City CA	0	0	7	36	7	36	0.01	0	0
Non MSA Counties CA	0	0	23	37	23	37	0.01	0	0
Statewide/Regional Investments California	3	872	3	6,392	6	7,264	2.00	4	3,446

\* '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.

\*\*\* Investments in national funds for affordable housing projects in states other than California, Oregon, and Washington.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: California																	
Evaluation Period: APRIL 1, 2001 TO JUNE 30, 2005																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
MD 3108 Los Angeles Long Beach Glendale CA	28.78	68	21.32	8.82	13.24	27.94	50.00	34	3	4	7	8	12	8.00	29.44	30.88	31.58
MD 4188 San Francisco San Mateo Redwood City CA	29.68	13	4.08	30.77	15.38	30.77	23.08	4	2	0	1	2	- 1	7.21	21.80	42.21	28.77
MD 4204 Santa Ana Anaheim Irvine CA	8.60	37	11.60	0.00	18.92	32.43	48.65	8	3	0	0	3	2	4.95	30.96	31.84	32.26
MSA 4014 Riverside San Bernardino Ontario CA	4.02	34	10.66	8.82	32.35	38.24	20.59	19	6	2	6	2	3	3.53	28.54	41.16	26.73
MSA 4174 San Diego Carlsbad San Marcos CA	13.89	57	17.87	7.02	29.82	36.84	26.32	5	2	0	1	0	2	7.78	24.46	37.46	30.01
<b>Limited Review:</b>																	
MD 3608 Oakland Fremont Hayward CA	2.62	12	3.76	25.00	25.00	25.00	25.00	1	0	0	1	0	0	8.54	20.25	41.14	30.04
MSA 1254 Bakersfield CA	0.77	8	2.51	0.00	25.00	0.00	75.00	1	0	0	0	0	1	4.40	32.14	31.74	30.06
MSA 2094 El Centro CA	0.38	3	0.94	0.00	33.33	66.67	0.00	0	0	0	0	0	0	0.00	25.50	47.45	27.05
MSA 2342 Fresno CA	1.35	16	5.02	6.25	18.75	43.75	31.25	1	0	0	1	0	0	4.73	32.88	35.66	26.63
MSA 2526 Hanford Corcoran CA	0.21	2	0.63	0.00	50.00	0.00	50.00	0	0	0	0	0	0	0.00	35.42	35.84	23.81
MSA 3146 Madera CA	0.08	2	0.63	0.00	50.00	0.00	50.00	0	0	0	0	0	0	0.00	21.87	54.77	23.36
MSA 3290 Merced CA	0.01	1	0.31	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	26.44	50.04	23.52
MSA 3370 Modesto CA	0.21	4	1.25	25.00	0.00	75.00	0.00	1	0	0	0	1	0	2.66	21.22	52.77	23.35

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: California																	
Evaluation Period: APRIL 1, 2001 TO JUNE 30, 2005																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Limited Review:</b>																	
MSA 3710 Oxnard Thousand Oaks Ventura CA	0.61	7	2.19	14.29	28.57	42.86	14.29	7	0	1	2	3	1	3.86	23.98	44.41	27.75
MSA 3982 Redding CA	0.08	1	0.31	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	18.51	66.24	15.25
MSA 4090 Sacramento Arden Arcade Roseville CA	1.75	9	2.82	0.00	33.33	55.56	11.11	1	0	0	0	0	1	6.61	25.18	38.80	29.41
MSA 4150 Salinas CA	0.59	6	1.88	0.00	0.00	33.33	66.67	5	0	0	0	1	4	0.00	26.32	48.43	25.25
MSA 4194 San Jose Sunnyvale Santa Clara CA	4.14	12	3.76	0.00	41.67	50.00	8.33	1	0	0	1	0	0	3.90	24.42	46.97	24.71
MSA 4202 San Luis Obispo Paso Robles CA	0.18	2	0.63	0.00	50.00	50.00	0.00	0	0	0	0	0	0	0.00	16.72	69.48	13.79
MSA 4206 Santa Barbara Santa Maria Goleta CA	0.33	3	0.94	0.00	33.33	66.67	0.00	0	0	0	0	0	0	6.08	31.57	33.18	29.18
MSA 4210 Santa Cruz Watsonville CA	0.50	3	0.94	0.00	33.33	66.67	0.00	3	0	0	1	2	0	0.00	31.25	39.43	29.32
MSA 4222 Santa Rosa Petaluma CA	0.01	1	0.31	0.00	0.00	0.00	100.00	1	0	0	0	0	1	0.00	14.38	69.79	15.83
MSA 4470 Stockton CA	0.28	7	2.19	14.29	14.29	42.86	28.57	1	0	0	0	0	1	5.88	25.65	38.34	30.13
MSA 4670 Vallejo Fairfield CA	0.07	1	0.31	0.00	0.00	0.00	100.00	0	0	0	0	0	0	1.55	22.77	47.80	27.02
MSA 4730 Visalia Porterville CA	0.48	6	1.88	0.00	16.67	0.00	83.33	1	0	0	0	0	1	0.00	32.31	38.64	28.80
MSA 4970 Yuba City CA	0.07	1	0.31	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	25.62	51.20	23.18
Non MSA Counties CA	0.31	3	0.94	0.00	33.33	33.33	33.33	0	0	0	0	0	0	0.00	8.96	68.06	22.98



**Table 1. Lending Volume**

LENDING VOLUME												Geography: Oregon		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004	
Assessment Area (2004):	% of Rated Area Loans (#) in AA <sup>*</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in AA <sup>***</sup>			
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)				
<b>Full Review:</b>															
<b>MSA 3890 Portland Vancouver Beaverton OR (Partial)</b>	100.00	13	4,535	92	28,750	1	100	8	340	114	33,725	100.00			

<sup>\*</sup> Loan Data as of December 31, 2004. Rated area refers to either state or multi-state MA rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from January 01, 2004 to June 30, 2005.

<sup>\*\*\*</sup> Deposit Data as of June 30, 2004 (Allocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Lending Volume**

LENDING VOLUME												
			Geography: Oregon				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					
Assessment Area (2003):	% of Rated Area Loans (#) in AA <sup>*</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in AA <sup>***</sup>
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
MSA 3890 Portland Vancouver Beaverton OR (Partial)	100.00	43	14,521	106	37,978	1	100	5	1,290	155	53,889	100.00

<sup>\*</sup> Loan Data as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from January 01, 2003 to December 31, 2003.

<sup>\*\*\*</sup> Deposit Data as of June 30, 2003 (Unallocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Lending Volume**

LENDING VOLUME												
			Geography: Oregon				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002					
Assessment Area (2002):	% of Rated Area Loans (#) in AA <sup>†</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in AA <sup>***</sup>
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
<b>MSA 3890 Portland Vancouver Beaverton OR (Partial)</b>	100.00	56	18,739	264	74,762	6	820	6	1,243	332	95,564	100.00

<sup>†</sup> Loan Data as of December 31, 2002. Rated area refers to either state or multi-state MA rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from January 01, 2001 to December 31, 2002.

<sup>\*\*\*</sup> Deposit Data as of June 30, 2002 (Unallocated) . 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: Oregon				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share (%) by Geography <sup>†</sup>				
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 <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% Bank Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans					
<b>Full Review:</b>															
MSA 3890 Portland Vancouver Beaverton OR (Partial)	4	100.00	0.43	0.00	15.84	0.00	51.13	50.00	32.60	50.00	0.01	0.00	0.00	0.01	0.01

<sup>†</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> Home purchase loans originated and purchased in the MAAA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>\*\*\*</sup> 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.

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

Geographic Distribution: HOME IMPROVEMENT		Geography: Oregon				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share (%) by Geography <sup>†</sup>				
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 <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans					
<b>Full Review:</b>															
MSA 3890 Portland Vancouver Beaverton OR (Partial)	0	0.00	0.43	0.00	15.84	0.00	51.13	0.00	32.60	0.00	0.00	0.00	0.00	0.00	0.00

<sup>†</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> 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.

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

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: Oregon				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share (%) by Geography <sup>†</sup>				
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 <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% Bank Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans					
<b>Full Review:</b>															
MSA 3890 Portland Vancouver Beaverton OR (Partial)	9	100.00	0.43	0.00	15.84	22.22	51.13	22.22	32.60	55.56	0.02	0.00	0.02	0.01	0.03

<sup>†</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> 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.

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

Geographic Distribution: SMALL LOANS TO BUSINESSES															
Geography: OREGON															
Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004															
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>				
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 3890 Portland Vancouver Beaverton OR (Partial)	92	100.00	4.35	11.96	21.22	19.57	45.48	31.52	28.96	36.96	0.19	0.57	0.20	0.14	0.22

<sup>\*</sup> Based on 2004 Peer Small Business Data - (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> Source Data - Dun and Bradstreet (2004).

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

Geographic Distribution: SMALL LOANS TO FARMS		Geography: OREGON					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share (%) by Geography <sup>*</sup>				
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 <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans						
<b>Full Review:</b>																
MSA 3890 Portland Vancouver Beaverton OR (Partial)	1	100.00	0.84	0.00	8.68	0.00	60.20	100.00	30.28	0.00	0.20	0.00	0.00	0.33	0.00	

<sup>\*</sup> Based on 2004 Peer Small Business Data - (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> Source Data - Dun and Bradstreet (2004).



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

Borrower Distribution: HOME PURCHASE		Geography: OREGON				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share <sup>*</sup>				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>					
<b>Full Review:</b>															
MSA 3890 Portland Vancouver Beaverton OR (Partial)	3	100.00	18.05	0.00	18.82	33.33	22.88	33.33	40.25	33.33	0.01	0.00	0.01	0.01	0.01

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 25.0% of loans originated and purchased by bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

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

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

Borrower Distribution: HOME IMPROVEMENT															Geography: OREGON					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>													
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
MSA 3890 Portland Vancouver Beaverton OR (Partial)	0	0.00	18.05	0.00	18.82	0.00	22.88	0.00	40.25	0.00	0.00	0.00	0.00	0.00	0.00									

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

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

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> Home improvement loans originated and purchased in the MAAA as a percentage of all home improvement loans originated and purchased in the rated area.

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

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: OREGON				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share <sup>*</sup>				
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 <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>					
<b>Full Review:</b>															
MSA 3890 Portland Vancouver Beaverton OR (Partial)	9	100.00	18.05	0.00	18.82	22.22	22.88	11.11	40.25	66.67	0.02	0.00	0.02	0.01	0.03

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

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

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> 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.

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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: OREGON			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
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
<b>Full Review:</b>									
MSA 3890 Portland Vancouver Beaverton OR (Partial)	92	100.00	65.28	28.26	35.87	19.57	44.57	0.19	0.14

\* Based on 2004 Peer Small Business Data - (WE)

\*\* Small loans to businesses originated and purchased in the MAAA 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 - 2004).

\*\*\*\* 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 23.91% 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: OREGON					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share *	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
MSA 3890 Portland Vancouver Beaverton OR (Partial)	1	100.00	87.51	0.00	100.00	0.00	0.00	0.20	0.00

\* Based on 2004 Peer Small Business Data - (WE)

\*\* 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 - 2004).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
		Geography: OREGON			Evaluation Period: APRIL 1, 2001 TO JUNE 30, 2005				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
MSA 3890 Portland Vancouver Beaverton OR (Partial)	0	0	38	1,854	38	1,854	62.76	4	1,211
Statewide	0	0	4	1,100	4	1,100	37.24	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: OREGON				Evaluation Period: APRIL 1, 2001 TO JUNE 30, 2005									
Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
MSA 3890 Portland Vancouver Beaverton OR (Partial)	100.00	1	100.00	100.00	0.00	0.00	0.00	0	0	0	0	0	0	1.02	21.75	49.63	27.60

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: Washington												
Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004												
Assessment Area (2004):	% of Rated Area Loans (#) in AA <sup>*</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in AA <sup>***</sup>
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
MD 4264 Seattle Bellevue Everett WA	87.50	43	13,991	77	19,780	1	150	5	23	126	33,944	88.75
<b>Limited Review:</b>												
MD 4510 Tacoma WA	12.50	2	836	15	3,763	0	0	1	1	18	4,600	11.25

<sup>\*</sup> Loan Data as of December 31, 2004. Rated area refers to either state or multi-state MA rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from April 1, 2001 to June 30, 2005.

<sup>\*\*\*</sup> Deposit Data as of June 30, 2004 (Allocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.



**Table 1. Lending Volume**

LENDING VOLUME												
			Geography: Washington				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					
Assessment Area (2003):	% of Rated Area Loans (#) in AA <sup>†</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in AA <sup>***</sup>
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
MSA 7600 Seattle Bellevue Everett WA	86.09	28	27,892	94	24,987	2	650	6	27	130	53,556	87.20
<b>Limited Review:</b>												
MSA 8200 Tacoma WA	13.91	3	485	16	3,623	0	0	2	1	21	4,109	12.80

<sup>†</sup> Loan Data as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from April 1, 2001 to June 30, 2005.

<sup>\*\*\*</sup> Deposit Data as of June 30, 2003 (Unallocated). Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Lending Volume**

LENDING VOLUME												
			Geography: Washington				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002					
Assessment Area (2002):	% of Rated Area Loans (#) in AA <sup>†</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in AA <sup>***</sup>
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
MSA 7600 Seattle Bellevue Everett WA	84.51	57	42,996	245	60,947	5	1,250	4	764	311	105,957	81.38
<b>Limited Review:</b>												
MSA 8200 Tacoma WA	15.49	12	1,906	43	8,686	0	0	2	104	57	10,696	18.62

<sup>†</sup> Loan Data as of December 31, 2002. Rated area refers to either state or multi-state MA rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from April 1, 2001 to June 30, 2005.

<sup>\*\*\*</sup> Deposit Data as of June 30, 2002 (Unallocated). 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: WASHINGTON				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share (%) by Geography <sup>*</sup>				
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 <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans					
<b>Full Review:</b>															
MD 4264 Seattle Bellevue Everett WA	17	94.44	0.49	0.00	15.58	76.47	55.45	5.88	28.48	17.65	0.02	0.00	0.07	0.00	0.01
<b>Limited Review:</b>															
MD 4510 Tacoma WA	1	5.56	0.50	0.00	10.96	0.00	63.09	0.00	25.46	100.00	0.00	0.00	0.00	0.00	0.01

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> 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.

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

Geographic Distribution: HOME IMPROVEMENT		Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share (%) by Geography <sup>†</sup>				
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					
<b>Full Review:</b>															
MD 4264 Seattle Bellevue Everett WA	0	0.00	0.49	0.00	15.58	0.00	55.45	0.00	28.48	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
MD 4510 Tacoma WA	0	0.00	0.50	0.00	10.96	0.00	63.09	0.00	25.46	0.00	0.00	0.00	0.00	0.00	0.00

<sup>†</sup> Based on 2004 Peer Mortgage Data (WE)

\*\* 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.

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

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: WASHINGTON					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>†</sup>													
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
MD 4264 Seattle Bellevue Everett WA	26	96.30	0.49	3.85	15.58	65.38	55.45	3.85	28.48	26.92	0.02	0.14	0.10	0.00	0.02									
<b>Limited Review:</b>																								
MD 4510 Tacoma WA	1	3.70	0.50	0.00	10.96	0.00	63.09	0.00	25.46	100.00	0.00	0.00	0.00	0.00	0.01									

<sup>†</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> 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.

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

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: WASHINGTON					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share (%) by Geography <sup>*</sup>				
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 <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans	% of Businesses <sup>***</sup>	% BANK Loans						
<b>Full Review:</b>																
MD 4264 Seattle Bellevue Everett WA	77	83.70	2.37	2.60	23.61	15.58	46.92	33.77	27.11	48.05	0.10	0.12	0.08	0.07	0.18	
<b>Limited Review:</b>																
MD 4510 Tacoma WA	15	16.30	2.08	0.00	21.08	13.33	55.65	53.33	21.19	33.33	0.09	0.00	0.06	0.10	0.14	

<sup>\*</sup> Based on 2004 Peer Small Business Data - (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> Source Data - Dun and Bradstreet (2004).

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

Geographic Distribution: SMALL LOANS TO FARMS		Geography: WASHINGTON					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share (%) by Geography <sup>*</sup>				
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 <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans	% of Farms <sup>***</sup>	% BANK Loans						
<b>ull Review:</b>																
MD 4264 Seattle Bellevue Everett WA	1	100.00	1.13	0.00	15.28	0.00	57.86	0.00	25.74	100.00	0.24	0.00	0.00	0.00	1.16	
<b>imited Review:</b>																
MD 4510 Tacoma WA	0	0.00	0.74	0.00	13.38	0.00	62.97	0.00	22.90	0.00	0.00	0.00	0.00	0.00	0.00	

<sup>\*</sup> Based on 2004 Peer Small Business Data - (WE)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> Source Data - Dun and Bradstreet (2004).

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

Borrower Distribution: HOME PURCHASE		Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK Loans****	% Families	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****					
<b>ull Review:</b>															
MD 4264 Seattle Bellevue Everett WA	15	93.75	18.50	0.00	18.70	26.67	24.54	26.67	38.26	46.67	0.02	0.00	0.02	0.01	0.02
<b>imited Review:</b>															
MD 4510 Tacoma WA	1	6.25	18.66	0.00	18.89	0.00	23.23	0.00	39.22	100.00	0.00	0.00	0.00	0.00	0.01

\* Based on 2004 Peer Mortgage Data (WE)

\*\* As a percentage of loans with borrower income information available. No information was available for 11.8% of loans originated and purchased by bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

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



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

Borrower Distribution: HOME IMPROVEMENT		Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004						Market Share <sup>*</sup>				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>						
<b>Full Review:</b>																
MD 4264 Seattle-Bellevue-Everett WA	0	0.00	18.50	0.00	18.70	0.00	24.54	0.00	38.26	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
MD 4510 Taco WA	0	0.00	18.66	0.00	18.89	0.00	23.23	0.00	39.22	0.00	0.00	0.00	0.00	0.00	0.00	

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

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

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> 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.

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

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: WASHINGTON					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>													
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp									
<b>ull Review:</b>																								
MD 4264 Seattle-Bellevue-Everett WA	23	95.83	18.50	13.04	18.70	13.04	24.54	26.09	38.26	47.83	0.03	0.06	0.02	0.02	0.03									
<b>imited Review:</b>																								
MD 4510 Tacoma WA	1	4.17	18.66	0.00	18.89	0.00	23.23	0.00	39.22	100.00	0.00	0.00	0.00	0.00	0.01									

<sup>\*</sup> Based on 2004 Peer Mortgage Data (WE)

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 11.5% of loans originated and purchased by bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> 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.

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

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: WASHINGTON			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
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
<b>Full Review:</b>									
MD 4264 Seattle-Bellevue- Everett WA	77	83.70	67.99	42.86	51.95	11.69	36.36	0.10	0.12
<b>Limited Review:</b>									
MD 4510 Tacoma WA	15	16.30	69.41	53.33	53.33	13.33	33.33	0.09	0.14

\* Based on 2004 Peer Small Business Data - (WE)

\*\* 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 - 2004).

\*\*\*\* 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 23.91% 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: WASHINGTON			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2004				
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 <sup>*</sup>	
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
MD 4264 Seattle Bellevue Everett WA	1	100.00	86.71	100.00	0.00	100.00	0.00	0.24	0.36
<b>Limited Review:</b>									
MD 4510 Tacoma WA	0	0.00	87.58	0.00	0.00	0.00	0.00	0.00	0.00

<sup>\*</sup> Based on 2004 Peer Small Business Data - (WE)

<sup>\*\*</sup> Small loans to farms originated and purchased in the MAVAA as a percent age of all small loans to farms originated and purchased in the rated area.

<sup>\*\*\*</sup> Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2004).

<sup>\*\*\*\*</sup> Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
			Geography: WASHINGTON		Evaluation Period: APRIL 1, 2001 TO JUNE 30, 2005				
Assessment Area:	Prior Period Investments <sup>*</sup>		Current Period Investments		Total Investments			Unfunded Commitments <sup>**</sup>	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
MD 4264 Seattle Bellevue Everett WA	0	0	13	168	13	168	21.40	0	0
<b>Limited Review:</b>									
MD 4510 Tacoma WA	0	0	4	446	4	446	56.82	1	300
Statewide	0	0	1	171	1	171	21.78	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: WASHINGTON				Evaluation Period: APRIL 1, 2001 TO JUNE 30, 2005									
Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
MD 4264 Seattle Bellevue Everett WA	88.72	2	66.67	0.00	0.00	0.00	100.00	0	0	0	0	0	0	1.93	21.89	52.39	23.79
<b>Limited Review:</b>																	
MD 4510 Tacoma WA	11.28	1	33.33	0.00	100.00	0.00	0.00	0	0	0	0	0	0	2.73	18.13	58.48	20.44