

## **PUBLIC DISCLOSURE**

June 25, 2004

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

AccessBank  
801 Pile St  
Clovis, NM 88101  
Docket #: 02891

Office of Thrift Supervision  
West Region  
2001 Junipero Serra Blvd. Suite 650  
Daly City, CA 94014-1976

**NOTE:** This evaluation is not, nor should it 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.



**Office of Thrift Supervision**  
Department of the Treasury

*West Region*

Daly City Office • Phone Number: (650)746-7000 • Fax: (650)746-7001  
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November 2, 2004

Board of Directors  
AccessBank  
801 Pile St  
Clovis, NM 88101

Members of the Board:

Enclosed is your institution's written Community Reinvestment Act (CRA) Performance Evaluation prepared by the Office of Thrift Supervision as of June 25, 2004. Pursuant to the provisions of the CRA and OTS regulations (12 C.F.R. 563e), this evaluation, and your institution's CRA rating as contained therein, must be made available to the public by your institution.

In accordance with 12 C.F.R. 563e, this written CRA Performance Evaluation must be made available to the public within 30 business days of its receipt by your institution. The evaluation must be placed in your CRA public file located at your home office and each branch within this 30 business day time frame. The evaluation may not be altered or abridged in any manner. At your discretion, previous written CRA Performance Evaluations(s) may be retained with the most recent evaluation in your CRA public file.

Your institution is invited to prepare a response to the evaluation. The response may be placed in each CRA public file along with the evaluation. In the event your institution elects to prepare such a response, please forward a copy of it to this office.

All appropriate personnel, particularly customer contact personnel, need to be aware of the responsibilities that the institution has to the public with regard to making this evaluation available. Consequently, we suggest that your institution review internal procedures for handling CRA inquiries, including those pertaining to the evaluation and other contents of the CRA public file.

We strongly encourage the Board of Directors, senior management, and other appropriate personnel to review this document and to take an active interest and role in the CRA activities of your institution.

Sincerely,

Laura M. Fiene  
Assistant Regional Director  
CRA Examinations

Enclosure

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**Signatures of Directors**

We, the undersigned directors, have personally reviewed the contents of this Community Reinvestment Act Performance Evaluation.

<b>Signature</b>	<b>Date</b>
_____ Don K. Padgett	_____
_____ Norman R. Corzine	_____
_____ Kenneth J. Huey, Jr.	_____
_____ Robert Chad Lydick	_____
_____ Charles H. Guthals	_____
_____ Thomas W. Martin, III	_____
_____ Allan M. Moorhead	_____
_____ David Ottensmyer	_____

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**General Information**

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

This document is an evaluation of the (CRA) performance of AccessBank (institution) prepared by the Office of Thrift Supervision (OTS), the institution's supervisory agency, as of June 25, 2004. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 C.F.R. Part 563e.

This CRA evaluation was prepared off site, and none of AccessBank's offices were visited. This Evaluation includes a review of community reinvestment performance within AccessBank's assessment areas for the period from June 1, 1999 through December 31, 2003.

## Institution

### Overall Rating

**INSTITUTION'S CRA RATING:** This institution is rated "Outstanding."

This evaluation of AccessBank's (institution) CRA performance is based on the Small Retail Institution CRA Examination procedures adopted by the Federal Financial Institutions Examination Council (FFIEC). These procedures include the evaluation of the association's CRA results based on five performance criteria. These performance criteria are 1) loan-to-deposit ratio; 2) assessment area concentration; 3) borrower profile/distribution of loans by borrower income; 4) geographic distribution of loans; and 5) response to CRA-related complaints. Small institutions may also elect to provide information regarding their CRA-qualified investments and their delivery systems and services as well as other lending-related activity. This is an evaluation of AccessBank's CRA performance during the June 1, 1999 through December 31, 2003 review period, in the City of Albuquerque and in Curry, McKinley, and Roosevelt Counties in the State of New Mexico.

The institution's "Outstanding" rating is based on its performance under each of the performance criteria as follows:

- AccessBank's loan-to-deposit ratio is more than reasonable given the institution's size, financial condition, and assessment area credit needs.
- A substantial majority of AccessBank's residential mortgage loans and a significant number of consumer loans were made in the Combined Assessment Areas.
- AccessBank's lending among individuals of different income levels (including low- and moderate-income individuals) is excellent.
- The geographic distribution of AccessBank's lending reflects reasonable dispersion throughout its assessment areas (including low- and moderate-income areas).
- AccessBank did not receive any complaints regarding its record of meeting the community's credit needs during the review period.
- AccessBank's investment record helps to enhance credit availability and community development in the Combined Assessment Areas.
- AccessBank's record of providing branches and/or other services enhances credit availability in its Combined Assessment Areas.

AccessBank's CRA performance was last evaluated in June 1999, at which time the institution was rated "Satisfactory."

#### Comment [OTS1]: Page: 2

Summarize the major factor supporting the institution's rating. When illegal discrimination or discouragement has been identified and has affected the rating, the summary should include a statement that the rating was influenced by violations of the substantive provisions of the antidiscrimination laws. The summary should not mention any technical violations of the antidiscrimination laws.

***Institution (continued)***

In March 2004, we conducted an examination of AccessBank. At that time, we did not identify any substantive violations of the Equal Credit Opportunity Act, the Fair Housing Act, or any other federal nondiscrimination regulations.

**Institution (continued)**

**Description of Institution**

AccessBank is a federally chartered stock institution, headquartered in Clovis, New Mexico.

As of December 31, 2003, AccessBank reported total assets of \$203.9 million, total liabilities of \$182.1 million, and net worth of \$21.8 million. At that time, major categories of assets were as follows:

**Comment [OTS2]: Page: 3**  
Briefly describe the institution's ability to meet various credit needs based on its financial condition and size, product offerings, prior performance, legal impediments and other factors. Information that may be important includes relationships with a holding company and its affiliates, total assets, asset/loan portfolio mix, primary business focus, branching network, and any merger or acquisition activity.

Major Components of Total Assets As of December 31, 2003		
Asset Type	Amount (\$000s)	% of Total Assets
<b>Permanent Mortgage Loans</b>		
- Single Family	88,299	43.3
- Multifamily	3,448	1.7
- Nonresidential & land	36,453	17.9
Single Family Construction Loans	850	0.4
Commercial Loans	8,084	4.0
Consumer Loans	21,716	10.6
<b>Investments</b>		
- Securities	14,347	7.0
Interest Earning Deposits	10,311	5.0
Cash/Non-Interest Earning Deposits	5,604	2.7

During the last 36 months of the institution's 55-month review period, AccessBank reported \$314.1 million in residential, nonresidential, land, and construction loan originations. Although the institution's assets are predominantly composed of residential mortgage loans, AccessBank does also offer consumer loan products and commercial loans. The following table illustrates the institution's lending activity between January 1, 2001, and December 31, 2003, by loan type.



**Institution (continued)**

Loan Origination Activity ** As a Percent of Total Assets									
Loan Type	2003			2002			2001		
	AccessBk	Wst Rgn Peer*	Pct Ranking	AccessBk	Wst Rgn Peer*	Pct Ranking	AccessBk	Wst Rgn Peer*	Pct Ranking
1-4 Construction	1.28	1.75	41	0.32	1.45	33	3.18	1.59	63
1-4 Permanent Mortgage	71.20	19.63	83	44.34	14.44	81	32.39	19.31	80
5+ Permanent Mortgage	0.87	0.17	62	0.99	0.22	70	0.08	0.00	60
Non-Res. Perm. Mtg	10.79	4.08	83	5.27	2.09	70	6.19	1.45	86
Land	0.00	0.45	12	0.48	0.34	70	0.00	0.29	18
Total Mortgage Originations	84.14	29.50	83	51.40	26.10	74	41.84	26.88	73
Refinancing Loans	50.67	4.78	95	24.55	4.13	96	14.60	4.84	86
Commercial (Non-Mort)	2.18	1.12	58	2.57	0.58	70	3.92	0.56	70
Consumer	5.48	2.12	79	9.42	1.64	85	12.00	2.04	90

\* OTS peer group median for West Region thrift institutions with between \$100.0 million and \$300.0 million in assets.

\*\* This information is compiled pursuant to OTS reporting instructions, and therefore, does not exactly correspond to information on reportable lending used in the balance of this evaluation. It is provided to give an overall profile of the association's total credit activity during the review period.

During the 55-month review period, the institution originated more than \$305 million in single-family residential mortgage loans, more than \$22.0 million in commercial loans, and more than \$58.0 million in consumer loans. The institution held \$164.6 million in deposits (as of June 30, 2003) within its seven offices serving the assessment areas.

**Description of Combined Assessment Areas**

An assessment area is a geographic area wherein CRA performance is measured. These geographies must include the institution's branch offices and/or deposit-taking Automated Teller Machines (ATMs) and surrounding geographies in which the bank has originated or purchased a substantial portion of its loans. In addition, the assessment area boundaries must follow contiguous political subdivisions, such as counties, cities, or towns. AccessBank's assessment area designations follow county or city boundaries.

AccessBank's Combined Assessment Areas include portions of the Albuquerque MSA (Albuquerque Assessment Area) and the Counties of Curry, McKinley, and Roosevelt (Non-MSA Assessment Area). The Albuquerque Assessment Area is comprised of the City of Albuquerque.

Our review of the institution's assessment areas revealed that they comply with the technical requirements of the CRA regulations. They include all geographies in which the institution has its retail branch offices and deposit taking ATMs. In addition, our review determined that the

### ***Institution (continued)***

institution's assessment areas do not reflect illegal discrimination, nor do they arbitrarily exclude low- or moderate-income areas.

Detailed information concerning each assessment area can be found in the respective MSA and Non-MSA evaluations appearing later in this document.

### **Conclusions with Respect to Performance Tests**

#### CONCLUSIONS

- A more than reasonable loan-to-deposit ratio.
- A substantial majority of residential mortgage loans and a significant number of consumer loans were made in the Combined Assessment Areas. (1)
- Excellent penetration among individuals of different income (including low- and moderate-income) levels. (1)
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area, including low- and moderate-income tracts. (1)
- There were no CRA-related complaints.
- Investments help to enhance community development and credit availability in the assessment area.
- Branches and other services enhance credit availability in the assessment area.

(1) Our analysis of lending activity, assessment area concentration, and the distribution of residential mortgage and consumer loans by geography and by borrower income characteristics covers loans originated between January 1, 2001 and December 31, 2003. AccessBank was an active lender throughout the June 1, 1999 through December 31, 2003 review period; however, for ease of analysis, this evaluation focused on lending during the most recent three years. Lending between June 1, 1999 and December 31, 2000, when presented, is presented for informational purposes only.

#### LOAN-TO-DEPOSIT RATIO AND OTHER LENDING ACTIVITIES

##### **Loan-to-Deposit Ratio**

- AccessBank maintained a relatively high loan-to-deposit ratio during the last two years.
- It has consistently been above the OTS West Region asset-size peer group median.

The following table summarizes AccessBank's quarterly loan-to-deposit ratio between January 1, 2002 and December 31, 2003.

#### **Comment [OTS3]: Page: 3**

Discuss the institution's overall CRA performance. The facts, data, and analyses that were used to form a conclusion about the rating should be reflected in the narrative, including institution strengths and areas for improvement. The narrative should clearly demonstrate how the results of each of the performance test analyses and relevant information from the performance context factored into the overall institution rating. Charts and table should be used whenever possible to summarize and effectively present the most critical or informative data used by the examiner in analyzing the institution's performance and reaching conclusions.

**Institution (continued)**

Loan-To-Deposit Ratio									
At Recent Quarter Ends During Review Period									
Quarterly Period	12/03	9/03	6/03	3/03	12/02	9/02	6/02	3/02	Average
Loans (\$000s)	158,768	157,358	165,115	162,769	157,145	156,733	152,880	147,591	157,295
Deposits (\$000s)	164,191	159,513	164,610	158,685	160,601	161,605	162,185	151,264	160,332
LTD Ratio	96.70	98.65	100.31	102.57	97.85	96.99	94.26	97.57	98.1
Peer Group *	85.18	85.65	85.60	83.67	86.86	88.69	88.95	89.30	
Percentile of Peer	63	68	70	74	65	64	58	63	

\* Peer Median represents the median loan-to-deposit ratio for the 26 West Region thrift institutions with total assets between \$100 million and \$300 million.

**Lending Activity (1)**

- Between January 1, 2001 and December 31, 2003, AccessBank originated 1,897 residential mortgage loans for \$184.5 million and 1,615 consumer loans totaling \$17.8 million in the Combined Assessment Areas. This lending activity represented 122.9 percent of total deposits held by the institution as of June 30, 2003.
- In 2002, the institution ranked 13<sup>th</sup> out of 329 lenders in residential mortgage originations in the Combined Assessment Areas, with a 1.9 percent market share.
- AccessBank's overall lending volume was excellent when compared to OTS West Region peer institution data, with particular strength in mortgage lending, refinances, and consumer lending. Please see Description of Institution for more details.

The following table details AccessBank's lending activity, within its Combined Assessment Areas, during 2001, 2002 and 2003.

Lending by Loan Type				
Loan Type	Number of Loans	% of Number	Dollar Amount (000s)	% of Dollars
1-4 Family Conv. Purchase	492	14.0	45,333	22.4
1-4 Family Govt. Purchase	277	7.9	21,835	10.8
1-4 Family Refinance	1,125	32.0	117,227	57.9
Home Improvement	3	0.1	129	0.1
Consumer	1,615	46.0	17,867	8.8
<b>Total</b>	<b>3,512</b>	<b>100.0</b>	<b>202,391</b>	<b>100.0</b>

The following table summarizes the distribution of the institution's branch offices and its market share for residential loan originations in 2002 for the total institution and for its two assessment areas.

**Institution (continued)**

Assessment Area	Number of Branches	Mortgage Market Share	
		Share %	Ranking
Combined Assessment Areas	7	1.9	13 <sup>th</sup> of 329
Albuquerque Assessment Area	3	0.9	26 <sup>th</sup> of 318
Non-MSA Assessment Area	4	19.6	1 <sup>st</sup> of 141

ASSESSMENT AREA CONCENTRATION (1)

- A high percentage of loans originated by AccessBank from 2001 through 2003 was to borrowers located within the institution’s Combined Assessment Areas, demonstrating excellent efforts to meet community credit needs.

The following table presents the ratio of the institution’s residential mortgage loan and consumer loan originations within its Combined Assessment Areas to total such lending.

Assessment Area Concentration						
Review Period	Number of Loans			Dollar Amount (\$000)		
	Assessment Area Lending	Total Lending	Ratio of AA to Total (%)	Assessment Area Lending	Total Lending	Ratio of AA to Total (%)
1/1/01-12/31/03						
<b>Mortgage Loans</b>	1,897	2,248	84.4	184,524	225,418	81.9
<b>Consumer</b>	1,615	4,397	36.7	17,867	54,953	32.5

LENDING TO BORROWERS OF DIFFERENT INCOME (1)

- AccessBank granted 370 residential mortgage loans totaling \$25.1 million, or 19.8 percent of total originations (*with income data collected*), to low- and moderate-income borrowers in the Combined Assessment Areas from January 1, 2001 through December 31, 2003. The distribution of the 2002 HMDA aggregate’s loans to low- and moderate-income borrowers represented 27.0 percent of total assessment area originations (*with income data collected*).
- In 2002, the institution ranked 17<sup>th</sup> out of 216 HMDA lenders originating loans to low- and moderate-income borrowers with a market share of 1.5 percent. The market share and ranking are less than for total lending.
- AccessBank granted 107 residential mortgage loans totaling \$6.6 million, or 5.7 percent of total originations (*with income data collected*), to low-income borrowers in the Combined Assessment Areas. The distribution of the 2002 HMDA aggregate’s loans to low-income borrowers was 7.7 percent of total assessment area originations (*with income data collected*).

***Institution (continued)***

- In 2002, the institution ranked 13<sup>th</sup> out of 148 HMDA lenders originating loans to low-income borrowers with a market share of 1.9 percent. This market share and ranking matches that for total residential lending.
- Available data does not enable us to analyze consumer loans by borrower income levels.

The following table compares AccessBank’s total residential lending market share and ranking in 2002 for its assessment areas to its market share and ranking for loan originations to low- and moderate-income borrowers.

Total vs. Low- and Moderate-Income Borrower Market Share Comparison 2002				
Assessment Area	Mortgage Market Share And Position		Market Share and Position for Low- and Moderate-Income Borrowers	
	Share %	Ranking	Share %	Ranking
<b>Combined Assessment Areas</b>	<b>1.9</b>	<b>13<sup>th</sup> of 329</b>	<b>1.5</b>	<b>17<sup>th</sup> of 216</b>
Albuquerque Assessment Area	0.9	26 <sup>th</sup> of 318	0.9	28 <sup>th</sup> of 213
Non-MSA Assessment Area	19.6	1 <sup>st</sup> of 141	21.9	1 <sup>st</sup> of 47

GEOGRAPHIC DISTRIBUTION OF LOANS (1)

- From January 1, 2001 through December 31, 2003, AccessBank granted 190 residential mortgage loans totaling \$13.4 million, or 10.0 percent of total originations, within low- and moderate- income tracts. The distribution of the 2002 HMDA aggregate’s loans within low- and moderate-income tracts represented 11.5 percent of total assessment area lending.
- In 2002, the institution ranked 21<sup>st</sup> out 194 of HMDA lenders originating loans in low- and moderate-income tracts with a market share of 1.2 percent. This market share and ranking is below that of overall residential lending.
- AccessBank granted five residential mortgage loans totaling \$270,000, or 0.3 percent of total originations, within low-income tracts. The distribution of the 2002 HMDA aggregate’s loans within low-income tracts was 1.1 percent of total assessment area lending.
- In 2002, the institution ranked 45<sup>th</sup> out of 83 HMDA lenders originating loans in low-income tracts, with a market share of 0.5 percent. This market share and ranking is below that of overall residential lending.
- AccessBank granted mortgage loans in 60.8 percent of its low- and moderate-income tracts in 2003 and in 41.5 percent of such tracts during 2001 and 2002. This dispersion is good.
- AccessBank originated 365 consumer loans totaling \$3.2 million, or 22.6 percent of its total consumer loans within low- and moderate-income tracts. This level of lending compares reasonably well against the demographic profile for low- and moderate-income tracts (30.7 percent) in the institution’s Combined Assessment Areas.

**Institution (continued)**

The following table compares AccessBank’s total residential lending market share and ranking in 2002 for its assessment areas to its market share and ranking for loan originations in low- and moderate-income census tracts.

Total vs. Low- and Moderate-Income Census Tract Market Share Comparison 2002				
Assessment Area	Mortgage Market Share And Position		Market Share and Position for Low- and Moderate-Income Census Tracts	
	Share %	Ranking	Share %	Ranking
<b>Combined Assessment Areas</b>	<b>1.9</b>	<b>13<sup>th</sup> of 329</b>	<b>1.2</b>	<b>21<sup>st</sup> of 194</b>
Albuquerque Assessment Area	0.9	26 <sup>th</sup> of 318	0.5	39 <sup>th</sup> of 189
Non-MSA Assessment Area	19.6	1 <sup>st</sup> of 141	9.6	2 <sup>nd</sup> of 55

The following table presents the distribution of AccessBank’s consumer lending within geographies of differing income levels and compares the institution’s lending results with the demographic profile information for the Combined Assessment Areas.

Geographic Distribution of Consumer Loans Combined Assessment Areas						
Review Period	Demographics*		Institution			
	Tract Income Level	Percent/Tracts	Number/Loans	Number/Percent	Amount (\$000s)	Amount/Percent
1/1/01	Low	3.6	11	0.7	104	0.6
Thru	Moderate	27.1	354	21.9	3,132	17.5
12/31/03	Middle	41.0	683	42.3	7,356	41.2
	Upper	27.7	567	35.1	7,275	40.7
	N/A	0.6	0	0.0	0	0.0
	Total	100.0	1,615	100.0	17,867	100.0

\*Based on 2000 Census designations.

**OTHER LENDING PRACTICES**

**Innovative or Flexible Lending Practices**

- The institution offers a broad range of home loans, many of which appeal to low- and moderate-income borrowers. This includes government insured mortgage loans, such as Veterans Administration, Federal Housing Authority, and Rural Economical and Community Development loans (see the discussion under Lending Activity for the numbers and dollar amounts of such government lending).
- AccessBank offers New Mexico Mortgage Finance Authority Program loans for first-time homebuyers. The Mortgage Saver Program is one of the newest programs, and in 2003, the institution funded 41 such loans totaling \$2.1 million.

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***Institution (continued)***

- AccessBank is one of the few lenders in its assessment areas that offers mortgage loans of less than \$35,000 without charging any extra fees or points. In 2003, 112 borrowers were assisted with such financing.
- The institution also offers home equity lines that can be used for home improvement. In 2003, 125 borrowers were so assisted with \$3.9 million of equity line loans.
- The institution has been a Small Business Administration (SBA) approved lender since 1988. In 2003, the institution generated 13 SBA loans for more than \$2 million. At year-end 2003, the institution had outstanding 47 SBA loans with remaining balances aggregating more than \$3.7 million.
- The institution also makes small business loans (it is not required to report such loans separately since it is a small institution for CRA reporting purposes). In 2003, the institution generated 138 commercial loans for \$27.2 million—approximately half of these provided funding to small businesses in amounts of \$100,000 or less.

**Community Development Lending**

- In 1999, the institution provided a \$900,000 operating line of credit to Mental Health Resources, Inc. The organization provides a number of mental health services to clients throughout Eastern New Mexico, many of whom are low- or moderate-income.
- In 2001, the institution made a \$950,000 loan to the Lovelace Respiratory Research Institute in Albuquerque. This not-for-profit research institute is the lead sponsor of the Minority Respiratory Health Center, which is dedicated to the prevention and treatment of respiratory illnesses that disproportionately impact minority populations. Many of those most at risk for such diseases are low- and moderate-income individuals.
- In 2002, the institution renewed a \$175,000 operating line of credit for New Mexico AIDS Services, Inc. in Albuquerque. This organization provides basic services to individuals with AIDS, including a food bank, rental assistance, and temporary housing.
- In 2002, the institution provided a \$50,000 operating line of credit to the St. Bonaventure Mission and School in Gallup. This Catholic Mission school serves the Navajo Reservation with the purpose of promoting self-sufficiency through education, employment, and outreach services that include providing food, water, and clothing.

The institution also regularly makes loans to local churches in its assessment areas. The following church loans are eligible for CRA credit.

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***Institution (continued)***

- In 2000, the institution made a \$1.1 million loan to the First Baptist Church of Rio Rancho (in the Albuquerque area) to expand and remodel the church facility. The church runs a no-cost clothing exchange program that assists low- and moderate-income residents.
- In 2002, the institution renewed a \$1.5 million loan to Faith Christian Family Church in Clovis. The original loan was used to construct a new facility. The church runs a food pantry that serves low- and moderate-income residents, and collects coats for children of needy families.
- In 2003, the institution refinanced a \$65,000 loan for St. James Parish, Inc. in Clovis. The loan was originally used to expand church facilities. One of the programs the church runs is a food pantry serving low- and moderate-income residents.

*Please refer to the FFIEC Aggregate Core Tables presented in Appendix C for additional lending data regarding the evaluation of this assessment area.*

**RESPONSE TO COMPLAINTS**

AccessBank did not receive any CRA-related complaints during the review period.

**INVESTMENTS**

During 2003, the institution made donations or grants to qualifying organizations (promoting affordable housing, economic development, or services targeted to low- and moderate-income residents) totaling more than \$5,900 (out of donations totaling \$12,800). While donations in prior years may have varied from this amount, the 2003 data is generally representative of annual grant activity.

**SERVICES**

- AccessBank maintains seven branch offices. One office is in a moderate-income area, another is in an upper-income area, and the other five are located in middle-income areas. There is also a loan production office located in a moderate-income area. Four of the branches were opened during the review period.
- There are ATMs at each office in addition to two stand-alone ATMs. Four of the offices offer drive-up service. The service is open an hour earlier and an hour later than the offices during the week. Two of the drive-up windows are open half days on Saturdays, when the branch offices are closed.



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***Institution (continued)***

- Customers can also obtain account information and perform limited transactions by telephone or via the institution's web site.
- The institution offers a free checking account with a \$100 minimum opening deposit amount. The account provides Visa debit card access, and pays interest on deposits over \$1,000.
- The institution waives monthly service charges for checking accounts with direct deposit (including payroll, social security and federal or state assistance checks). The service charges are also waived for students and seniors.
- Management has not tracked donated hours, but estimates that in 2003, approximately 264 hours of employee time were donated to organizations promoting economic development or affordable housing.

**State Metropolitan Assessment Area (or Area Reviewed)**  
(for assessment area or area reviewed using examination procedures)

**Summary of Institution's Operations in Albuquerque, NM MSA**

As of year-end 2003, AccessBank operated three retail offices in the Albuquerque, NM MSA (Albuquerque Assessment Area), with approximately \$46.7 million in deposits (at June 30, 2003). The offices represented 42.9 percent of total offices. The deposits represented 28.4 percent of total deposits.

**Description of Albuquerque, NM MSA**

The Albuquerque Assessment Area is comprised of the City of Albuquerque, which is located in Bernalillo County.

The City of Albuquerque is located in the middle of New Mexico, and is in close proximity to numerous Indian Reservations (including three pueblos), the Petroglyph National Monument, part of the Cibola National Forest, and Kirkland Air Force Base. The city is home to the University of New Mexico and to the National Atomic Museum. The area is mountainous, with a city elevation of more than 5,000 feet. Surrounding portions of Bernalillo County include almost a half million acres in agricultural use.

The 2000 Census disclosed the population of Albuquerque to be 537,882. The Census Bureau estimates the population growth (as of 2003) in Bernalillo County to be 4.4 percent since 2000. The 2000 Census also disclosed that minorities represented approximately 52.1 percent of Albuquerque's population.

The local economy has done better than that of the state as a whole. According to the New Mexico Department of Labor, the average unemployment rate for Bernalillo County was 3.6 percent in 2001, and grew to 4.5 percent in 2002, and to 5.3 percent in 2003. The county unemployment rate has consistently been lower than the average annual unemployment rate for the State as a whole, which was 6.4 percent in 2003. The New Mexico Department of Labor reported the local primary employment sectors in Bernalillo County (based on annual averages for 2002) to be government, retail trade, health care and social assistance, and accommodation and food services.

Data from the New Mexico Economic Development Department indicates that the City of Albuquerque has three Mainstreet Community programs. These are state programs that encourage/facilitate economic development and revitalization.

The weighted average median family income for the Albuquerque Assessment Area, as updated by HUD for 2003 is \$51,400, an increase of 6.4 percent over the 2000 median family income of

**Comment [OTS4]:** Page: 1  
For those assessment areas where an examination was not conducted using examination procedures. Multiple assessment areas within the same multistate MSA, MSA, or non-metropolitan statewide area and not examined on-site, may be combined into one presentation. Charts or tables may be useful in depicting information throughout the presentation.

**Comment [OTS5]:** Page: 1  
Summarize the institution's operation in the area reviewed (number of branches, number of branches in low-and moderate-income geographies, lending portfolio mix, etc

**Comment [OTS6]:** Page: 1  
Describe the area reviewed (including population, income levels, type and condition of housing stock, employment information, and general business activity).

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*(for assessment area or area reviewed using examination procedures)*

\$48,300. The 2000 Census also disclosed that 23.2 percent of households received some social security income, 17.7 percent of households were retired persons, 12.8 percent of households were below the poverty level, and 3.9 percent of households received some form of public assistance. Low- and moderate-income families represent 38.5 percent of all area families. The 2000 Census also disclosed that 39.4 percent of the available housing units were rentals, and 20.4 percent were multifamily units. Vacant units represented 7.5 percent of total available units.

The weighted average median home value, based on the 2000 Census median value of owner-occupied housing units, is \$125,389. The housing payment for a 30-year, 90 percent loan at 6.3 percent, including taxes, hazard insurance, and any private mortgage insurance, would represent 21.7 percent of area median income. Generally, total housing expenses that are less than 30.0 percent of family income are considered affordable. Thus, our analysis shows that housing is considered affordable to families earning the median income or more. However, the ratio does exceed 30.0 percent for low-income families, earning 50.0 percent or less of median family income. Moreover, low- and moderate-income families and many first-time homebuyers may be challenged in saving the necessary down payment to purchase a home.

**Discussion of Performance in Albuquerque, NM MSA**

**CONCLUSIONS**

- A more than reasonable loan-to-deposit ratio.
- A substantial majority of residential mortgage loans and a significant number of consumer loans were made in the Combined Assessment Areas. (1)
- Reasonable penetration among individuals of different income (including low- and moderate-income) levels. (1)
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area, including low- and moderate-income tracts. (1)
- There were no CRA-related complaints.
- Investments help to enhance community development and credit availability in the assessment area.
- Branches and other services enhance credit availability in the assessment area.

(1) Our analysis of lending activity, assessment area concentration, and the distribution of residential mortgage and consumer loans by geography and by borrower income characteristics covers loans originated between January 1, 2001 and December 31, 2003. AccessBank was an active lender throughout the June 1, 1999 through December 31, 2003 review period; however, for ease of analysis, this evaluation focused on lending during the most recent three years. Lending between June 1, 1999 and December 31, 2000, when presented, is presented for informational purposes only.

**Comment [OTS7]:** Page: 1  
Summarize the facts and data that were reviewed and indicate whether the institution's performance in the area reviewed is consistent with institution's record in the multistate MSA, MSA, or non-metropolitan statewide area

**State Metropolitan Assessment Area (or Area Reviewed)**  
(for assessment area or area reviewed using examination procedures)

LOAN-TO-DEPOSIT RATIO AND OTHER LENDING ACTIVITIES

**Loan-to-Deposit Ratio**

- AccessBank maintained a relatively high loan-to-deposit ratio during the last two years.
- It has consistently been above the OTS West Region asset-size peer group median.

The following table summarizes AccessBank's quarterly loan-to-deposit ratio between January 1, 2002 and December 31, 2003.

Loan-To-Deposit Ratio									
At Recent Quarter Ends During Review Period									
Quarterly Period	12/03	9/03	6/03	3/03	12/02	9/02	6/02	3/02	Average
Loans (\$000s)	158,768	157,358	165,115	162,769	157,145	156,733	152,880	147,591	157,295
Deposits (\$000s)	164,191	159,513	164,610	158,685	160,601	161,605	162,185	151,264	160,332
LTD Ratio	96.70	98.65	100.31	102.57	97.85	96.99	94.26	97.57	98.1
Peer Group *	85.18	85.65	85.60	83.67	86.86	88.69	88.95	89.30	
Percentile of Peer	63	68	70	74	65	64	58	63	

\* Peer Median represents the median loan-to-deposit ratio for the 26 West Region thrift institutions with total assets between \$100 million and \$300 million.

**Lending Activity (1)**

- Between January 1, 2001 and December 31, 2003, AccessBank originated 819 residential mortgage loans for \$100.9 million and 512 consumer loans totaling \$8.1 million in the Albuquerque Assessment Area. This lending activity represented 66.3 percent of total deposits held by the institution as of June 30, 2003, and 233.3 percent of deposits held by branches in the Albuquerque Assessment Area.
- In 2002, the institution ranked 26<sup>th</sup> out of 318 HMDA lenders in the Albuquerque Assessment Area with a 0.9 percent market share of residential mortgage loans originated during that year.

The following table details AccessBank's lending activity, within the Albuquerque Assessment Area, during 2001, 2002 and 2003.

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(for assessment area or area reviewed using examination procedures)

Lending by Loan Type				
Loan Type	Number of Loans	% of Number	Dollar Amount (000s)	% of Dollars
1-4 Family Conv. Purchase	154	11.6	18,187	16.7
1-4 Family Govt. Purchase	30	2.2	3,777	3.4
1-4 Family Refinance	635	47.7	78,959	72.4
Home Improvement	0	0.0	0	0.0
Consumer	512	38.5	8,160	7.5
<b>Total</b>	<b>1,331</b>	<b>100.0</b>	<b>109,083</b>	<b>100.0</b>

ASSESSMENT AREA CONCENTRATION (1)

- A high percentage of loans originated by AccessBank from 2001 through 2003 was to borrowers located within the institution's Combined Assessment Areas, demonstrating excellent efforts to meet community credit needs.

The following table presents the ratio of the institution's residential mortgage loan and consumer loan originations within its Combined Assessment Areas to total such lending.

Assessment Area Concentration						
Review Period	Number of Loans			Dollar Amount (\$000)		
	Assessment Area Lending	Total Lending	Ratio of AA to Total (%)	Assessment Area Lending	Total Lending	Ratio of AA to Total (%)
1/1/01-12/31/03						
<b>Mortgage Loans</b>	1,897	2,248	84.4	184,524	225,418	81.9
<b>Consumer</b>	1,615	4,397	36.7	17,867	54,953	32.5

LENDING TO BORROWERS OF DIFFERENT INCOME (1)

- AccessBank granted 198 residential mortgage loans totaling \$17.2 million, or 24.9 percent of total originations (*with income data collected*), to low- and moderate-income borrowers in the assessment area between January 1, 2001 and December 31, 2003. The distribution of the 2002 HMDA aggregate's loans to low- and moderate-income borrowers represented 27.7 percent of total originations (*with income data collected*).
- In 2002, the institution ranked 28<sup>th</sup> out of 213 HMDA lenders originating loans to low- and moderate-income borrowers with a market share of 0.9 percent. This ranking is a bit lower than for overall lending, but the market share is the same.
- AccessBank granted 55 residential mortgage loans totaling \$4.5 million, or 6.9 percent of total originations (*with income data collected*), to low-income borrowers in the assessment area. The distribution of the 2002 HMDA aggregate's loans to low-income borrowers was 7.9 percent of total originations (*with income data collected*).

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- In 2002, the institution ranked 25<sup>th</sup> out of 145 HMDA lenders originating loans to low-income borrowers with a market share of 1.0 percent. This market share and ranking are both greater than for overall lending.
- Available data does not enable us to analyze consumer loans by borrower income levels.

GEOGRAPHIC DISTRIBUTION OF LOANS (1)

- Between January 1, 2001 and December 31, 2003, AccessBank granted 90 residential mortgage loans totaling \$8.6 million, or 11.0 percent of total originations, within low- and moderate- income tracts. The distribution of the 2002 HMDA aggregate's loans within low- and moderate-income tracts represented 11.3 percent of total assessment area lending.
- In 2002, the institution ranked 39<sup>th</sup> out of 189 HMDA lenders originating loans in low- and moderate-income areas with a market share of 0.5 percent. This ranking and market share are lower than for overall lending.
- AccessBank granted five residential mortgage loans totaling \$270,000, or 0.6 percent of total originations, within low-income tracts. The distribution of the 2002 HMDA aggregate's loans within low-income tracts was 0.9 percent of total assessment area lending.
- In 2002, the institution ranked 40<sup>th</sup> out of 76 HMDA lenders originating loans in low-income tracts of the assessment area during 2002, with a market share of 0.7 percent. This market share and ranking are both lower than for overall lending.
- AccessBank granted mortgage loans in 64.9 percent of its low- and moderate-income tracts in 2003 and in 46.4 percent of such tracts during 2001 and 2002. This dispersion is good.
- AccessBank originated 106 consumer loans totaling \$1.5 million, or 20.7 percent of its total consumer loans within low- and moderate-income tracts. This level of lending compares reasonably against the demographic profile for low- and moderate-income tracts (27.6 percent) in the Albuquerque Assessment Area.

The following table presents the distribution of AccessBank's mortgage and consumer lending within geographies of differing income levels and compares the institution's lending results with the demographic profile information for the assessment area.

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Geographic Distribution of Consumer Loans						
Albuquerque Assessment Area						
Review Period	Demographics*		Institution			
	Tract Income Level	Percent/ Tracts	Number/ Loans	Number/ Percent	Amount (\$000s)	Amount/ Percent
1/1/01	Low	3.0	5	1.0	63	0.8
Thru	Moderate	24.6	101	19.7	1,445	17.7
12/31/03	Middle	41.8	227	44.3	3,134	38.4
	Upper	30.6	179	35.0	3,518	43.1
	Total	100.0	512	100.0	8,160	100.0

\*Based on 2000 Census designations.

**OTHER LENDING PRACTICES**

**Innovative or Flexible Lending Practices**

Available data was not conducive to breaking this additional information out by assessment area. Accordingly, please refer to the Institution discussion of Innovative or Flexible Lending Practices for detailed information.

**Community Development Lending**

- In 2001, the institution made a \$950,000 loan to the Lovelace Respiratory Research Institute in Albuquerque. This not-for-profit research institute is the lead sponsor of the Minority Respiratory Health Center, which is dedicated to the prevention and treatment of respiratory illnesses that disproportionately impact minority populations. Many of those most at risk for such diseases are low- and moderate-income individuals.
- In 2002, the institution renewed a \$175,000 operating line of credit for New Mexico AIDS Services, Inc. in Albuquerque. This organization provides basic services to individuals with AIDS, including a food bank, rental assistance, and temporary housing.

The institution also regularly makes loans to local churches in its assessment areas. The following church loan is eligible for CRA credit.

- In 2000, the institution made a \$1.1 million loan to the First Baptist Church of Rio Rancho (in the Albuquerque area) to expand and remodel the church facility. The church runs a no-cost clothing exchange program that assists low- and moderate-income residents.

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**State Metropolitan Assessment Area (or Area Reviewed)**

*(for assessment area or area reviewed using examination procedures)*

*Please refer to the FFIEC Aggregate Core Tables presented in Appendix C for additional lending data regarding the evaluation of this assessment area.*

RESPONSE TO COMPLAINTS

AccessBank did not receive any CRA-related complaints during the review period.

INVESTMENTS

Please refer to the Institution discussion of Investments for detailed information.

SERVICES

- AccessBank maintains three branch offices in this assessment area—all three are located in middle-income areas. One branch was opened in 2000 and the other two were opened in 2002. There is also a loan production office, opened in 2002, that is located in a moderate-income area.
- There are ATMs at each branch office. One office offers drive-up service.
- Customers can also obtain account information and perform limited transactions by telephone or via the institution's web site.
- The institution offers a free checking account with a \$100 minimum opening deposit amount. The account provides Visa debit card access, and pays interest on deposits over \$1,000.
- The institution waives monthly service charges for checking accounts with direct deposit (including payroll, social security and federal or state assistance checks). The service charges are also waived for students and seniors.

Please refer to the Institution discussion of Services for information about service hours donated to qualifying organizations.



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*(for assessment area reviewed using examination procedures)*

**Summary of Institution's Operations in New Mexico Non-MSA Counties**

As of year-end 2003, AccessBank operated four retail offices in the New Mexico Non-MSA Counties (Non-MSA Assessment Area), with approximately \$117.8 million in deposits (at June 30, 2003). The offices represented 57.1 percent of total offices. The deposits represented 71.6 percent of total deposits.

**Description of New Mexico Non-MSA Counties**

AccessBank's Non-MSA Assessment Area is comprised of the Counties of Curry and Roosevelt on the Eastern border of the state, and McKinley County on the Western border.

**Curry County**

Curry County is in the mid-Eastern portion of the state on the Texas border. It is largely rural, with Canon Air Force Base located in the Southern portion of the county. More than 947,000 acres of land are used for agriculture, and the value of agricultural products sold exceeds \$195.0 million annually (cattle and calves account for about one third of that amount). The City of Clovis is the primary population center of the county and surrounding areas.

The US Census Bureau estimates the 2003 population of this county to be 45,440, an increase of 0.9 percent since the 2000 Census. The 2000 Census indicated that minorities comprised 41.3 percent of the population.

The local economy has done better than the state as a whole. According to the New Mexico Department of Labor, the average unemployment rate was 3.3 percent in 2001, and grew to 4.1 percent in 2002, and dropped back to 3.9 percent in 2003. The rate has consistently been lower than the average annual unemployment rate for the state as a whole, which was 6.4 percent in 2003. The New Mexico Department of Labor reported the local primary employment sectors (based on annual averages for 2002) to be government, health care and social assistance, retail trade, accommodation and food services, and agriculture.

The median family income for the county, as updated by HUD for 2003 is \$37,500, an increase of 9.3 percent over the 2000 median family income of \$34,300 [management advises that these income medians may be skewed on the high side because of a large number of family-owned ranch operations that generate very high annual incomes]. The 2000 Census also disclosed that 25.8 percent of households received some social security income, 15.2 percent of households were retired

**Comment [OTS8]:** For those assessment areas where an examination was not conducted using examination procedures. Multiple assessment areas within the same multi-state MSA, MSA, or non-metropolitan statewide area and not examined on-site, may be combined into one presentation. Charts or tables may be useful in depicting information throughout the presentation.

**Comment [OTS9]:** Summarize the institution's operation in the area reviewed (number of branches, number of branches in low-and moderate-income geographies, lending portfolio mix, etc

**Comment [OTS10]:** Describe the area reviewed (including population, income levels, type and condition of housing stock, employment information, and general business activity).

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**State Non-Metropolitan Assessment Area (or Area Reviewed)**

*(for assessment area reviewed using examination procedures)*

persons, 17.9 percent of households were below the poverty level, and 5.8 percent of households received some form of public assistance. Low- and moderate-income families represent 37.2 percent of all county families. The 2000 Census also disclosed that 40.4 percent of the available housing units were rentals, and 6.0 percent were multifamily units. Vacant units represented 12.7 percent of total available units.

The median home value, based on the 2000 Census median value of owner-occupied housing units, is \$61,800. The housing payment for a 30-year, 90 percent loan at 6.3 percent, including taxes, hazard insurance, and any private mortgage insurance, would represent 14.6 percent of area median income. Generally, total housing expenses that are less than 30.0 percent of family income are considered affordable. Thus, our analysis shows that housing is considered affordable to families earning the median income or more. Further, our analysis shows that the ratio is also below 30.0 percent for low- and moderate-income families. However, some low- and moderate-income families and first-time buyers may still be challenged in saving the necessary down payment to purchase a home.

**Roosevelt County**

Roosevelt County is in the mid-Eastern portion of the state on the Texas border, and is bounded by Curry County to the North. It is largely rural, with no significant geographic variants. More than 1.4 million acres of land are used for agriculture, and the market value of agricultural products sold exceeds \$128.0 million annually (dairy products account for about half of that amount). The largest population center in the county is the City of Portales, which is only about one third the size of Clovis. Portales is home to Eastern New Mexico University.

The US Census Bureau estimates the 2003 population of this county to be 18,107, an increase of 0.5 percent since the 2000 Census. The 2000 Census indicated that minorities comprised 37.3 percent of the population.

The local economy has done better than that of the state as a whole. According to the New Mexico Department of Labor, the average unemployment rate was 2.9 percent in 2001, and grew to 3.5 percent in 2002, and remained at 3.5 percent in 2003. The rate has consistently been lower than the average annual unemployment rate for the State as a whole, which was 6.4 percent in 2003. The New Mexico Department of Labor reported the local primary employment sectors (based on annual averages for 2002) to be government, agriculture, accommodation and food services, retail trade, and health care and social assistance.

Data from the New Mexico Economic Development Department indicates that the City of Portales is a Mainstreet Community and participates in the Certified Community Initiative program. These are state programs that encourage/facilitate economic development and revitalization.

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*(for assessment area reviewed using examination procedures)*

The median family income for the county, as updated by HUD for 2003 is \$34,400, an increase of 5.8 percent over the 2000 median family income of \$32,500 [management advises that these income medians may be skewed on the high side because of a large number of family-owned dairy operations that generate very high annual incomes]. The 2000 Census also disclosed that 27.5 percent of households received some social security income, 15.2 percent of households were retired persons, 23.8 percent of households were below the poverty level, and 4.2 percent of households received some form of public assistance. Low- and moderate-income families represent 40.0 percent of all county families. The 2000 Census also disclosed that 38.5 percent of the available housing units were rentals, and 3.1 percent were multifamily units. Vacant units represented 14.3 percent of total available units.

The median home value, based on the 2000 Census median value of owner-occupied housing units, is \$56,700. The housing payment for a 30-year, 90 percent loan at 6.3 percent, including taxes, hazard insurance, and any private mortgage insurance, would represent 14.6 percent of area median income. Generally, total housing expenses that are less than 30.0 percent of family income are considered affordable. Thus, our analysis shows that housing is considered affordable to families earning the median income or more. Further, our analysis shows that the ratio is also below 30.0 percent for low- and moderate-income families. However, some low- and moderate-income families and first-time buyers may still be challenged in saving the necessary down payment to purchase a home.

**McKinley County**

McKinley County is in the Northwestern portion of the state on the Arizona border. It is largely rural, and includes portions of the Cibola National Forest, along with the Fort Wingate Military Reservation. It also includes portions of the Navajo Indian Reservation and the Zuni Indian Reservation (which includes the Zuni Pueblo). The Continental Divide runs through the county, and a large portion of the county is mountainous. More than 3.1 million acres of land are used for agriculture, but the market value of agricultural products sold is less than \$10.0 million annually.

The City of Gallup is the primary population center of the county and surrounding areas, and serves as the main trading center for residents of the Navajo and Zuni Reservations. An estimated 75 percent of the world's Native American arts, crafts, and silver jewelry is traded in Gallup, which is also home to a branch campus of the University of New Mexico.

The US Census Bureau estimates the 2003 population of this county to be 72,555, a decline of 3.0 percent since the 2000 Census. The 2000 Census indicated that minorities comprised 88.1 percent of the population.

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*(for assessment area reviewed using examination procedures)*

The local economy has lagged behind that of the state as a whole. According to the New Mexico Department of Labor, the average unemployment rate was 6.2 percent in 2001, remained at 6.2 percent in 2002, and grew to 8.1 percent in 2003. The rate has consistently been higher than the average annual unemployment rate for the State as a whole, which was 6.4 percent in 2003. The New Mexico Department of Labor reported the local primary employment sectors (based on annual averages for 2002) to be government, retail trade, accommodation and food services, health care and social services, and wholesale trade.

Data from the New Mexico Economic Development Department indicates that the City of Gallup is a participant in the Certified Community Initiative program. This is a state program that encourages/facilitates economic development and job creation.

The median family income for the county, as updated by HUD for 2003 is \$30,100, an increase of 18.5 percent over the 2000 median family income of \$25,400. The 2000 Census also disclosed that 18.4 percent of households received some social security income, 10.1 percent of households were retired persons, 33.1 percent of households were below the poverty level, and 9.9 percent of households received some form of public assistance. Low- and moderate-income families represent 49.8 percent of all county families. The 2000 Census also disclosed that 24.2 percent of the available housing units were rentals, and 3.6 percent were multifamily units. Vacant units represented 19.6 percent of total available units.

The median home value, based on the 2000 Census median value of owner-occupied housing units, is \$44,300. The housing payment for a 30-year, 90 percent loan at 6.3 percent, including taxes, hazard insurance, and any private mortgage insurance, would represent 13.1 percent of area median income. Generally, total housing expenses that are less than 30.0 percent of family income are considered affordable. Thus, our analysis shows that housing is considered affordable to families earning the median income or more. Further, our analysis shows that the ratio is also below 30.0 percent for low- and moderate-income families. However, some low- and moderate-income families and first-time buyers may still be challenged in saving the necessary down payment to purchase a home.

### **Discussion of Performance in New Mexico Non-MSA Counties**

#### **CONCLUSIONS**

- A more than reasonable loan-to-deposit ratio.
- A substantial majority of residential mortgage loans and a significant number of consumer loans were made in the Combined Assessment Areas. (1)
- Excellent penetration among individuals of different income (including low- and moderate-income) levels. (1)

**Comment [OTS11]:** Summarize the facts and data that were reviewed and indicate whether the institution's performance in the area reviewed is consistent with institution's record in the multi-state MSA, MSA, or non-metropolitan statewide area

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*(for assessment area reviewed using examination procedures)*

- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area, including low- and moderate-income tracts. (1)
- There were no CRA-related complaints.
- Investments help to enhance community development and credit availability in the assessment area.
- Branches and other services enhance credit availability in the assessment area.

(1) Our analysis of lending activity, assessment area concentration, and the distribution of residential mortgage and consumer loans by geography and by borrower income characteristics covers loans originated between January 1, 2001 and December 31, 2003. AccessBank was an active lender throughout the June 1, 1999 through December 31, 2003 review period; however, for ease of analysis, this evaluation focused on lending during the most recent three years. Lending between June 1, 1999 and December 31, 2000, when presented, is presented for informational purposes only.

**LOAN-TO-DEPOSIT RATIO AND OTHER LENDING ACTIVITIES**

**Loan-to-Deposit Ratio**

- AccessBank maintained a relatively high loan-to-deposit ratio during the last two years.
- It has consistently been above the OTS West Region asset-size peer group median.

The following table summarizes AccessBank’s quarterly loan-to-deposit ratio between January 1, 2002 and December 31, 2003.

<b>Loan-To-Deposit Ratio</b>									
<b>At Recent Quarter Ends During Review Period</b>									
<b>Quarterly Period</b>	<b>12/03</b>	<b>9/03</b>	<b>6/03</b>	<b>3/03</b>	<b>12/02</b>	<b>9/02</b>	<b>6/02</b>	<b>3/02</b>	<b>Average</b>
Loans (\$000s)	158,768	157,358	165,115	162,769	157,145	156,733	152,880	147,591	157,295
Deposits (\$000s)	164,191	159,513	164,610	158,685	160,601	161,605	162,185	151,264	160,332
LTD Ratio	96.70	98.65	100.31	102.57	97.85	96.99	94.26	97.57	98.1
Peer Group *	85.18	85.65	85.60	83.67	86.86	88.69	88.95	89.30	
Percentile of Peer	63	68	70	74	65	64	58	63	

\* Peer Median represents the median loan-to-deposit ratio for the 26 West Region thrift institutions with total assets between \$100 million and \$300 million.

**Lending Activity (1)**

- Between January 1, 2001 and December 31, 2003, AccessBank originated 1,078 residential mortgage loans for \$83.6 million and 1,103 consumer loans totaling \$9.7 million in the assessment area. This lending activity represented 56.7 percent of total deposits held by the

**State Non-Metropolitan Assessment Area (or Area Reviewed)**

(for assessment area reviewed using examination procedures)

institution as of June 30, 2003, and 79.2 percent of deposits held by offices within the Non-MSA Assessment Area.

- In 2002, the institution ranked 1<sup>st</sup> out of 141 HMDA lenders in this assessment area, with a 19.6 percent market share.

The following table details AccessBank’s lending activity, within the Non-MSA Assessment Area, during 2001,2002 and 2003.

Lending by Loan Type				
Loan Type	Number of Loans	% of Number	Dollar Amount (000s)	% of Dollars
1-4 Family Conv. Purchase	338	15.5	27,146	29.1
1-4 Family Govt. Purchase	247	11.3	18,058	19.4
1-4 Family Refinance	490	22.5	38,268	41.0
Home Improvement	3	0.1	129	0.1
Consumer	1,103	50.6	9,707	10.4
<b>Total</b>	<b>2,181</b>	<b>100.0</b>	<b>93,308</b>	<b>100.0</b>

ASSESSMENT AREA CONCENTRATION (1)

- A high percentage of loans originated by AccessBank from 2001 through 2003 was to borrowers located within the institution’s Combined Assessment Areas, demonstrating excellent efforts to meet community credit needs.

The following table presents the ratio of the institution’s residential mortgage loan and consumer loan originations within its Combined Assessment Areas to total such lending.

Assessment Area Concentration						
Review Period	Number of Loans			Dollar Amount (\$000)		
	Assessment Area Lending	Total Lending	Ratio of AA to Total (%)	Assessment Area Lending	Total Lending	Ratio of AA to Total (%)
1/1/01-12/31/03						
<b>Mortgage Loans</b>	1,897	2,248	84.4	184,524	225,418	81.9
<b>Consumer</b>	1,615	4,397	36.7	17,867	54,953	32.5

LENDING TO BORROWERS OF DIFFERENT INCOME (1)

- AccessBank granted 172 residential mortgage loans totaling \$7.8 million, or 16.0 percent of total originations (with income data collected), to low- and moderate-income borrowers in the assessment area between January 1, 2001 and December 31, 2003. The distribution of the 2002 HMDA aggregate’s loans to low- and moderate-income borrowers represented 14.3 percent of total assessment area originations (with income data collected).

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**State Non-Metropolitan Assessment Area (or Area Reviewed)**

*(for assessment area reviewed using examination procedures)*

- In 2002, the institution ranked 1<sup>st</sup> out of 47 HMDA lenders originating loans to low- and moderate-income borrowers with a market share of 21.9 percent. This is a similar ranking, but a higher market share than for overall residential lending.
- AccessBank granted 52 residential mortgage loans totaling \$2.1 million, or 4.8 percent of total originations (*with income data collected*), to low-income borrowers in the assessment area. The distribution of the 2002 HMDA aggregate's loans to low-income borrowers was 3.7 percent of total originations (*with income data collected*).
- In 2002, the institution 1<sup>st</sup> ranked 23 out of HMDA lenders originating loans to low-income borrowers with a market share of 34.4 percent. This is a similar ranking, but a higher market share than for overall residential lending.
- Available data does not enable us to analyze consumer loans by borrower income levels.

GEOGRAPHIC DISTRIBUTION OF LOANS (1)

- Between January 1, 2001 and December 31, 2003, AccessBank granted 100 residential mortgage loans totaling \$4.7 million, or 9.3 percent of total originations, within low- and moderate- income tracts. The distribution of the 2002 HMDA aggregate's loans within low- and moderate-income tracts represented 15.9 percent of total assessment area lending.
- In 2002, the institution ranked 2<sup>nd</sup> out of 55 HMDA lenders in originating mortgage loans in low- and moderate-income areas with a market share of 9.6 percent. This is a significant market share even though the market share and ranking are less than the share and ranking for total mortgage lending.
- AccessBank granted no residential mortgage loans within low-income tracts. The distribution of the 2002 HMDA aggregate's loans within low-income tracts was 3.5 percent of total assessment area lending.
- AccessBank granted mortgage loans in 50.0 percent of its low- and moderate-income tracts in 2003 and in 30.8 percent of such tracts during 2001 and 2002. This dispersion is adequate.
- AccessBank originated 259 consumer loans totaling \$1.7 million, or 23.5 percent of its total consumer loans within low- and moderate-income tracts. This level of lending is low when compared against the demographic profile for low- and moderate-income tracts (43.7 percent) in the institution's assessment area.

The following table presents the distribution of AccessBank's consumer lending within geographies of differing income levels and compares the institution's lending results with the demographic profile information for the assessment area.

**State Non-Metropolitan Assessment Area (or Area Reviewed)**

*(for assessment area reviewed using examination procedures)*

Geographic Distribution of Consumer Loans						
Non-MSA Assessment Area						
Review Period	Demographics*		Institution			
	Tract Income Level	Percent/ Tracts	Number/ Loans	Number/ Percent	Amount (\$000s)	Amount/ Percent
1/1/01	Low	6.3	6	0.5	41	0.4
Thru	Moderate	37.5	253	22.9	1,687	17.4
12/31/03	Middle	37.5	456	41.4	4,222	43.5
	Upper	15.6	388	35.2	3,757	38.7
	N/A	3.1	0	0.0	0	0.0
	Total	100.0	1,103	100.0	9,707	100.0

\*Based on 2000 Census designations.

OTHER LENDING PRACTICES

**Innovative or Flexible Lending Practices**

Available data was not conducive to breaking this additional information out by assessment area. Accordingly, please refer to the Institution discussion of Innovative or Flexible Lending Practices for detailed information.

**Community Development Lending**

- In 1999, the institution provided a \$900,000 operating line of credit to Mental Health Resources, Inc. The organization provides a number of mental health services to clients throughout Eastern New Mexico, many of whom are low- or moderate-income.
- In 2002, the institution provided a \$50,000 operating line of credit to the St. Bonaventure Mission and School in Gallup. This Catholic Mission school serves the Navajo Reservation with the purpose of promoting self-sufficiency through education, employment, and outreach services that include providing food, water, and clothing.

The institution also regularly makes loans to local churches in its assessment areas. The following church loans are eligible for CRA credit.

- In 2002, the institution renewed a \$1.5 million loan to Faith Christian Family Church in Clovis. The original loan was used to construct a new facility. The church runs a food pantry that serves low- and moderate-income residents, and collects coats for children of needy families.



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**State Non-Metropolitan Assessment Area (or Area Reviewed)**

*(for assessment area reviewed using examination procedures)*

- In 2003, the institution refinanced a \$65,000 loan for St. James Parish, Inc. in Clovis. The loan was originally used to expand church facilities. One of the programs the church runs is a food pantry serving low- and moderate-income residents.

*Please refer to the FFIEC Aggregate Core Tables presented in Appendix C for additional lending data regarding the evaluation of this assessment area.*

**RESPONSE TO COMPLAINTS**

AccessBank did not receive any CRA-related complaints during the review period.

**INVESTMENTS**

Please refer to the Institution discussion of Investments for detailed information.

**SERVICES**

- AccessBank maintains four branch offices in this assessment area. The main office, in Clovis, is in a moderate-income area. The other office in Clovis is in an upper-income area. The offices in Portales and Gallup are in middle-income areas. The office in Gallup was opened in 1999 during the review period.
- There are ATMs at each office, and there is an additional stand-alone ATM in Portales and in Gallup. Three of the offices offer drive-up service. The drive-up service is open a half hour earlier and some of the windows stay open up to two hours later than the offices during the week. Two of the drive-up windows are also open half days on Saturdays, when the offices are closed.
- Customers can also obtain account information and perform limited transactions by telephone or via the institution's web site.
- The institution offers a free checking account with a \$100 minimum opening deposit amount. The account provides Visa debit card access, and pays interest on deposits over \$1,000.
- The institution waives monthly service charges for checking accounts with direct deposit (including payroll, social security and federal or state assistance checks). The service charges are also waived for students and seniors.

Please refer to the Institution discussion of Services for information about service hours donated to qualifying organizations.

## Appendix A

### Scope of Examination

This evaluation of AccessBank's Community Reinvestment Act (CRA) performance, using the Small Institution Test, covered a review period of June 1, 1999, through December 31, 2003. The examination was conducted primarily off-site. While there was telephone and electronic mail correspondence with institution personnel responsible for the administration and monitoring of AccessBank's CRA program, no offices were visited.

Our evaluation of the institution's lending performance included a review of loans originated by the institution to purchase, refinance, or construct one-to-four unit residences residential properties. We also reviewed the institution's consumer lending. As a matter of expediency, we limited our detailed review to activity for the years of 2001, 2002, and 2003. Our analysis of 2001 and 2002 lending was based on 1990 Census designations and data, while the analysis of 2003 lending was based on 2000 Census designations and data.

The evaluation also included a review of publicly reported residential lending for the institution and other lenders in its assessment areas. Results were compared with Home Mortgage Disclosure Act (HMDA) Peer aggregate lending results for 2002, including market share information and distributions of credit activity, and with 2000 U.S. Census demographic information. We also reviewed lending and financial information from the Thrift Financial Reports (TFRs) and Uniform Thrift Performance Reports (UTPRs) regarding the institution's performance and that of its asset-size peer group (total assets between \$100 million and \$300 million) of OTS regulated institutions in the West Region. Economic and other information was obtained from the U.S. Census Bureau, HUD, and from various New Mexico State Agencies.

At the request of management, consideration of CRA-qualified investments and services, along with other lending activities, were also included in this evaluation.

**Comment [OTS12]:** Page: 13

Write a short description of the scope of the examination. At a minimum, discuss the specific lending products reviewed, the names of (any) affiliates reviewed and their corresponding lending products, the institution's assessment area and whether its activities in the assessment areas were reviewed using the examination procedures, and the time period covered in the review.

Large institutions with multiple assessment areas or affiliates subject to examination may warrant the use of charts that convey information regarding the scope of the examination. The chart included in the body of the evaluation may be used as supplement to the discussion of the scope or in lieu thereof. The examiner should modify or delete the chart as appropriate in the circumstances.

**Appendix A (continued)**

SCOPE OF EXAMINATION		
<b>TIME PERIOD REVIEWED:</b>	June 1, 1999 through December 31, 2003	
<b>FINANCIAL INSTITUTION</b>		<b>PRODUCTS REVIEWED</b>
AccessBank		Mortgage and Consumer loans
<b>AFFILIATE(S)</b>	<b>AFFILIATE RELATIONSHIP</b>	<b>PRODUCTS REVIEWED</b>
NA		

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED <sup>1</sup>	OTHER INFORMATION
Albuquerque MSA	Full scope using exam procedures	0	City of Albuquerque, which is located in Bernalillo County
NM Non-MSA Counties	Full scope using exam procedures	0	Non-MSA Counties include Curry, McKinley, and Roosevelt

- Comment [OTS13]:** Page: 1  
Enter time period reviewed. For example: 01/01/2003 to 06/30/2004
- Comment [OTS14]:** Page: 1  
Enter: Institution Name, City, State
- Comment [OTS15]:** Page: 1  
For example: Small Business; Small Farm; Consumer; Unsecured
- Comment [OTS16]:** Page: 1  
For example: XYZ Mortgage Company
- Comment [OTS18]:** Page: 1  
For example: Mortgage loans; Investments; Credit cards
- Comment [OTS17]:** Page: 1  
For example: Bank subsidiary; Holding company subsidiary
- Comment [OTS19]:** Page: 1  
For example: ILLINOIS:  
MSA 0008 Decatur  
Adams County  
Non-MSA rural Illinois
- Comment [OTS21]:** Page: 1  
For example: Mortgage loans not offered in non-MSA rural areas.  
The scope of examination for non-MSA rural Michigan branches, encompasses activities for the past six months, coinciding with their acquisition date.
- Comment [OTS20]:** Page: 1  
For example: On-site; Off-site

<sup>1</sup> There is a statutory requirement that the written evaluation of a multi-state institution's performance must list the individual branches examined in each state.

**Appendix B**

No data.

**Appendix C**

**FFIEC Aggregate Core Tables**

Institution ID: 4000002891 ACCESSBANK

Table 1. Lending Volume

LENDING VOLUME		Geography: ACCESSBANK AAS						Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002				
MA/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>Full Review:</b>												
Access Non-MSA 1990	61.25	615	45,592	0	0	0	0	0	0	615	45,592	0.00
Albuquerque City 1990	38.75	389	48,622	0	0	0	0	0	0	389	48,622	0.00

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

\*\* The evaluation period for Community Development Loans is From January 01, 2001 to December 31, 2002.

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

**Appendix C (continued)**

Institution ID: 40000002891 ACCESSBANK

Table 1. Other Products

LENDING VOLUME 2002		Geography: ACCESSBANK AAS						Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002						
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>														
Access Non-MSA 1990	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Albuquerque City 1990	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00

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

\*\* The evaluation period for Optional Product Line(s) is From January 01, 2001 to December 31, 2002.

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

**Appendix C (continued)**

Institution ID: 40000002891 ACCESSBANK

Table 1. Other Products

LENDING VOLUME 2002		Geography: ACCESSBANK AAS		Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002	
MA/Assessment Area (2002):	Other Unsecured Consumer Loans		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>					
Access Non-MSA 1990	0	0	0		0
Albuquerque City 1990	0	0	0		0

\* The evaluation period for Optional Product Line(s) is From January 01, 2001 to December 31, 2002.

**Appendix C (continued)**

**Institution ID: 4000002891 ACCESSBANK**

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE DECEMBER 31, 2002		Geography: ACCESSBANK AAS								Evaluation Period: JANUARY 1, 2001 TO					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 1990	385	75.94	15.53	0.00	27.51	7.53	31.51	37.66	25.46	54.81	28.05	0.00	21.95	29.79	30.71
Albuquerque City 1990	122	24.06	1.59	0.82	17.46	10.66	41.53	32.79	39.42	55.74	0.70	0.76	0.83	0.54	0.80

\* Based on 2002 Peer Mortgage Data: US & PR.

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

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



**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

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

Geographic Distribution: HOME IMPROVEMENT DECEMBER 31, 2002			Geography: ACCESSBANK AAS								Evaluation Period: JANUARY 1, 2001 TO				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total	% Owner Occ Units	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 1990	3	100.00	15.53	0.00	27.51	0.00	31.51	66.67	25.46	33.33	2.53	0.00	0.00	3.70	4.00
Albuquerque City 1990	0	0.00	1.59	0.00	17.46	0.00	41.53	0.00	39.42	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2002 Peer Mortgage Data: US & PR.

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2002		Geography: ACCESSBANK AAS								Evaluation Period: JANUARY 1, 2001 TO					
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total	% Owner Occ Units	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 1990	227	45.95	15.53	0.00	27.51	10.13	31.51	36.12	25.46	53.74	13.61	0.00	7.63	12.62	16.55
Albuquerque City 1990	267	54.05	1.59	0.37	17.46	4.87	41.53	30.71	39.42	64.04	1.07	0.66	0.36	1.00	1.27

\* Based on 2002 Peer Mortgage Data: US & PR.

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY 31, 2002		Geography: ACCESSBANK AAS						Evaluation Period: JANUARY 1, 2001 TO DECEMBER							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Albuquerque City 1990	0	0.00	5.00	0.00	26.81	0.00	40.32	0.00	27.87	0.00	0.00	0.00	0.00	0.00	0.00
Access Non-MSA 1990	0	0.00	0.83	0.00	24.74	0.00	48.95	0.00	25.48	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2002 Peer Mortgage Data: US & PR.

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 31, 2002		Geography: ACCESSBANK AAS								Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 1990	385	75.94	26.51	5.19	16.96	10.65	18.28	20.78	38.25	63.38	28.52	53.57	24.74	24.46	29.39
Albuquerque City 1990	122	24.06	19.98	6.56	16.81	20.49	21.58	33.61	41.63	39.34	0.72	0.66	0.59	0.83	0.74

\* Based on 2002 Peer Mortgage Data: US & PR.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by BANK.

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT DECEMBER 31, 2002		Geography: ACCESSBANK AAS								Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 1990	3	100.00	26.51	33.33	16.96	0.00	18.28	33.33	38.25	33.33	2.53	25.00	0.00	0.00	2.38
Albuquerque City 1990	0	0.00	19.98	0.00	16.81	0.00	21.58	0.00	41.63	0.00	0.00	0.00	0.00	0.00	

\* Based on 2002 Peer Mortgage Data: US & PR.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by BANK.

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

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

**Appendix C (continued)**

**Institution ID: 4000002891 ACCESSBANK**

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2002		Geography: ACCESSBANK AAS								Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002					
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total	% Families **	% BANK Loans ****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 1990	227	45.95	26.51	4.02	16.96	6.25	18.28	21.43	38.25	68.30	15.7 1	17.2 4	10.1 7	18.0 1	15.5 3
Albuquerque City 1990	267	54.05	19.98	8.87	16.81	14.92	21.58	25.00	41.63	51.21	1.20	1.63	1.16	1.04	1.23

\* Based on 2002 Peer Mortgage Data: US & PR.

\*\* As a percentage of loans with borrower income information available. No information was available for 4.45% of loans originated and purchased by BANK.

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 1. Lending Volume

LENDING VOLUME		Geography: ACCESSBANK AA 2003						Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/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>												
Access Non-MSA 2000	51.85	463	38,009	0	0	0	0	0	0	463	38,009	71.59
Albuquerque City 2000	48.15	430	52,301	0	0	0	0	0	0	430	52,301	28.41

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

\*\* The evaluation period for Community Development Loans is From January 01, 2003 to December 31, 2003.

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 1. Other Products

LENDING VOLUME 2003		Geography: ACCESSBANK AA 2003								Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area (2003):	% of Rated Area Loans (#) in MA/AA	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>														
Access Non-MSA 2000	0.00	0	0	0	0	0	0	0	0	0	0	0	0	71.59
Albuquerque City 2000	0.00	0	0	0	0	0	0	0	0	0	0	0	0	28.41

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

\*\* The evaluation period for Optional Product Line(s) is From January 01, 2003 to December 31, 2003.

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



**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 1. Other Products

LENDING VOLUME 2003		Geography: ACCESSBANK AA 2003		Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003	
MA/Assessment Area (2003):	Other Unsecured Consumer Loans		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>					
Access Non-MSA 2000	0	0	0	0	0
Albuquerque City 2000	0	0	0	0	0

\* The evaluation period for Optional Product Line(s) is From January 01, 2003 to December 31, 2003.

**Appendix C (continued)**

Institution ID: 40000002891 ACCESSBANK

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE DECEMBER 31, 2003		Geography: ACCESSBANK AA 2003								Evaluation Period: JANUARY 1, 2003 TO					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ... Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 2000	200	76.34	2.16	0.00	42.45	9.50	37.89	28.00	17.51	62.50	0.00	0.00	0.00	0.00	0.00
Albuquerque City 2000	62	23.66	1.00	0.00	22.07	12.90	42.98	41.94	33.95	45.16	0.00	0.00	0.00	0.00	0.00

\* Based on Peer Data is not available.

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

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

Geographic Distribution: HOME IMPROVEMENT DECEMBER 31, 2003		Geography: ACCESSBANK AA 2003								Evaluation Period: JANUARY 1, 2003 TO					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total	% Owner Occ Units	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 2000	0	0.00	2.16	0.00	42.45	0.00	37.89	0.00	17.51	0.00	0.00	0.00	0.00	0.00	0.00
Albuquerque City 2000	0	0.00	1.00	0.00	22.07	0.00	42.98	0.00	33.95	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on Peer Data is not available.

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2003		Geography: ACCESSBANK AA 2003								Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total	% Owner Occ Units	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 2000	263	41.68	2.16	0.00	42.45	11.03	37.89	36.12	17.51	52.85	0.00	0.00	0.00	0.00	0.00
Albuquerque City 2000	368	58.32	1.00	0.82	22.07	13.86	42.98	38.32	33.95	47.01	0.00	0.00	0.00	0.00	0.00

\* Based on Peer Data is not available.

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY DECEMBER 31, 2003		Geography: ACCESSBANK AA 2003						Evaluation Period: JANUARY 1, 2003 TO							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Albuquerque City 2000	0	0.00	3.92	0.00	28.79	0.00	46.02	0.00	21.27	0.00	0.00	0.00	0.00	0.00	0.00
Access Non-MSA 2000	0	0.00	0.89	0.00	28.26	0.00	48.12	0.00	22.73	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on Peer Data is not available.

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE DECEMBER 31, 2003		Geography: ACCESSBANK AA 2003								Evaluation Period: JANUARY 1, 2003 TO					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 2000	200	76.34	26.90	5.00	17.00	16.00	19.82	27.00	36.29	52.00	0.00	0.00	0.00	0.00	0.00
Albuquerque City 2000	62	23.66	21.05	4.84	17.50	25.81	20.36	30.65	41.09	38.71	0.00	0.00	0.00	0.00	0.00

\* Based on Peer Data is not available.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by BANK.

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT DECEMBER 31, 2003		Geography: ACCESSBANK AA 2003						Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003							
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 2000	0	0.00	26.90	0.00	17.00	0.00	19.82	0.00	36.29	0.00	0.00	0.00	0.00	0.00	0.00
Albuquerque City 2000	0	0.00	21.05	0.00	17.50	0.00	20.36	0.00	41.09	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on Peer Data is not available.

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

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

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

**Appendix C (continued)**

**Institution ID: 40000002891 ACCESSBANK**

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2003		Geography: ACCESSBANK AA 2003								Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total	% Families **	% BANK Loans ****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Access Non-MSA 2000	263	41.68	26.90	4.58	17.00	12.60	19.82	16.79	36.29	66.03	0.00	0.00	0.00	0.00	0.00
Albuquerque City 2000	368	58.32	21.05	6.06	17.50	17.91	20.36	17.08	41.09	58.95	0.00	0.00	0.00	0.00	0.00

\* Based on Peer Data is not available.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.95% of loans originated and purchased by BANK.

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

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



**Appendix C (continued)**

**Institution ID: 4000002891 ACCESSBANK**

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: ACCESSBANK AA 2003				Evaluation Period:					
JANUARY 1, 2003 TO DECEMBER 31, 2003																	
MA/Assessment Area:	Deposits % of Rated Area Deposits in AA	Branches						Branch Openings/Closings				Population					
		# 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>																	
Access Non-MSA 2000	71.59	4	57	0.00	25.00	50.00	25.00	0	0	0	0	0	0	2.76	43.96	39.69	13.59
Albuquerque City 2000	28.41	3	43	0.00	0.00	100.00	0.00	0	0	0	0	0	0	2.78	27.80	41.37	28.05

**Appendix C (continued)**

**Institution ID: 4000002891 ACCESSBANK**

Distribution of Branch and ATM Delivery System

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM 2003 TO DECEMBER 31, 2003				Geography: ACCESSBANK AA 2003				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003									
MA/Assessment Area:	Deposits	Branches				ATMs				Population							
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Access Non-MSA 2000	71.59	4	57	0.00	25.00	50.00	25.00	0	0.00	0	0	0	0	0.00	0.00	0.00	0.00
Albuquerque City 2000	28.41	3	43	0.00	0.00	100.00	0.00	0	0.00	0	0	0	0	0.00	0.00	0.00	0.00

**Appendix C (continued)**

Institution ID: 4000002891 ACCESSBANK

Albuquerque City 2000

Demographic Information for Full Scope Area: Albuquerque City 2000						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	134	2.99	24.63	41.79	30.60	0.00
Population by Geography	537,882	2.78	27.80	41.37	28.05	0.00
Owner-Occupied Housing by Geography	134,372	1.00	22.07	42.98	33.95	0.00
Business by Geography	36,891	1.90	30.52	44.44	23.14	0.00
Farms by Geography	564	1.95	23.58	49.47	25.00	0.00
Family Distribution by Income Level	136,772	21.05	17.50	20.36	41.09	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	52,727	4.40	40.30	40.66	14.63	0.00
Median Family Income		46,037	Median Housing Value		125,389	
HUD Adjusted Median Family Income for 2003		51,400	Unemployment Rate (1990 US Census)		2.93%	
Households Below Poverty Level		12.81%				

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 US Census and 2003 HUD updated MFI

**Appendix C (continued)**

Institution ID: 40000002891 ACCESSBANK

Access Non-MSA 2000

Demographic Information for Full Scope Area: Access Non-MSA 2000						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	32	6.25	37.50	37.50	15.63	3.13
Population by Geography	137,860	2.76	43.96	39.69	13.59	0.01
Owner-Occupied Housing by Geography	29,672	2.16	42.45	37.89	17.51	0.00
Business by Geography	5,467	0.18	26.18	54.36	19.26	0.02
Farms by Geography	377	0.00	10.61	75.07	14.06	0.27
Family Distribution by Income Level	33,135	26.90	17.00	19.82	36.29	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	14,545	4.30	53.48	35.10	7.12	0.00
Median Family Income HUD Adjusted Median Family Income for 2003 Households Below Poverty Level		33,429 36,900 26.04%	Median Housing Value Unemployment Rate (1990 US Census)	52,113 4.68%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 1990 US Census and 2003 HUD updated MFI

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### **CRA Rating Definitions**

There are four separate and distinct CRA assessment methods set forth in the CRA: the lending, investment and service tests for large, retail institutions; the streamlined examination method for small institutions; the community development test for wholesale and limited purpose institutions; and the strategic plan option for all institutions. An institution will be assigned one of the four assigned ratings required by Section 807 of the CRA:

1. "Outstanding record of meeting community credit needs."
2. "Satisfactory record of meeting community credit needs."
3. "Needs to improve record of meeting community credit needs."
4. "Substantial noncompliance in meeting community credit needs."

An institution's performance under the test and standards in the rule is judged in the context of information about the institution, its community, its competitors, and its peers. Among the factors to be evaluated in an examination are the economic and demographic characteristics of the assessment area(s), the lending, investment, and service opportunities in the assessment area(s), the institution's product offerings and business strategy, the institution's capacity and constraints, the prior performance of the institution and, in appropriate circumstances, the performance of similarly situated institution, and other relevant information. An institution's performance need not fit each aspect of a particular rating profile in order to receive that rating, and exceptionally strong performance with respect to some aspects may compensate for weak performance in others. The institution's overall performance, however, must be consistent with safe and sound banking practices and generally with the appropriate rating profile. In addition, the OTS adjusts the evaluation of an institution's performance under the applicable assessment method in accordance with §563e.21, and §563e.28, which provide for adjustments on the basis of evidence of discriminatory or other illegal credit practices.