



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

**Public Disclosure**

**April 06, 2006**

Community Reinvestment Act  
**Performance Evaluation**

**City National Bank of Florida  
Charter Number: 15977**

**25 West Flagler Street  
Miami, FL 33130**

**Office of the Comptroller of the Currency**

**South Florida (Miami)  
9800 Northwest 41st Street Suite 120  
Miami, FL 33178**

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

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## Overall CRA Rating

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

The following table indicates the performance level of **City National Bank of Florida** with respect to the lending, investment, and service tests:

<b>Performance Levels</b>	City National Bank of Florida Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	<b>X</b>	<b>X</b>	<b>X</b>
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- Overall, lending activity reflects good responsiveness to credit needs in the bank’s assessment areas, taking into account the bank’s business strategy and performance context.
- The geographic distribution of loans is excellent.
- The distribution of loans to borrowers of different income levels is excellent, given performance context.
- Community development lending and flexible lending products had a positive impact on Lending Test performance.
- The level of community development investments is excellent.
- Retail service delivery systems are readily accessible to geographies, businesses and individuals of different income levels throughout the bank’s assessment area.
- The bank provides a high level of community development services.

## Definitions and Common Abbreviations

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

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

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

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

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

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

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

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

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

**Metropolitan Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an

employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

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

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

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

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

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

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

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

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

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

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

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

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

## Description of Institution

City National Bank of Florida (CNB), chartered in 1970, is the result of a consolidation of affiliated banks having a history of operations in Miami-Dade County dating back to 1946. An intrastate commercial bank headquartered in Miami, CNB is wholly owned by City National Bancshares, Inc., a bank holding company also headquartered in Miami. In turn, the holding company is owned by the Abess family. Neither the bank nor the holding company has any operating subsidiaries.

As of December 31, 2005, CNB had total assets of \$2.9 billion. Deposits totaled \$2.4 billion and the total loan portfolio, which represents 59% of total assets, was \$1.7 billion. The loan to deposit ratio was 71%. Components of the bank's loan portfolio include construction loans (35%), commercial real estate loans (22%), residential real estate loans (22%), commercial and industrial loans (16%), and other loans, including consumer loans, (5%). Tier 1 capital totaled \$248.5 million as of December 31, 2005.

The bank's strategic focus is commercial real estate lending, corporate cash management, and private banking. In order to meet its CRA obligations, CNB originates small loans to businesses and uses its real estate lending expertise to originate community development loans. In addition, the bank established a residential mortgage loan department that specializes in loans to low- and moderate-income borrowers. CNB originates and purchases its residential mortgage loans. On average, for the three segments of the evaluation period, 47% of home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA) were purchased loans. Of HMDA loans reported, approximately 51% are to low- and moderate-income borrowers.

CNB offers a full range of financial products and services through a 19- branch network in Miami-Dade (13), Broward (3), and Palm Beach (3) Counties. During the evaluation period, the bank opened two new branches, one located in Miami, the other in Delray Beach (Palm Beach County). A Drive-Thru facility was also opened in Fort Lauderdale. Miami-Dade County represents the core of the bank's business, with 88% of total deposits as of June 30, 2005 and 62% of all HMDA and small loans to businesses analyzed as part of this examination.

There are no legal, financial or other factors impeding the bank's ability to help meet the credit needs of its assessment area. The bank's rating at the last CRA examination, dated January 6, 2003, was "Outstanding".

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# Scope of the Evaluation

## Evaluation Period/Products Evaluated

This Performance Evaluation assesses the bank's performance under the Lending, Investment and Service Tests. In evaluating the bank's lending performance, we reviewed residential mortgage loans subject to filing under the HMDA, small loans to businesses subject to filing under the CRA, and community development loans. We also evaluated community development investments and community development services.

Multi-family residential mortgage loans reported under the HMDA and small loans to farms were not evaluated because the bank did not report any such loans during the evaluation period. Therefore, tables for these products are not included in the Core Tables of this report (Appendix C). In addition, the bank did not originate any home improvement loans reported under the HMDA in the 2002 and 2003 segments of the evaluation period, therefore these tables have also been eliminated. A small number (six) of home improvement loans were originated during the 2004-2005 segment of the evaluation period and a table is included in the Core Tables for that period. However, the volume of those loans was so small that an analysis was not conducted.

With the exception of community development loans, the evaluation period for the Lending Test is January 1, 2002 through December 31, 2005. For community development loans, the Investment Test, and the Service Test, the evaluation period is January 6, 2003, the date of the last CRA evaluation, through April 6, 2006. Our conclusions related to community development loans and qualified investments were based on the number and dollar amounts made during the evaluation period. In addition, we considered the level of innovation, complexity, responsiveness to community credit needs and the degree to which these instruments are not routinely provided by private investors.

Several factors impact the Lending Test evaluation period including the applicability of Census 2000 data, which became effective for CRA examination purposes in 2003 and the implementation of changes made by the Office of Management and Budget (OMB) to Metropolitan Statistical Area (MSA) designations, which became effective in 2004. Because of these factors, the Lending Test evaluation period has been divided into three segments, as follows:

January 1, 2002-December 31, 2002: Census 1990 data is used in the analysis for this time period.

January 1, 2003-December 31, 2003: Census 2000 data is used in the analysis for this time period.

January 1, 2004-December 31, 2005: Census 2000 data is used in the analysis for this time period. Also, new OMB MSA designations are used in this analysis therefore assessment area names and some demographics are different than those used in 2003. (See "Selection of Areas for Full-Scope Review" discussion below for additional details.)

Core tables (see Appendix C) have been produced for each segment of the evaluation period. Table 14 - Qualified Investments and Table 15 – Distribution of Branch Delivery System &

Branch Openings/Closings – were produced once for the overall evaluation period and are included with the tables for the 2004-2005 segment of the evaluation period.

### **Data Integrity**

This evaluation is based on accurate data. With the exception of HMDA loans, we tested the accuracy of the bank's data prior to the start of this CRA examination. The bank's internal testing of HMDA data was considered sufficient to verify that accurate data was being used at this examination.

A sample was drawn to determine the accuracy of data related to small loans to businesses. Errors were noted in the data for small loans to businesses. However, the data was corrected. Community development loans, investments and services submitted by management were verified to ensure that they met the regulatory definition for community development. Some items submitted for consideration were excluded from this evaluation because they did not meet the definition or purpose of community development.

### **Selection of Areas for Full-Scope Review**

As previously discussed, changes in MSA designations require multiple analysis. For the 2002 and 2003 analysis, the bank had two assessment areas including CMSA 56 (Miami-Ft. Lauderdale, FL) and MSA 8960 (Palm Beach, FL). For purposes of analysis, the CMSA assessment area was divided into its two component MSAs--MSA 5000 (Miami-Dade, FL) and MSA 2860 (Ft. Lauderdale, FL). The Miami-Dade MSA was chosen for a full-scope review. This assessment area represented 86% of the bank's deposits as of June 30, 2002 and 87% as of June 30, 2003. In 2002, the Miami-Dade MSA represented 57% of HMDA and small business lending activity analyzed for that year. In the 2003 analysis, Miami-Dade lending activity represented 63% of all HMDA and small business lending activity analyzed. A limited-scope review was conducted on MSA 2860 (Ft. Lauderdale, FL) and MSA 8960 (Palm Beach, FL).

For the 2004-2005 analysis, the bank had one assessment area that included all of MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL). For analytical purposes, the MSA 33100 assessment area was divided into its three component Metropolitan Divisions ("MDs")--MD 33124 (Miami, FL), MD 22744 (Ft. Lauderdale, FL), and MD 48424 (Palm Beach, FL). The Miami MD was chosen for full-scope review. That MD represented 88% of the bank's deposits as of June 30, 2005 and 65% of HMDA and small business lending activity analyzed for the 2004-2005. A limited-scope review was conducted on the remaining MDs.

### **Ratings**

The bank's overall rating is based primarily on the assessment area receiving the full-scope review. Conclusions about performance in each of the segments of the evaluation period were considered in reaching an overall conclusion for the entire evaluation period. Somewhat greater weight was given to the 2004-2005 segment of the evaluation period because it was longer. Equal weight was given to HMDA and small business loans since volumes were generally equal overall.

## **Other**

Community credit needs in the assessment area were determined by reviewing recent housing and demographic information and community contacts conducted by the OCC in connection with other CRA examinations of banks operating in the same assessment area. For this examination, we conducted a community contact with a faith-based community development corporation (CDC) operating in the Miami assessment area whose mission is to provide homebuyer education and new affordable housing opportunities to low- and moderate-income families.

The most critical identified credit need is financing for the purchase of affordable single and multi-family housing units for low- and moderate-income residents. Loans for the revitalization of designated low- and moderate-income neighborhoods is another identified need. Also, there is a stated need to create jobs accessible to low- and moderate-income individuals through the creation or expansion of small businesses.

For additional information, see the Market Profile in Appendix B.

## **Fair Lending and Other Credit Practices Review**

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

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

### **LENDING TEST**

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

The bank's performance under the lending test is rated "Outstanding". Based on a full-scope review, the bank's performance in the Miami assessment area is excellent.

#### **Lending Activity**

Refer to Table 1 Lending Volume Appendix C for the facts and data used to evaluate the bank's lending activity.

Overall, CNB's lending activity reflects good responsiveness to credit needs in its assessment area, given performance context. Lending activity reflects good responsiveness to the credit needs in the full-scope Miami assessment area, given performance context. While small business lending activity was excellent, when comparing the bank's deposit market share and rank with its small business lending market share and rank, the bank's HMDA market share and rank is much lower than its deposit market share and rank. However, there are a very large number of HMDA lenders that do not take deposits in the assessment area, making it difficult for the bank's deposit and HMDA market shares to be comparable. The bank's primary business strategy is commercial lending. For these reasons, HMDA lending activity is considered adequate.

Small business lending activity is excellent, when the bank's deposit market share is compared with its small business loan market share in the Miami assessment area. The bank's market share of small loans to businesses exceeded its deposit market share in all three segments of the evaluation period. CNB's market rank for small loans to businesses exceeded its deposit market rank in the 2002 and 2003 segments of the evaluation period and was near to its deposit market rank in the 2004-2005 segment of the evaluation period.

FDIC data as of June 30, 2002, shows that CNB had a deposit market share of 2.50% and was ranked 9<sup>th</sup> among 75 financial institutions reporting deposits in the assessment area. Using 2002 aggregate data, CNB's market share of small loans to businesses was 3.95%, based on the dollar volume of loans. The bank was ranked 7<sup>th</sup> of 143 lenders reporting small loans to businesses under the CRA. The comparison is based on the dollar volume of loans rather than the number of loans because of the inclusion of credit card lenders in the reporting. Credit card lenders originate a large number of loans, but the dollar volume is significantly smaller. For example, the top six small business loan reporters in 2002 are all credit card lenders that do not take deposits in the assessment area. Combined, these six lenders have a market share of 73%, based on the number of loans, but only 13% based on dollar volume. The situation was similar in 2003 and 2004. Therefore, a comparison based on dollar volume of lending was deemed to be more meaningful.

In 2003, the bank's deposit market share was 2.77% in the Miami assessment area, as of June 30<sup>th</sup>, and it was ranked 9<sup>th</sup> among 78 financial institutions. Based on 2003 aggregate data, the

bank's market share of small loans to businesses was 4.05%, based on the dollar volume of loans and it was ranked 7<sup>th</sup> among 147 loan reporters.

As of June 30, 2004, CNB's deposit market share was 2.70%, and it was ranked 9<sup>th</sup> among 76 financial institutions. Based on 2004 aggregate data (the most current available) the bank's market share of small loans to businesses was 2.96%, based on the dollar volume of loans and the bank was ranked 10<sup>th</sup> among 163 loan reporters.

Home mortgage lending activity is adequate, when considering performance context and the bank's business strategy. The bank's deposit market share and rank is much lower than its market share and rank of HMDA loans in the Miami assessment area. However, the large number of non-deposit taking HMDA lenders in the market makes it very difficult for the bank to have comparable deposit and HMDA loan performance. In addition, the bank's primary business strategy is business lending.

In 2002, CNB's market share of HMDA loans was .11% and it was ranked 126<sup>th</sup> of 707 lenders reporting HMDA activity. In 2003, the bank's market share was .05% and it was ranked 186<sup>th</sup> of 817 reporters. In 2004 (the most data available), CNB's market share was .05% and it was ranked 172<sup>nd</sup> of 889 reporters.

Competition for mortgage loans is very intense in the Miami assessment area. As noted above, there are a very large number of lenders reporting loans under the HMDA, many of them the largest mortgage lenders in the United States. Most are mortgage companies and financial institutions that do not take deposits in the assessment area. On average, during the three segments of the evaluation period, there were 76 financial institutions reporting deposits in the Miami assessment area and 804 lenders reporting HMDA loans. For this reason, it is very difficult for CNB to have a deposit market share that is comparable with a HMDA market share.

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

Overall, the geographic distribution of loans is excellent, based primarily on the bank's very strong home mortgage loan performance. Affordable owner-occupied housing for low- and moderate-income families is a primary need in the bank's assessment area. Geographic distribution is excellent in the full-scope Miami assessment area. The geographic distribution of home mortgage loans is excellent. The geographic distribution of small loans to businesses is good.

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

Refer to Tables 2 and 4 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations. Tables for multi-family housing loans are not included because the bank did not report such loans in any segment of the evaluation period. There are no tables for home improvement loans in the 2002 and 2003 segments of the evaluation period because the bank did not report any such loans. In the 2004-2005 segment of the evaluation period, the bank had a minimal number (6) of home improvement loans. A table is included for these loans, but the volume is not sufficient for analysis.

*Overall, the geographic distribution of home purchase loans in the full-scope Miami assessment area is excellent.* In all three segments of the evaluation period, the percentage of home purchase loans in low-income geographies exceeded the percentage of owner-occupied units in those geographies. In the 2002 and 2003 segments, the percentage of home purchase loans in moderate-income geographies exceeded the percentage of owner-occupied units in those geographies. In the 2004-2005 segment, the percentage of the bank's loans in moderate-income geographies significantly exceeded the percentage of owner-occupied units in those geographies. The bank's market share of home purchase loans in low-income geographies significantly exceeded the bank's overall market share in the 2002 and 2004-2005 segments of the evaluation period. In the 2003 segment, the bank's market share in low-income geographies was equivalent to its overall market share. In moderate-income geographies, the bank's market share exceeded its overall market share in the 2002 and 2003 segments. In the 2004-2005 segment of the evaluation period, the bank's share of market in moderate-income geographies significantly exceeded the bank's overall market share.

*Overall, the geographic distribution of refinance loans in the full-scope Miami assessment area is excellent.* In the 2002 and 2004-2005 segments of the evaluation period, the percentage of refinanced loans in low-income geographies exceeded the percentage of owner-occupied housing units in these geographies. In the 2003 segment, the percentage of refinanced loans in low-income geographies was near to the percentage of owner-occupied housing units in these geographies. In the 2002 and 2004-2005 segments of the evaluation period, the percentage of refinanced loans in moderate-income geographies significantly exceeded the percentage of owner-occupied housing units in these geographies. In the 2003 segment, the percentage of refinanced loans in moderate-income geographies exceeded the percentage of owner-occupied housing units in these geographies. The bank's market share of refinance loans in both low- and moderate-income geographies exceeded its overall market share in all segments of the evaluation period.

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

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

*The geographic distribution of the bank's small loans to businesses in the full-scope Miami assessment area is good.* In the 2002 segment of the evaluation period, the percentage of small loans to businesses in low-income geographies significantly exceeded the percentage of businesses in these geographies. The percentage of small loans to businesses in low-income geographies exceeded the percentage of businesses in these geographies in the 2003 and 2004-2005 segments of the evaluation period. In all segments of the evaluation period, the percentage of small loans to businesses in moderate-income geographies was somewhat lower than the percentage of businesses in these geographies. The bank's market share of small loans to businesses in low-income geographies exceeded its overall market share of small loans to businesses in all evaluation period segments. In moderate-income geographies, the bank's market share of small loans to businesses substantially meets its overall market share of loans to small businesses in the 2002 and 2004-2005 segments. In the 2003 segment of the evaluation period, the bank's market share of small loans to businesses was equivalent to its overall market share of loans to small businesses.

## ***Lending Gap Analysis***

No unexplained, conspicuous gaps in lending were identified. We evaluated the lending distribution in the full-scope Miami assessment area to determine if any unexplained conspicuous gaps existed. We reviewed lending reports detailing the volume of HMDA and small loans to businesses in low- and moderate-income geographies. This performance had a positive impact on the bank's overall geographic distribution analysis.

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

A substantial majority of the bank's loans are within its overall defined assessment area. In total, 98% by number and 97% by dollar of CNB loans are within its assessment area. By loan product, 98% by number and 95% by dollar of HMDA loans and 98% by number and 98% by dollar of small loans to businesses are inside the bank's assessment area. This performance had a positive impact on the bank's overall geographic distribution analysis.

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

*The overall distribution of loans by income level of the borrower is excellent, based primarily on the bank's strong home mortgage loan performance.* In the full-scope Miami assessment area the distribution of loans by income level of the borrower is excellent, given performance context and the bank's strong home mortgage performance. Affordable owner-occupied housing for low- and moderate families is a primary need in the bank's assessment area. The distribution of home mortgage loans is excellent, given performance context and the bank's strong performance relative to moderate-income borrowers. The distribution of small loans to businesses is good.

## ***Home Mortgage Loans***

Refer to Tables 8 and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations.

*Overall, the borrower distribution of home mortgage loans in the full-scope Miami assessment area is excellent, given performance context.* Beginning in 2003, the cost of housing began to surge in the full-scope Miami assessment area. The median price of an existing single-family home in the Miami assessment area increased 25% between 2003 and 2005. Income levels did not keep pace and low-income families were almost virtually shut out of the housing market. In addition, the assessment area's 18% poverty rate further limits the ability of low-income families to become homeowners, even with the assistance of subsidy programs and special mortgage products. Also, it should be noted that the demand for refinance loans by low-income families is generally very limited. Many times low-income families have taken advantage of various subsidy programs and special mortgage products that have very low interest rates that would not make it necessary for them to refinance for a lower interest rate. Also, some special programs do not allow for refinancing. In addition, low-income families may not have the financial means to pay the fees that may be associated with refinancing a

mortgage loan. For further discussion on performance context issues, please see the Market Profile in Appendix B.

*The borrower distribution of home purchase loans is excellent, based on performance context and the bank's very strong performance relative to moderate-income borrowers.* In the 2002 segment of the evaluation period, the bank's percentage of home purchase loans to low-income borrowers exceeded the percentage of low-income families residing in the full-scope assessment area. In the 2003 and 2004-2005 segments, the percentage of the bank's home purchase loans to low-income borrowers was significantly lower than the percentage of low-income families residing in the full-scope assessment area. However, this performance is reflective of the increased cost of housing during those periods, as discussed above. In the 2002 and 2004-2005 segments of the evaluation period, the bank's percentage of home purchase loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families residing in the full-scope assessment area. In the 2003 segment, the level of the bank's home purchase loans to moderate-income borrowers exceeded the percentage of moderate-income families. In all segments of the evaluation period and for both low- and moderate-income borrowers, the bank's market share of refinance loans significantly exceeded its overall market share to all borrowers.

*The borrower distribution of refinance loans is excellent, based on performance context and the bank's strong performance relative to moderate-income borrowers.* In all three segments of the evaluation period, the bank's percentage of refinance loans to low-income borrowers was significantly lower than the percentage of low-income families residing in the full-scope assessment area. This performance is consistent with performance context factors noted above relative to the demand for refinance loans by low-income families. In the 2002 segment of the evaluation period, the bank's percentage of refinanced loans to moderate-income borrowers significantly exceeded the percentage of moderate-income borrowers residing in the full-scope assessment area. In the 2003 and 2004-2005 segments, the bank's percentage of refinanced loans to moderate-income borrowers exceeded the percentage of moderate-income borrowers residing in the full-scope assessment area. In all segments of the evaluation period and for both low- and moderate-income borrowers, the bank's market share of refinance loans exceeded its overall market share to all borrowers

### **Small Loans to Businesses**

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

*The distribution of loans to small businesses in the full-scope assessment area is good.* The bank's percentage of small loans to small businesses (businesses with gross annual revenues of \$1 million or less) exceeded the percentage of small businesses in the full-scope assessment area in the 2002 segment of the evaluation period. During the 2003 segment, the percentage of small loans to small businesses was near to the percentage of small businesses in the full-scope assessment area and during the 2004-2005 segment, it was somewhat lower than the percentage of small businesses in the full-scope assessment area. The bank's market share of small loans to small businesses in the full-scope assessment area significantly exceeded its overall market share of small loans to all businesses in the 2002 segment of the evaluation period and exceeded it in the 2003 and 2004-2005 segments.



## Community Development Lending

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

Overall, community development lending had a positive impact on the Lending Test. In the full-scope Miami assessment area, community development lending had a positive impact on the Lending Test. The bank's community development loans were very responsive to assessment area needs, and the bank took a leadership position by acting as the lead bank in a large loan participation. (For a discussion of community development lending opportunities, see the Market Profile in Appendix B).

In the Miami assessment area, the bank originated 11 community development loans totaling \$47.3 million during the evaluation period. Of that total, \$10.2 million was participated to another financial institution not affiliated with the bank. Eight of the bank's community development loans (\$16.2 million) helped to provide at least 1,022 units of rental housing units affordable to low- and moderate-income persons. Approximately 37% of the units are specifically for senior citizens and 12% are targeted to very low-income families who receive assistance under the HUD Section 8 Housing Assistance Program (HAP).

Two other loans, totaling \$30.5 million, helped to revitalize and stabilize two different low- or moderate-income redevelopment areas in the Miami assessment area. One loan was to finance a redevelopment project in the Naranja Lakes Community Redevelopment Area, a moderate-income residential geography that was destroyed by Hurricane Andrew. The redevelopment plan focuses on bringing residents back to this section of Homestead. The other project is in a low-income geography that is part of the Miami Enterprise Zone. This project will develop new housing opportunities in the city and is sponsored, in part, by the Fannie Mae American Communities Fund. The bank participated with other banks in this \$68 million revitalization project.

Another community development loan assisted a non-profit organization in Miami that provides training assistance to mentally challenged persons who cannot function independently.

**Other Loan Data:** In addition, the bank showed its responsiveness to community needs during the evaluation period by issuing eight Letters of Credit totaling \$41.1 million to guarantee performance in eight of the projects discussed above. Without these Letters of Credit, the projects would not have been able to move forward.

## Product Innovation and Flexibility

Product innovation and flexibility had a positive impact on the Lending Test conclusion. The bank offers two flexible lending products to help meet assessment area needs. Although they are not innovative, these products represent a substantial commitment on the part of management because they take more than the average amount of time to process and close, particularly those that are originated in conjunction with federal, county, or city programs.

**CitySmart Community Mortgage Program** - A proprietary product initiated by the bank, this mortgage product is available to low- and moderate-income borrowers in all three of the bank's assessment area counties for home purchase or refinance purposes. The mortgage

features flexible underwriting criteria, 95% loan-to-value ratios, no private mortgage insurance requirements, and reduced closing costs. During the evaluation period, the bank originated 170 CitySmart mortgages in the full-scope Miami assessment area. (These loans are included in the prior analysis of geographic and borrower distribution.)

CitySmart Mortgages allow for multiple layers of financing enabling borrowers to participate in programs designed to assist low- and moderate-income individuals and families become homeowners. For example, CNB partners with the Miami-Dade Housing Authority. The Authority provides very low-interest second mortgages to qualified first-time low- and moderate-income homebuyers, thus reducing the overall mortgage expense for the buyer. Of the 170 CitySmart mortgages noted above, 74 were in partnership with the Miami-Dade Housing Authority. The City of Miami and several other communities have similar home purchase assistance programs that have benefited CitySmart borrowers. In addition, the bank's mortgage product allows for non-traditional forms of repayment. Of the 170 mortgages, approximately 20 are being repaid using funds from HUD Section 8 housing assistance payments.

***CitySmart Extended Mortgage Program*** – A new initiative, this product includes the features of the bank's regular CitySmart mortgage product but is designed to allow low- and moderate-income borrowers in Miami-Dade County to refinance out of predatory loans. The bank absorbs up to \$2,000 of closing costs. During the evaluation period, the bank originated four such loans in the full-scope Miami assessment area.

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

Based on limited-scope reviews, the bank's performance under the Lending Test in the Fort Lauderdale and Palm Beach assessment areas is not inconsistent with the bank's overall "Outstanding" performance under the Lending Test.

## **INVESTMENT TEST**

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

The bank's performance under the Investment Test is rated "Outstanding." Based on a full-scope review, the bank's performance in the Miami assessment area is good, given the impact of MSA investments. The bank's strong performance in the limited-scope Broward and Palm Beach assessment areas had a positive impact on the overall Investment Test rating.

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments. The majority of the bank's investments are mortgage-backed securities, for which the collateral is a pool of mortgage loans to low- and moderate-income borrowers. Many of these securities are backed by mortgages on properties located in more than one of the MD's within the bank's overall MSA assessment area. These investments are presented in Table 14 as "MSA" investments because they benefit multiple MDs under analysis. The impact of these MSA investments is taken into consideration when reaching conclusions about performance in each of the MDs.

Overall, the bank's community development investments are responsive to assessment area needs, primarily addressing the need for affordable housing. Affordable housing needs are considered critical throughout the bank's assessment area. Investments are not considered innovative or complex. Private investors routinely provide these types of qualified investments. For a discussion of investment opportunities, see the Market Profile in Appendix B.

Current Period Investments: During the evaluation period, the bank originated 53 community development investments totaling \$1.2 million that directly benefited the Miami assessment area. Two investments consist of Federal Home Loan Mortgage Corporation ("FHLMC") guaranteed securities backed by mortgages to low- and moderate-income borrowers, and represent 99% of total direct investment dollars. Mortgage-backed securities are important because they provide needed liquidity to lending institutions so that additional mortgages can be funded and they meet the identified need for affordable housing financing for low- and moderate-income families. Another direct investment was to establish a loan fund used as part of an economic education program directed primarily to low- and moderate-income students in Miami-Dade. The remaining direct investments consist of 50 donations totaling \$71,000 to organizations in the Miami assessment area whose primary purpose meets the definition of community development.

In addition, the Miami assessment area benefited from approximately 53% of the MSA investments originated during the evaluation period. MSA investments consist almost entirely of mortgage-backed securities. However, there are two investments in qualified Community Development Financial Institutions ("CDFIs") that operate in the bank's overall assessment area. One provides financing to non-profit Community Development Corporations ("CDCs") that finance affordable housing construction for low- and moderate-income families. The other provides micro small business loans to persons in low- and moderate-income geographies through a revolving loan fund.

Prior Period Investments: Prior period investments were originated during previous examination evaluation periods and remain on the books of the bank. In the Miami assessment area, there are four prior period investments totaling \$2.2 million. Two investments, totaling \$1.8 million, are in housing finance bonds that support the Miami assessment area. The remaining two prior period investments are mortgage-backed securities. Of the prior period MSA investments, about 12% of investment dollars benefit the Miami assessment area.

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

In our analysis, the most weight is placed on the Miami assessment area in reaching overall conclusions. However, the stronger performance in the Broward and Palm Beach limited scope assessment areas had a positive impact on the overall Investment Test rating, raising it to "Outstanding". Therefore, performance in the Broward and Palm Beach assessment areas is not inconsistent with the overall "Outstanding" rating.

## **SERVICE TEST**

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

The bank's performance under the Service Test is rated "Outstanding." Based on a full scope review, the bank's performance in the Miami assessment area is excellent, given the bank's business strategy.

### **Retail Banking Services**

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch network.

CNB's delivery systems are readily accessible to all geographies and individuals of different income levels throughout the full-scope assessment area. The percent of the bank's branches in low-income geographies exceeds the distribution of the population living in such geographies. The percent of branches in moderate-income geographies substantially meets the distribution of the population residing in moderate-income geographies. Also, two branches (Coral Gables and North Miami), located in middle-income geographies, are immediately adjacent to moderate-income geographies. These two branches are located in business areas that commonly serve the neighboring moderate-income geographies.

The bank's record of opening and closing branches in the full-scope assessment area had a neutral impact on the accessibility of its delivery systems. During the overall evaluation period, the bank opened one new branch in the Miami assessment area. The branch is located in an upper-income geography.

A wide range of banking products and services are offered throughout the Miami assessment area, as described in the bank's Public File. Products, services and business hours are reasonable and are comparable among branch locations, regardless of the income level of the geography. Of particular note are the following products:

- CitySmart Mortgage Checking and Savings. These free, low-minimum balance accounts are offered in conjunction with the CitySmart Mortgage product, which is directed to low- and moderate-income homebuyers. A matching deposit of \$50 is made to a new CitySmart Savings account. During the overall evaluation period, 22 accounts were opened.
- "Pre-Release" Savings program (in cooperation with the Miami Federal Detention Center) which provides inmates with no minimum balance savings accounts. The bank has 14 such accounts.
- CitySmart Small Business Checking Account, an account free of service charges for those businesses writing 50 checks or less per month. During the evaluation period, 1,882 accounts were opened.

Branch locations are augmented by a variety of alternative delivery systems including ATMs, telephone banking, and online banking with bill pay. ATM facilities provide enhanced availability of banking services to low- and moderate-income persons and geographies. All branch offices located in low- and moderate-income geographies of the Miami assessment

area provide ATMs. In addition, the bank operates four off-site ATMs, one of which is located in a low-income geography. There is no data as to the impact of telephone and online banking on low- and moderate-income persons therefore no significant weight was given to these systems.

Another alternative delivery system, PayCheck Card, increases the effectiveness of the bank's retail product delivery system to low- and moderate-income persons. PayCheck Card is offered to commercial customers that employ a large number of individuals that cannot, or are unwilling to, open a bank account. The payroll amount is loaded in the card and the employee can access their pay at an ATM machine or use it for a POS transaction. The bank has approximately 75 cards in use per weekly pay period. Based on salary levels loaded on the cards, the majority of card users are low- and moderate-income.

### **Community Development Services**

The bank provides a high level of community development services in the full-scope assessment area, considering the bank's business strategy and based on the number of organizations impacted and volume of community development activities. CNB's community development services are responsive to assessment area needs, primarily addressing affordable housing: the most pressing need in the Miami assessment area.

CNB directors, officers, and employees regularly share their financial expertise and provide technical assistance by serving as board members, officers, and committee members of 13 community organizations that help to provide affordable housing opportunities or community development services to low- and moderate-income individuals and families. Community Development Lending Officers also provide on-going technical assistance to nine different affordable housing community organizations, including local community development corporations (CDCs) and governmental entities operating in the Miami assessment area. They use their financial expertise to council and educate these organizations, helping them to develop action plans, locate funding sources, and understand the housing development process.

In addition, during the overall evaluation period, CNB Community Development Loan Officers participated in 39 homebuyer workshops, attended by approximately 1,700 people. Virtually all workshops were held in partnership with assessment area CDCs whose primary mission is to help provide housing affordable to low- and moderate-income residents. The bank's portion of the workshops focuses on financial education, including such topics as credit scores, savings, and the mortgage application process. Another seven seminars were conducted on the topics of credit repair, predatory lending, financial literacy, and business finance; a presentation directed to low- and moderate-income students seeking to operate their own small business as part of the college curriculum.

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

Based on limited-scope reviews, the bank's performance under the Service Test in the Ft. Lauderdale and Palm Beach assessment areas is weaker than the bank's overall "Outstanding" performance.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): (01/01/02 to 12/31/05) Investment and Service Tests and CD Loans: (01/06/03 to 04/06/06)	
<b>Financial Institution</b>		<b>Products Reviewed</b>
City National Bank of Florida, Miami, FL		Home Mortgage Loans Small Business Loans Community Development Loans
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
MD 33124 (Miami, FL) MD 22744 (Ft. Lauderdale, FL) MD 48424 (Palm Beach, FL)	Full-Scope Limited-Scope Limited-Scope	

## Appendix B: Market Profiles for Full-Scope Areas

### MIAMI-FT. LAUDERDALE-PALM BEACH ASSESSMENT AREA (MSA 33100)

The bank's assessment area consists of all of the Miami-Ft. Lauderdale-Palm Beach MSA, which consists of all of the contiguous counties of Miami-Dade, Broward, and Palm Beach. The assessment area meets the requirements of the CRA regulation and does not arbitrarily exclude low- and moderate-income geographies.

Overall, the MSA has a total population of approximately 5 million people, with the largest concentration of population in the Miami portion of the MSA. According to 2004 designations, each of the counties in the assessment area is designated as a Metropolitan Division ("MD"). The accompanying table and discussion is focused on the full-scope Miami MD.

Demographic Information for Full- Scope Area: MD 33124 (Miami-Dade, FL)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	347	7.78	28.53	32.85	29.97	0.86
Population by Geography	2,253,362	4.89	28.61	35.68	30.79	0.02
Owner-Occupied Housing by Geography	449,333	1.69	19.82	36.99	41.51	0.00
Business by Geography	209,400	5.27	22.49	32.39	39.42	0.43
Farms by Geography	2,649	2.15	17.70	33.26	46.77	0.11
Family Distribution by Income Level	552,484	23.00	16.98	18.53	41.50	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	220,856	8.31	40.20	35.41	16.08	0.00
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below Poverty Level		40,266 48,300 18.08%	Median Housing Value Unemployment Rate (2000 US Census)		123,974 3.92%	

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

Source: 2000 US Census and 2006 HUD updated MFI

The Miami MD is a densely populated urban center. According to the 2000 Census, the total population is approximately 2.3 million people, residing in a nearly 2 thousand square mile area. Between the 1990 and 2000 Census, the population increased 16.3 %. The increase is a result of an influx of immigrants from Latin America and the Caribbean, as well as relocation from northern cities in the United States.

The City of Miami, located entirely in the Miami MD, represents approximately 20 percent of the MD population and 28 percent of the MD's census tracts. However, a disproportionately large portion of the City is categorized as low- and moderate-income with approximately 60 percent of the MD's low- and moderate-income census tracts being located in the City. Based on the 2000 Census, the City of Miami is considered to be the poorest large city in the United States. Eighteen percent of the population lives below the poverty level.

Housing costs are high. As of February 2005, the Florida Association of Realtors estimated the median sales price of an existing single-family home in the Miami MD area to be \$310,000. At the same time in 2004, the median price was \$232,000. When compared with a HUD Adjusted Median Family Income of \$45,700 for 2004 it is clear that the unsubsidized purchase of an average single-family residence would be beyond the financial means of many individuals classified as low- and moderate-income. The 2005 housing costs represent an increase of 25% between 2003 and 2005.

The MD's economy is diverse. Major industries include real estate development, trade businesses with Latin America, tourism and banking. The proximity of the Caribbean, Central and South America plus superior seaport and airport capabilities provide this area with a distinct advantage as a global trading center. There are many service businesses in the area and in the extreme southern portion of the MD agriculture is a major industry (e.g. plants, tomatoes, citrus).

Banking competition is intense. FDIC data as of June 30, 2005 showed 76 institutions operating 584 banking offices of national, regional, and community banks in the Miami MD. Competition for mortgage and small business loans is even more intense since many lenders, such as mortgage and credit card companies lend in the Miami assessment area but do not take deposits. Based on 2004 aggregate data (the most current available), there were 889 HMDA reporters and 163 small business loan reporters in the Miami MD.

There are a wide range of opportunities for community development lending, investments, and services throughout the Miami MD. However, larger institutions in the MSA are quite competitive for the qualified investments that are available. Community development opportunities include working with and providing financing to the numerous organizations whose mission is to provide affordable housing and/or community services for low- and moderate-income persons, as well as organizations with a mission of economic development. There is a federally designated Enterprise Zone that targets economic development with the goal of stimulating and retaining jobs. There are 20 areas designated as Targeted Urban Areas ("TAU") that are the focus for the Urban Economic Revitalization Plan for Miami-Dade County. Types of community development investments available in the MD include, but are not limited to, tax credit purchases for low- and moderate-income housing, participation in numerous local Community Development Corporations (CDCs") and Community Development Financial Institutions ("CDFIs") and opportunities to contribute to qualified non-profit organizations whose missions are focused on providing affordable housing, community services for low- and moderate-income persons, and economic development.



## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank's assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Community Development Loans" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of Assessment Area" is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses

(regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within

each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

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

## Tables of Performance Data

### State of Florida

Institution ID: CITY NATIONAL BANK

OF FLORIDA (10000015977)

**Table 1. Lending Volume**

LENDING VOLUME		Geography: FLORIDA				Evaluation Period: JANUARY 1, 2002 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>												
MSA 5000 - Miami	57.24	207	31,609	279	73,583	0	0	0	0	486	105,192	85.76
<b>Limited Review:</b>												
MSA 8960 – Palm Beach	16.25	110	13,674	28	9,311	0	0	0	0	138	22,985	6.36
MSA2640 – Ft. Lauderdale	26.50	163	20,766	62	20,241	0	0	0	0	225	41,007	7.88

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

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

\*\*\* Deposit Data as of June 30, 2002. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

(10000015977)

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: FLORIDA						Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2002							
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***	% Owner Occ****	% 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>															
MSA 5000 – Miami	105	38.32	3.26	5.71	12.86	14.29	40.83	53.33	43.05	26.67	0.16	0.31	0.20	0.24	0.08
<b>Limited Review:</b>															
MSA 8960 – Palm Beach	67	24.45	0.94	0.00	20.87	29.85	46.30	62.69	31.90	7.46	0.14	0.00	0.34	0.18	0.03
MSA2640 – Ft. Lauderdale	102	37.23	1.11	2.94	14.40	19.61	58.86	67.65	25.64	9.80	0.15	0.45	0.29	0.17	0.05

\* Based on 2002 Peer Mortgage Data (SE)

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

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

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE 31, 2002			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2002								
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***	% Owner Occ****	% 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>																	
MSA 5000 – Miami	102	49.51	3.26	3.92	12.86	21.57	40.83	38.24	43.05	36.27	0.15	0.28	0.32	0.17	0.10		
<b>Limited Review:</b>																	
MSA 8960 – Palm Beach	43	20.87	0.94	4.65	20.87	27.91	46.30	58.14	31.90	9.30	0.08	0.76	0.23	0.09	0.02		
MSA2640 – Ft. Lauderdale	61	29.61	1.11	0.00	14.40	14.75	58.86	63.93	25.64	21.31	0.08	0.00	0.15	0.10	0.05		

\* Based on 2002 Peer Mortgage Data (SE)

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

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

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES 2002		Geography: FLORIDA								Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31,					
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 5000 – Miami	279	76.23	8.82	20.07	17.32	13.26	31.73	24.73	42.14	41.94	0.37	1.04	0.33	0.33	0.33
<b>Limited Review:</b>															
MSA 8960 – Palm Beach	25	6.83	2.05	8.00	15.78	4.00	43.60	44.00	37.28	44.00	0.07	0.22	0.03	0.07	0.07
MSA2640 – Ft. Lauderdale	62	16.94	4.52	6.45	14.92	12.90	50.37	56.45	30.19	24.19	0.11	0.17	0.11	0.12	0.09

\* Based on 2002 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2002).

(10000015977)

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

Borrower Distribution: HOME PURCHASE		Geography: FLORIDA					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2002					Market Share*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% BANK Loans <sup>1</sup>	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****						
<b>Full Review:</b>																
MSA 5000 – Miami	102	38.78	23.32	15.69	16.40	47.06	19.19	11.76	41.09	25.49	0.19	1.68	0.48	0.06	0.09	
<b>Limited Review:</b>																
MSA 8960 – Palm Beach	65	24.71	18.84	33.85	19.04	52.31	22.59	12.31	39.53	1.54	0.16	0.74	0.36	0.01	0.01	
MSA2640 – Ft. Lauderdale	96	36.50	19.63	21.88	18.27	51.04	22.51	18.75	39.59	8.33	0.17	0.62	0.39	0.03	0.03	

\* Based on 2002 Peer Mortgage Data (SE)

\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% 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.

<sup>1</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)



(10000015977)

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

Borrower Distribution: HOME MORTGAGE REFINANCE 31, 2002		Geography: FLORIDA							Evaluation Period: JANUARY 1, 2002 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 <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% BANK Loans <sup>2</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>**</sup>	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 5000 – Miami	100	49.26	23.32	8.00	16.40	30.00	19.19	21.00	41.09	41.00	0.18	0.44	0.44	0.11	0.11
<b>Limited Review:</b>															
MSA 8960 – Palm Beach	43	21.18	18.84	34.88	19.04	58.14	22.59	4.65	39.53	2.33	0.09	0.48	0.21	0.01	0.00
MSA2640 – Ft. Lauderdale	60	29.56	19.63	20.00	18.27	38.33	22.51	20.00	39.59	21.67	0.10	0.29	0.23	0.02	0.05

<sup>\*</sup> Based on 2002 Peer Mortgage Data (SE)

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

<sup>\*\*\*</sup> Percentage of Families is based on the 1990 Census information.

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

<sup>2</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

(10000015977)

**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES 2002			Geography: FLORIDA		Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31,				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share <sup>*</sup>	
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
MSA 5000 – Miami	279	75.61	54.92	59.14	45.88	17.92	36.20	0.37	0.86
<b>Limited Review:</b>									
MSA 8960 – Palm Beach	28	7.59	60.43	64.29	32.14	28.57	39.29	0.07	0.18
MSA2640 – Ft. Lauderdale	62	16.80	57.50	40.32	32.26	30.65	37.10	0.11	0.17

<sup>\*</sup> Based on 2002 Peer Small Business Data -- US and PR

<sup>\*\*</sup> Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

<sup>\*\*\*</sup> Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2002).

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

## OF FLORIDA (1000015977)

Table 1. Lending Volume

LENDING VOLUME		Geography: FLORIDA						Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area (2003):	% of Rated Area Loans (#) in MA/AA <sup>*</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA <sup>***</sup>
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
MSA 5000 – Miami	63.24	110	18,070	277	76,584	0	0	4	10,554	391	105,208	86.74
<b>Limited Review:</b>												
MSA 2860 - Ft Lauderdale	20.92	80	8,140	48	19,731	0	0	4	8,538	132	36,409	7.09
MSA 8960 - Palm Beach	15.85	75	7,928	22	5,492	0	0	0	0	97	13,420	6.16

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

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

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

(10000015977)

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa ll	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% Owner Occ****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
MSA 5000 – Miami	42	37.50	1.69	2.38	19.82	30.95	36.99	47.62	41.51	19.05	0.06	0.06	0.09	0.08	0.03	
<b>Limited Review:</b>																
MSA 2860 - Ft Lauderdale	42	37.50	1.02	2.38	23.81	35.71	45.93	52.38	29.24	9.52	0.06	0.09	0.10	0.07	0.02	
MSA 8960 - Palm Beach	28	25.00	1.53	0.00	24.63	35.71	36.35	42.86	37.50	21.43	0.05	0.00	0.08	0.06	0.03	

\* Based on 2003 Peer Mortgage Data (Eastern)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

(10000015977)

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

Geographic Distribution: HOME MORTGAGE REFINANCE 31, 2003			Geography: FLORIDA						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***	% Owner Occ****	% 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>																	
MSA 5000 – Miami	68	44.44	1.69	1.47	19.82	23.53	36.99	26.47	41.51	48.53	0.06	0.08	0.09	0.04	0.06		
<b>Limited Review:</b>																	
MSA 2860 - Ft Lauderdale	38	24.84	1.02	0.00	23.81	39.47	45.93	42.11	29.24	18.42	0.03	0.00	0.08	0.03	0.01		
MSA 8960 - Palm Beach	47	30.72	1.53	0.00	24.63	34.04	36.35	46.81	37.50	19.15	0.06	0.00	0.11	0.07	0.02		

\* Based on 2003 Peer Mortgage Data (Eastern)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

(10000015977)

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

Geographic Distribution: SMALL LOANS TO BUSINESSES 2003		Geography: FLORIDA								Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31,					
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>				
	#	% of Total <sup>**</sup>	% of Business <sup>***</sup>	% BANK Loans	% of Business <sup>***</sup>	% BANK Loans	% of Business <sup>***</sup>	% BANK Loans	% of Business <sup>***</sup>	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 5000 – Miami	277	79.83	5.27	12.64	22.49	16.61	32.39	25.63	39.42	45.13	0.37	1.03	0.37	0.33	0.36
<b>Limited Review:</b>															
MSA 2860 - Ft Lauderdale	48	13.83	4.23	4.17	23.87	14.58	44.09	52.08	27.81	29.17	0.08	0.10	0.07	0.09	0.07
MSA 8960 - Palm Beach	22	6.34	3.91	9.09	23.48	9.09	33.84	27.27	38.63	54.55	0.05	0.12	0.03	0.03	0.06

<sup>\*</sup> Based on 2003 Peer Small Business Data -- US and PR

<sup>\*\*</sup> Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

<sup>\*\*\*</sup> Source Data - Dun and Bradstreet (2003).

(10000015977)

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

Borrower Distribution: HOME PURCHASE		Geography: FLORIDA					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% BANK Loans <sup>4</sup>	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****						
<b>Full Review:</b>																
MSA 5000 – Miami	40	36.36	23.00	7.50	16.98	27.50	18.53	27.50	41.50	37.50	0.07	0.33	0.17	0.08	0.04	
<b>Limited Review:</b>																
MSA 2860 - Ft Lauderdale	42	38.18	20.85	35.71	18.17	38.10	20.48	16.67	40.50	9.52	0.07	0.48	0.13	0.04	0.01	
MSA 8960 - Palm Beach	28	25.45	19.86	28.57	18.56	50.00	20.60	10.71	40.98	10.71	0.06	0.26	0.16	0.03	0.01	

\* Based on 2003 Peer Mortgage Data (Eastern)

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

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

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

<sup>4</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

(10000015977) (Included)

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

Borrower Distribution: HOME MORTGAGE REFINANCE 31, 2003			Geography: FLORIDA						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 <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% BANK Loans <sup>5</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>**</sup>	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 5000 – Miami	68	44.44	23.00	4.41	16.98	36.76	18.53	23.53	41.50	35.29	0.07	0.12	0.21	0.07	0.04
<b>Limited Review:</b>															
MSA 2860 - Ft Lauderdale	38	24.84	20.85	21.05	18.17	31.58	20.48	18.42	40.50	28.95	0.04	0.14	0.07	0.03	0.02
MSA 8960 - Palm Beach	47	30.72	19.86	23.40	18.56	63.83	20.60	4.26	40.98	8.51	0.07	0.20	0.21	0.01	0.01

<sup>\*</sup> Based on 2003 Peer Mortgage Data (Eastern)

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

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

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

<sup>5</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)



(10000015977)

**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES 2003			Geography: FLORIDA			Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31,			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share <sup>*</sup>	
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
MSA 5000 – Miami	277	79.83	60.37	55.96	48.01	15.52	36.46	0.37	0.61
<b>Limited Review:</b>									
MSA 2860 - Ft Lauderdale	48	13.83	62.43	54.17	22.92	20.83	56.25	0.08	0.12
MSA 8960 - Palm Beach	22	6.34	63.38	68.18	36.36	31.82	31.82	0.05	0.09

<sup>\*</sup> Based on 2003 Peer Small Business Data -- US and PR

<sup>\*\*</sup> Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

<sup>\*\*\*</sup> Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2003).

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

OF FLORIDA (10000015977)

Table 1. Lending Volume

LENDING VOLUME		Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
Assessment Area (2005) :	% of Rated Area Loans (#) in MA/AA <sup>*</sup>	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans <sup>**</sup>		Total Reported Loans		% of Rated Area Deposits in MA/AA <sup>***</sup>
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
MD 33124 - Miami	65.17	241	60,429	427	128,886	0	0	7	36,781	675	226,096	87.75
<b>Limited Review:</b>												
MD 22744 - Ft Lauderdale	23.02	141	28,088	95	38,535	0	0	5	33,011	241	99,634	5.89
MD 48424 - Palm Beach	11.80	87	39,969	34	9,890	0	0	4	83,872	125	133,731	6.36

<sup>\*</sup> Loan Data as of December 31, 2005. Rated area refers to either state or multi-state MA rating area.

<sup>\*\*</sup> The evaluation period for Community Development Loans is from January 01, 2004 to April 06, 2006.

<sup>\*\*\*</sup> Deposit Data as of June 30, 2005. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

(10000015977)

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: FLORIDA					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005					Market Share (%) by Geography <sup>*</sup>				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa ll	Low	Mod	Mid	Upp	
	#	% of Total <sup>**</sup>	% Owner Occ <sup>***</sup> Units	% Owner Occ <sup>****</sup> Units	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans						
<b>Full Review:</b>																
MD 33124 - Miami	135	57.20	1.69	14.81	19.82	40.00	36.99	22.22	41.51	22.96	0.07	0.27	0.15	0.05	0.05	
<b>Limited Review:</b>																
MD 22744 - Ft Lauderdale	60	25.42	1.02	3.33	23.81	26.67	45.93	50.00	29.24	20.00	0.04	0.00	0.06	0.05	0.03	
MD 48424 - Palm Beach	41	17.37	1.53	0.00	24.63	53.66	36.35	24.39	37.50	21.95	0.05	0.00	0.12	0.03	0.03	

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

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

<sup>\*\*\*</sup> Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

(10000015977)

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

Geographic Distribution: HOME IMPROVEMENT 2005			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31,						
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***	% Owner Occ****	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 33124 - Miami	5	83.33	1.69	0.00	19.82	20.00	36.99	40.00	41.51	40.00	0.05	0.00	0.09	0.09	0.00
<b>Limited Review:</b>															
MD 22744 - Ft Lauderdale	0	0.00	1.02	0.00	23.81	0.00	45.93	0.00	29.24	0.00	0.00	0.00	0.00	0.00	0.00
MD 48424 - Palm Beach	1	16.67	1.53	0.00	24.63	0.00	36.35	100.00	37.50	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Mortgage Data (Eastern)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

(10000015977)

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

Geographic Distribution: HOME MORTGAGE REFINANCE 31, 2005			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER						
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	% Owner Occ**** Units	% 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>															
MD 33124 - Miami	101	44.49	1.69	1.98	19.82	43.56	36.99	25.74	41.51	28.71	0.08	0.15	0.15	0.05	0.06
<b>Limited Review:</b>															
MD 22744 - Ft Lauderdale	81	35.68	1.02	0.00	23.81	56.79	45.93	25.93	29.24	17.28	0.06	0.00	0.14	0.05	0.03
MD 48424 - Palm Beach	45	19.82	1.53	2.22	24.63	51.11	36.35	26.67	37.50	20.00	0.07	0.14	0.13	0.06	0.03

\* Based on 2004 Peer Mortgage Data (Eastern)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

(10000015977)

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

Geographic Distribution: SMALL LOANS TO BUSINESSES 2005		Geography: FLORIDA								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31,					
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 33124 - Miami	426	76.76	5.02	11.03	22.36	15.96	32.42	27.46	39.76	45.54	0.31	0.78	0.27	0.28	0.31
<b>Limited Review:</b>															
MD 22744 - Ft Lauderdale	95	17.12	4.19	6.32	23.75	10.53	43.81	57.89	28.26	25.26	0.09	0.16	0.04	0.14	0.06
MD 48424 - Palm Beach	34	6.13	3.70	2.94	23.25	5.88	33.84	11.76	39.08	79.41	0.04	0.07	0.00	0.03	0.07

\* Based on 2004 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2004).

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

Borrower Distribution: HOME PURCHASE		Geography: FLORIDA					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% BANK Loans <sup>6</sup>	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****						
<b>Full Review:</b>																
MD 33124 - Miami	128	56.64	23.00	2.34	16.98	48.44	18.53	17.19	41.50	32.03	0.09	0.44	0.62	0.05	0.04	
<b>Limited Review:</b>																
MD 22744 - Ft Lauderdale	58	25.66	20.85	22.41	18.17	41.38	20.48	15.52	40.50	20.69	0.05	0.45	0.12	0.02	0.02	
MD 48424 - Palm Beach	40	17.70	19.86	10.00	18.56	45.00	20.60	7.50	40.98	37.50	0.06	0.14	0.18	0.01	0.03	

\* Based on 2004 Peer Mortgage Data (Eastern)

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

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

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

<sup>6</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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

Borrower Distribution: HOME IMPROVEMENT 31, 2005		Geography: FLORIDA								Evaluation Period: JANUARY 1, 2004 TO DECEMBER					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>6</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% BANK Loans <sup>7</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 33124 - Miami	4	80.00	23.00	0.00	16.98	25.00	18.53	50.00	41.50	25.00	0.06	0.00	0.00	0.15	0.03
<b>Limited Review:</b>															
MD 22744 - Ft Lauderdale	0	0.00	20.85	0.00	18.17	0.00	20.48	0.00	40.50	0.00	0.00	0.00	0.00	0.00	0.00
MD 48424 - Palm Beach	1	20.00	19.86	0.00	18.56	100.00	20.60	0.00	40.98	0.00	0.00	0.00	0.00	0.00	0.00

<sup>6</sup> Based on 2004 Peer Mortgage Data (Eastern)

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

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

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

<sup>7</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)



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

Borrower Distribution: HOME MORTGAGE REFINANCE 31, 2005			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% BANK Loans <sup>8</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>**</sup>	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 33124 - Miami	101	44.49	23.00	9.90	16.98	34.65	18.53	22.77	41.50	32.67	0.09	0.29	0.25	0.07	0.05
<b>Limited Review:</b>															
MD 22744 - Ft Lauderdale	81	35.68	20.85	9.88	18.17	39.51	20.48	23.46	40.50	27.16	0.07	0.14	0.17	0.05	0.04
MD 48424 - Palm Beach	45	19.82	19.86	22.22	18.56	48.89	20.60	13.33	40.98	15.56	0.08	0.20	0.19	0.03	0.03

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

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

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

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

<sup>8</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES 2005			Geography: FLORIDA			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31,				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share <sup>*</sup>		
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less	
<b>Full Review:</b>										
MD 33124 - Miami	427	76.80	62.57	31.62	42.86	15.93	41.22	0.31	0.33	
<b>Limited Review:</b>										
MD 22744 - Ft Lauderdale	95	17.09	63.70	42.11	22.11	24.21	53.68	0.09	0.14	
MD 48424 - Palm Beach	34	6.12	64.87	61.76	29.41	26.47	44.12	0.04	0.07	

<sup>\*</sup> Based on 2004 Peer Small Business Data -- US and PR

<sup>\*\*</sup> Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

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

<sup>\*\*\*\*</sup> Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 18.88% of small loans to businesses originated and purchased by the bank.

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**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: FLORIDA				Evaluation Period: JANUARY 1, 2004 TO April 06, 2006			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
MD 33124 - Miami	4	2,216,046	53	1,219,495	57	3,435,541	20.21	0	0
MSA 33100 (All)	4	1,349,757	10	11,223,173	14	12,572,930	73.95		
<b>Limited Review:</b>									
MD 22744 - Ft Lauderdale	6	938,871	29	37,595	35	976,466	5.74	0	0
MD 48424 - Palm Beach	0	0	14	18,050	14	18,050	0.01	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS 2004 TO DECEMBER 31, 2005								Geography: FLORIDA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005					
Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
MD 33124 - Miami	87.75	13	68.42	23.08	15.38	23.08	38.46	1	0	0	0	0	+1	4.89	28.61	35.68	30.79
<b>Limited Review:</b>																	
MD 22744 - Ft Lauderdale	5.89	3	15.79	25.00	0.00	50.00	25.00	0	0	0	0	0	0	3.34	26.66	43.13	26.88
MD 48424 - Palm Beach	6.36	3	15.79	0.00	33.00	0.00	66.00	1	0	0	+1	0	0	4.21	29.32	33.88	32.37