



## **PUBLIC DISCLOSURE**

September 29, 2025

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

Colorado Federal Savings Bank  
Charter Number: 708876

8400 East Prentice Avenue  
Suite 840  
Greenwood Village, CO 80111

Office of the Comptroller of the Currency

320 Seven Springs Way  
Suite 310  
Brentwood, TN 37027

**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 Satisfactory.

The following table indicates the performance level of Colorado Federal Savings Bank (CFSB, bank) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Colorado Federal Savings Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- The Lending Test rating of High Satisfactory, which is based on the bank’s performance in the state of Colorado. The bank’s lending levels reflect good responsiveness to assessment area (AA) credit needs for the distribution of home mortgage loans to low- and moderate- income (LMI) borrowers and geographies.
- The Investment Test rating of Outstanding, which is based on the bank’s level of qualified investments within its AA and demonstrates excellent responsiveness to credit and community development (CD) needs.
- The Service Test rating of High Satisfactory, which is based on the bank’s history of providing CD services and support to community organizations dedicated to LMI causes within its AA. Service delivery systems are reasonably accessible to geographies and individuals of different income levels.

### Lending in Assessment Area

A small percentage of the bank’s loans were in its AA.

The bank originated and purchased 9.54 percent of its total loans inside the bank’s AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Table 1: Lending Inside and Outside of the Assessment Area										2022-2024
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	187	9.54	1,773	90.46	1,960	68,353	8.40	745,495	91.60	813,848
<b>Total</b>	187	9.54	1,773	90.46	1,960	68,353	8.40	745,495	91.60	813,848

Source: 1/1/2022 - 12/31/2024 Bank Data.  
Due to rounding, totals may not equal 100.0%

The bank's performance is reasonable given the bank's strategy and business model. The bank is a nationwide lender with no physical locations. CFSB is responsive to the needs of the local community as discussed throughout this performance evaluation (PE).

## Description of Institution

CFSB is an intrastate bank headquartered in Greenwood Village, Colorado. The executive office is located in Nashville, Tennessee. CFSB is wholly owned by Silver Queen Financial Services, Inc. (SQFS), a unitary bank holding company also headquartered in Greenwood Village, Colorado. During this evaluation period, CFSB had no merger or acquisition activity, and did not close or open any branches. The bank received a "Satisfactory" rating in the preceding CRA PE dated February 9, 2022. There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AA during the evaluation period.

CFSB does not maintain a traditional branch network and has no branches and no automated teller machines (ATMs). To help the bank achieve its goal of becoming a real estate oriented financial institution, the bank affiliated with one of the largest, non-bank mortgage originators and servicers in the nation. CFSB operates as a non-branch direct banking platform providing real estate lending solutions and construction loan products. As the bank relies on technology to offer banking services online, many of the bank's consumer and commercial customers are located throughout the entire United States (U.S.), with a substantial majority outside the bank's only AA, the Denver-Aurora-Centennial metropolitan statistical area (Denver MSA).

CFSB's deposit products are limited to savings and certificate of deposit accounts. These deposit accounts may only be opened online and must be linked to an existing external bank account belonging to the customer. Once a deposit account is opened, customers may only access funds in their CFSB accounts through automated clearing house (ACH) transfers to and from their linked external account(s). The minimum opening deposit and balance requirement for savings accounts is \$1. The bank offers customers 24-hour access via its website and mobile devices for account opening and transaction purposes.

As of December 31, 2024, CFSB had total assets of \$2.3 billion, tier 1 capital of \$243.5 million, and deposits of \$1.2 billion. The bank's \$1.7 billion loan portfolio consisted of 67.2 percent residential real estate, 23.5 percent business loans, 4.5 percent multifamily loans, and 4.8 percent all other loans.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period was January 1, 2022, through December 31, 2024. This performance evaluation assessed CFSB's performance under the Lending, Investment, and Service Tests. In evaluating CFSB's lending performance, we reviewed one- to four-family home mortgage loans, the bank's primary loan product. We evaluated CD activities, including all loans, investments, and services that met the regulatory definition. We also evaluated CD investments, including donations as well as retail services and CD services.

For geographic and borrower distribution analyses, we compared CFSB's loan originations to the 2020 U.S. Census data and aggregate Home Mortgage Disclosure Act (HMDA) data and CRA data.

### Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AA(s) within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA), if applicable are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

### Ratings

The bank's overall rating is a blend of the state ratings, and where applicable, multistate ratings.

During the evaluation period, CFSB originated and purchased 1,960 home mortgage loans totaling \$813.8 million. The bank is predominately a nation-wide home mortgage lender. At December 31, 2024, the loan portfolio consisted of 67.2 percent home mortgages, 4.5 percent multifamily loans, 22.6 percent construction and land development, no consumer loans, and 5.7 percent for all other loans. Therefore, we gave all weight to home mortgage lending as the bank's primary loan product. The community contact expressed a need for affordable housing and financial education.

The state rating in rating areas with a single AA is based on performance in that AA. The state rating in rating areas with multiple AAs is based on the combination of conclusions in those AAs. Refer to the "Scope" section under the State Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) (March 29, 2024) in determining a national banks or federal savings association's (collectively, bank's) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process,

the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

## State Rating

### State of Colorado

**CRA rating for the State of Colorado<sup>1</sup>:** Satisfactory

**The Lending Test is rated:** High Satisfactory

**The Investment Test is rated:** Outstanding

**The Service Test is rated:** High Satisfactory

The major factors that support this rating include:

- The Lending Test rating of High Satisfactory, which is based on the bank's good distribution of home mortgage loans to LMI geographies and individuals. The bank's lending levels reflect good responsiveness to AA credit needs.
- The Investment Test is rated Outstanding, which is based on the bank's level of qualified investments within its AA and demonstrated excellent responsiveness to credit and community development (CD) needs.
- The Service Test is rated High Satisfactory, which is based on the bank's history of providing community development services and support to community organizations dedicated to LMI causes within its AA. Service delivery systems are reasonably accessible to geographies and individuals of different income levels.

### Description of Institution's Operations in Colorado

CFSB operates a nation-wide online banking platform with no physical deposit-taking branches or ATMs. Refer to Appendix A for a listing of all bank AAs. CFSB offers home mortgage lending and owner/builder construction financing. While its deposit product offering is limited, the bank's low minimum initial deposit requirement on its high-yield savings product is \$1. The bank partnered with the Habitat for Humanity of Metro Denver (HFHMD) to offer an asset-building deposit account for Habitat clients, including matching up to \$1,800. The bank also purchases loans from HFHMD to provide the organization with funding to be used for CD lending projects in the Denver metro area.

Competition for financial services within the AA is high. According to the June 30, 2024, FDIC Deposit Market Share report, CFSB has \$1.3 billion in deposits in the Denver MSA and ranked 15th out of 68 institutions, with 1.2 percent market share. The top four banks within the AA in terms of deposits are large and regional banks, which hold a combined 64.1 percent of area deposits. The lending market is highly competitive and consists of lenders ranging from small community banks, credit unions, and mortgage companies to the largest U.S. and foreign banks.

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<sup>1</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

The U.S. Census estimates the AA population to be 2.9 million. As of the 2024 U.S. Census data, the distribution of families by income level is 20.21 percent low-income, 18.19 percent moderate-income, 21.93 percent middle-income, and 39.67 percent upper income. The percentage of AA households living below the poverty level is at 7.88 percent. The 2024 median family income in the MSA is \$130,400.

Employment and Economic Factors

Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper 120%
<b>Denver-Aurora-Lakewood, CO MSA Median Family Income (19740)</b>				
2022 (\$117,800)	<\$58,900	\$58,900 to <\$94,240	\$94,240 to <\$141,360	\$141,360
2023 (\$125,500)	<\$62,750	\$62,750 to <\$100,400	\$100,400 to <\$150,600	\$150,600
2024 (\$130,400)	<\$65,200	\$65,200 to <\$104,320	\$104,320 to <\$156,480	\$156,480

Source: FFIEC

Affordable home ownership is limited among LMI borrowers. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant’s income, based on income levels detailed above. This calculated a maximum monthly mortgage payment of \$1,630 for low-income borrowers and \$2,608 for moderate-income borrowers. Assuming a 30-year mortgage with a six percent interest rate, and not considering any down payment, homeowner’s insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value of \$405,000 would be \$2,597. Home ownership would not be affordable for LMI borrowers, especially considering the additional cost of insurance and taxes.

There are limited opportunities for residential mortgage lending in the AA’s LMI geographies due to the relatively low number of owner-occupied housing units. According to the 2024 U.S. Census, 61.5 percent of total housing units in the AA are owner-occupied and 33.4 percent are rental-occupied units. In low-income CTs, only 2.8 percent of housing units are owner-occupied, and 9.0 percent are renter-occupied. In moderate-income CTs, 21.2 percent of housing units are owner-occupied and 36.4 percent of renter occupied.

The Denver MSA area is an attractive tourist destination with proximity to the nearby Rocky Mountains. The area has a high concentration of dynamic, knowledge-based industries, a strong in-migration and population growth, skilled workforce, and high employment diversity. The area’s weaknesses include elevated cost of living relative to other Mountain West areas. The area has a significantly overvalued housing market and low and falling affordability. Major employment industries for the area include professional and business services, government, and education and health services, including HealthONE, UC Health: University of Colorado Hospital, Lockheed Martin Corp., United Airlines, and Children’s Hospital Colorado.

The National Association of Realtors reports that the median price of a home in the Denver MSA at the end of the 4th quarter of 2024 was \$550,000. This price indicates housing affordability is rising above the financial ability of some borrowers. The 2019 Housing Affordability Index (HAI) composite score for the MSA was 124.9. However, the 2022 HAI dropped to 79.9. The HAI measures the affordability of housing in select markets. An HAI value of 100 means that a family earning the median family income has exactly enough income to qualify for mortgage on a median-priced home, assuming a 20 percent down payment. The higher the score, the more affordable housing is. For example, an HAI of 120.0 means a family earning the median family income has 120 percent of the income necessary to qualify

for a conventional loan covering 80 percent of a median-priced existing single-family home. The HAI score for the MSA reflects a higher cost of housing in comparison to the 107.0 national average.

Based on data from the Bureau of Labor Statistics, the December 2024 unemployment rate in the Denver MSA was 4.6 percent. The Denver MSA unemployment rate is in-line with the pre-COVID unemployment rate of 4.7 percent, but is slightly higher than the Colorado unemployment rate of 4.4 percent and the national average unemployment rate of 4.1 percent.

As part of our evaluation, we obtained feedback from a local community organization on the economic conditions of the area, as well as needs for the local communities and impressions of local financial institutions. This contact stated that financial institutions are adequately involved in the community but opportunities to further participate include financial literacy/education to LMI individuals and families, and affordable housing, including multifamily rental housing.

## Denver-Aurora-Centennial MSA

Assessment Area(s) - Denver MSA 2024						
						2022-2024
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
<b>Geographies (Census Tracts)</b>	<b>707</b>	5.23	25.32	36.49	30.27	2.69
<b>Population by Geography</b>	<b>2,963,821</b>	5.10	26.83	34.56	32.62	0.89
<b>Housing Units by Geography</b>	<b>1,156,748</b>	5.00	26.83	36.24	30.78	1.15
<b>Owner-Occupied Housing by Geography</b>	<b>711,209</b>	2.84	21.22	37.61	37.86	0.47
<b>Occupied Rental Units by Geography</b>	<b>386,465</b>	9.00	36.39	33.78	18.53	2.31
<b>Vacant Units by Geography</b>	<b>59,074</b>	4.90	31.81	35.89	25.60	1.79
<b>Businesses by Geography</b>	<b>217,476</b>	4.56	23.95	33.35	35.93	2.20
<b>Farms by Geography</b>	<b>6,042</b>	4.35	23.97	36.31	34.24	1.13
<b>Family Distribution by Income Level</b>	<b>687,060</b>	20.21	18.19	21.93	39.68	0.00
<b>Household Distribution by Income Level</b>	<b>1,097,674</b>	22.57	17.03	18.96	41.43	0.00
<b>Unemployment rate (%)</b>	<b>4.07</b>	4.62	4.98	3.88	3.40	5.24
<b>Households Below Poverty Level (%)</b>	<b>7.88</b>	17.99	11.49	6.71	4.17	18.62
<b>Median Family Income (19740 – Denver-Aurora-Centennial, CO MSA)</b>		\$103,157		<b>Median Housing Value</b>		\$405,000
<b>Median Family Income (19740 – Denver-Aurora-Centennial, CO MSA) for 2024</b>		\$130,400		<b>Median Gross Rent</b>		\$1,503
				<b>Families Below Poverty Level</b>		5.33
FFIEC File – 2020 Census FFIEC File – 2024 Census 2024 Dun & Bradstreet SBSF Demographics Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification						

## Scope of Evaluation in Colorado

We completed a full-scope review of the bank’s only AA, the Denver MSA. Please refer to the table in Appendix A for more information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN COLORADO

### LENDING TEST

The bank’s performance under the Lending Test in Colorado is rated High Satisfactory.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Denver MSA was good.

### Lending Activity

Lending levels reflected good responsiveness to AA credit needs.

Table 3: Lending Activity								2022-2024	
Number of Loans									
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits	
Denver MSA 2024	187	0	0	7	0	194	100.00	0.00	
<b>Total</b>	187	0	0	7	0	194	100.00	0.00	
Dollar Volume of Loans (\$000s)									
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits	
Denver MSA 2024	68,353	0	0	42,931	0	111,284	100.00	0.00	
<b>Total</b>	68,353	0	0	42,931	0	111,284	100.00	0.00	

Source: 1/1/2022 - 12/31/2024 Bank Data.  
Due to rounding, totals may not equal 100.0%

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

The bank originated 187 home mortgage loans totaling \$68.4 million in the AA. The bank did not originate small business loans, small farm loans, or consumer loans in the AA during the examination review period.

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

The bank exhibited an excellent geographic distribution of loans in its AA.

#### *Home Mortgage Loans*

Refer to Table 7 in the state of Colorado section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

For 2022-2024, the bank originated 3.74 percent of loans in low-income CTs, which exceeded both the peer aggregate lending level (2.62 percent) and the overall percentage of owner-occupied housing units (2.84 percent). In moderate-income CTs, the bank originated 49.20 percent of loans, which significantly exceeded both the peer aggregate lending level (21.09 percent) and the overall percentage of owner-occupied housing units (21.22 percent).

#### *Lending Gap Analysis*

We reviewed reports detailing CFSB's lending activity over the evaluation period for home mortgage loan products to identify gaps in the geographic distribution of these loans. We did not identify any unexplained, conspicuous gaps.

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

The bank exhibited an excellent distribution of loans among individuals of different income levels, given the product lines offered by the institution.

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

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

In 2022-2024, the bank originated 10.70 percent of loans to low-income borrowers, which exceeded peer aggregate lending levels (7.00 percent), but was below the percentage of low-income families (20.21 percent). The bank originated 41.71 percent of loans to moderate-income borrowers, which significantly exceeded peer aggregate lending levels (17.98 percent) and the overall percentage of moderate-income families (18.19 percent).

## **Community Development Lending**

The institution was a leader in making CD loans.

Refer to Table 3 in the Lending Activity section for the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

CFSB's level of CD lending had a positive impact on its overall lending performance in the Denver MSA. During the evaluation period, CFSB originated ten new CD loans totaling \$72.9 million. This volume represents 30.3 percent of tier 1 capital. Seven CD loans assisted in the development or preservation of affordable housing for LMI individuals and economic development within the bank's AA. Additionally, the bank's CD lending efforts outside of the AA, but within the state of Colorado, totaled \$30.0 million, and included funding for economic development and affordable housing. These loans exhibit excellent responsiveness to the identified need of affordable housing and economic development in the AA.

The following are examples of CD loans the bank originated or purchased in the AA:

- A loan participation in a construction loan to build 60-unit affordable housing apartments in Denver, CO. The project will primarily serve the needs of the homeless with social services provided in the commercial space on the first floor of the building. The project qualifies for the nine percent Low-Income Housing Tax Credit (LIHTC) with 100 percent of the unit's income restricted.
- A participation loan for economic revitalization which focuses on retaining or attracting businesses and residents. The construction loan funds will be used for the construction of four buildings comprising over 470,000 square feet, with 14 grade level overhead loading docks, 97 elevated overhead loading docks, and 648 parking spaces. The subject property is in an Enterprise zone, which offers economic incentives for tenants. The tenants will receive incentives for investments within the zone. The business income tax credits include the following: investment tax credit (three percent of equipment purchases); job training tax credit (12 percent of eligible job-training costs); new employee credit (\$1,100 per new job); employer

sponsored health insurance credit (\$1,000 per insured job); research and development tax credit (up to three percent of increased R & D expenditures); vacant building rehabilitation tax credit (25 percent of rehabilitation cost up to \$50,000); and commercial vehicle investment tax credit (up to 1.5 percent). Additionally, the property is also located in a low-income CT within the Denver MSA.

- A CD participation loan in the amount of \$7.5 million. The loan was structured with \$5.7 million tax free and the remaining \$1.8 million a second taxable tail. The project is a LIHTC with all units restricted to those earning 30 to 60 percent of the area median income. The project qualifies for 14 project-based vouchers (a program allowing the State of Colorado's Department of Local Affairs to use up to 20 percent of its budget to subsidize units targeting populations needing supervision or structured setting). The project's purpose is to provide affordable housing options for local residents. This property is located within the bank's AA.

For the three-year period ending December 31, 2024, the bank originated seven of the ten CD loans totaling \$42.9 million in the AA and three of the nine CD loans totaling \$30.0 million outside of the AA but within the state of Colorado.

### Product Innovation and Flexibility

The institution made limited use of innovative and/or flexible lending practices in order to serve AA credit needs. The bank’s lending strategy in the AA is to purchase whole loans granted to LMI borrowers from third parties, including the HFHMD, which provides liquidity to these entities to grant more loans to LMI individuals and addresses the affordable housing needs of the AA.

### INVESTMENT TEST

The bank’s performance under the Investment Test in Colorado is rated Outstanding.

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

Based on a full-scope review, the bank’s performance in the Denver MSA was excellent. The institution had an excellent level of qualified investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibited excellent responsiveness to credit and community development needs. The institution made significant use of innovative and/or complex investments to support CD initiatives.

Table 4: Qualified Investments*									2022-2024	
Assessment Area	Prior Period		Current Period		Total				Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Denver MSA	5	46,391	19	653	24	100%	47,044	100%	4	13,122
Broader Statewide or Regional Area	2	10,924	2	1,489	4	100%	12,413	100%	1	2,589
<b>Total</b>	<b>7</b>	<b>57,315</b>	<b>21</b>	<b>2,142</b>	<b>28</b>	<b>100%</b>	<b>59,457</b>	<b>100%</b>	<b>5</b>	<b>15,711</b>

\* The table presents the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Within the Denver MSA AA, CFSB advanced \$653,000 towards investment securities and grants during the evaluation period, and had \$46.4 million in prior period investments outstanding. In addition, the bank is legally bound to make additional capital contributions totaling \$13.1 million towards five of the existing investments. Qualified investments and charitable donations, including those outside of the AA, total \$59.5 million and represent 24.4 percent of tier 1 capital.

The bank’s responsiveness to the CD needs in the AA is excellent. Funding for affordable housing is one of the primary CD needs in the AA and the bank made a significant majority of its investments focused on affordable housing. The bank makes use of complex equity investments to support CD initiatives. Investment vehicles included LIHTC funds, targeted affordable multifamily housing mortgage-backed securities, and general obligation municipal school bonds. The bond proceeds are for the maintenance of existing schools, building new schools, and updating facilities to enhance learning in Denver School District #1, which serves majority LMI students.

CFSB also received positive consideration for two investments totaling \$10.9 million that serves a broader statewide and regional areas that include the bank’s AA. One investment for \$5 million issued by the Midwest Housing Equity Group (MHEG) supports the rehabilitation of apartment units in Leadville, Colorado, which is outside of the bank’s AA. This MHEG serves the whole state of Colorado and offers equity investment opportunities in funds created to develop, rehabilitate, and preserve affordable housing for LMI individuals in several states including Colorado. The other asset is a \$5.9 million investment in a Small Business Investment Company (SBIC) that primarily focuses on capital invest for startup fintech companies across the country. While fintech is not an identified need of the bank’s MSA, this investment does promote broader economic development in the region that includes Colorado.

## SERVICE TEST

The bank’s performance under the Service Test in Colorado is rated High Satisfactory.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank’s performance in the Denver MSA was good.

## Retail Banking Services

Service delivery systems were reasonably accessible to geographies and individuals of different income levels in the institution’s AA.

Assessment Area	Deposits		Branches					Population					2022-2024
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)					% of Population within Each Geography				
				Low	Mod	Mid	Upp	NA	Low	Mod	Mid	Upp	NA
Denver MSA	10.19	0	0	0	0	0	0	0	5.1	26.8	34.6	32.6	1.0
<b>Total</b>	<b>10.19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5.1</b>	<b>26.8</b>	<b>34.6</b>	<b>32.6</b>	<b>1.0</b>

Source: FFIEC File - 2020, 2024 Census  
 1/1/2022 - 12/31/2024 Bank Data  
 Due to rounding, totals may not equal 100.0%

\* The table presents the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

CFSB does not have a physical retail presence or operate any branch locations or ATMs. The bank’s

retail banking services are limited to an online savings account and online certificate of deposit accounts. The bank does not offer transaction accounts. The bank does not offer ATM/point of sale debit access or bill pay services but allows ACH transactions initiated by the receiving entity.

Table 6: Distribution of Branch Openings/Closings						
Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Denver MSA	0	0	0	0	0	0
<b>Total</b>	0	0	0	0	0	0

1/1/2022 - 12/31/2024 Bank Data.

\* The table presents the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

There were no branches opened or closed during the evaluation period.

Services, including where appropriate, business hours, did not vary in a way that inconvenienced its AA, particularly LMI geographies and/or individuals.

### Community Development Services

The institution was a leader in providing CD services.

CFSB provided an excellent level of CD services throughout the evaluation period. During this time, CFSB employees contributed their time to a number of community organizations with efforts supporting LMI individuals and families in the bank’s AA. For the evaluation period, CFSB employees provided 3,766 hours to these community organizations throughout the Denver MSA that assist LMI individuals and families and support affordable housing. Examples of these CD efforts during the evaluation period include:

- Employees provided 248 hours of CD services to an organization that builds, rehabilitates, repairs and sells affordable housing for homeownership opportunities to LMI individuals and families. Bank employees reviewed and advised on the nonprofit’s mortgage program and served on the board of directors.
- Employees provided 545 hours of CD services to CDFI which provides affordable housing and economic development financing. A banker serves on the board and finance committee.
- An employee provided 40 hours of CD services to an organization that raises capital from private investors to fund affordable housing developments. The employee serves on the regional committee and the operations and investment committee.

## 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 MSAs and non-MSAs 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>	01/01/2022 to 12/31/2024	
<b>Bank Products Reviewed:</b>	Home mortgage loans, community development loans, qualified investments, community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>Colorado</b>		
Denver-Aurora-Centennial AA	Full-scope	Entirety of the MSA

## Appendix B: Summary of MMSA and State Ratings

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RATINGS				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Colorado Federal Savings Bank	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
MMSA or State:				
COLORADO	High Satisfactory	Outstanding	High Satisfactory	Satisfactory

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

## Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in 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. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances. Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

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

**Community Reinvestment Act (CRA):** The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including low- and moderate-income areas, 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):** 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, other secured consumer loans, and other unsecured consumer loans.

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

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

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

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

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2 of this title, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (10) and (13) of this title.

**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-Scope 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 CD loans and qualified investments, branch distribution, and CD services).

**Low-Income:** Individual income that is at 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 state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5

million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

**Multistate Metropolitan Statistical Area (MMSA):** Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

**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.

**Prior Period Investments:** Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

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

**Rating Area:** A rated area is a state or multistate metropolitan statistical 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 multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan statistical area.

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

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

**Tier 1 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.

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated the same as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA reporting lenders in the MMSA/AA. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table 7. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - 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 aggregate peer data for the years the data is available.
- Table 8. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - 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 MMSA/AA. The table also presents aggregate peer data for the years the data is available.

Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022-2024		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total Number	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate		
Denver MSA 2024	187	68,353	100.00	299,724	2.84	3.74	2.62	21.22	49.20	21.09	37.61	32.09	36.74	37.86	14.97	39.03	0.47	--	0.48		
<b>Total</b>	187	68,353	100.00	299,724	2.84	3.74	2.62	21.22	49.20	21.09	37.61	32.09	36.74	37.86	14.97	39.03	0.47	--	0.48		

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023 2024 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022-2024		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate		
Denver MSA 2024	187	68,353	100.00	299,724	20.21	10.70	7.00	18.19	41.71	17.98	21.93	24.60	23.59	39.68	22.99	36.27	--	--	15.16		
<b>Total</b>	187	68,353	100.00	299,724	20.21	10.70	7.00	18.19	41.71	17.98	21.93	24.60	23.59	39.68	22.99	36.27	--	--	15.16		

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%