

# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## Public Disclosure

November 13, 2000

## Community Reinvestment Act Performance Evaluation

UMB Bank Colorado, N.A.  
Charter Number: 23905

1670 Broadway  
Denver, Colorado, 80202

Office of the Comptroller of the Currency  
Midsize Banks  
One Financial Place  
440 South LaSalle Street, Suite 2700  
Chicago, Illinois 60605-1073

**NOTE:** 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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## General Information

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

*This document is an evaluation of the CRA performance of **UMB Bank Colorado, N.A.** prepared by the **Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of November 13, 2000. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this Performance Evaluation. 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 by another company. A company is under common control with another company if both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Block Numbering Area (BNA)** - Statistical subdivisions of counties in which census tracts have not been established. BNAs have been established by the United States Census Bureau in conjunction with state agencies.

**Census Tract (CT)** - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the United States Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten year census and an average population of 4,000.

**Community Development (CD)** - Affordable 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.

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

**Geography** - A census tract or a block numbering area 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 applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

**Home Mortgage Loans** - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwellings loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

**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 investments, branch distribution).

**Low-Income** - Income levels that are less than 50% of the median family income.

**Median Family Income (MFI)** - The median income determined by the United States 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 Statistical Area (MSA)** - Area defined by the Director of the United States Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

**Middle-Income** - Income levels that are at least 80% and less than 120% of the MFI.

**Moderate-Income** - Income levels that are at least 50% and less than 80% of the MFI.

**Small Business Loans** - Loans with original amounts of \$1 million or less that are:  
(1) secured by nonfarm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

**Small Farm Loans** - Loans with original amounts of \$500 thousand or less that are:  
(1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

**Tier 1 Capital** - The total of common shareholders' equity, perpetual preferred shareholders' equity with noncumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income** - Income levels that are 120% or more of the MFI.

## Overall CRA Rating

**Institution=s CRA Rating:** This institution is rated "**Satisfactory.**"

The following table indicates the performance level of **UMB Bank Colorado, N.A. (UMBCO)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	UMB Bank Colorado, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			
Low Satisfactory	X	X	X
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:

- < UMBCO's performance under the lending test is adequate in both the Denver MSA and Colorado Springs MSA.
- < UMBCO provided an adequate level of investments in the Colorado Springs MSA. One investment, which benefited both the Colorado Springs and Denver MSAs, is innovative and complex. The level of investments in the Denver MSA, however, is poor.
- < UMBCO's service delivery systems provide reasonable access to geographies and individuals of different income levels including LMI. Distribution of branches and ATMs in both the Denver MSA and the Colorado Springs MSA is adequate. The level of CD services is also adequate in both assessment areas.

## Description of Institution

UMB Bank Colorado, N.A. (UMBCO) is headquartered in Denver, Colorado. UMBCO represents the October 31, 1994 merger of UMB Columbine and UMB Colorado. The bank was originally headquartered in Colorado Springs, Colorado and began as a state chartered institution. The main banking location was relocated from Colorado Springs to Denver on December 10, 1998. UMBCO converted to a national charter effective July 26, 1999. As of June 30, 2000, the bank reported total assets of \$379 million.

The bank is a subsidiary of UMB Financial Corporation (UMBFC), a regional, multi-bank holding company headquartered in Kansas City, Missouri. As of year-end 1999, the company reported \$8 billion in assets. UMBFC offers banking and related financial services to both individual and business customers, including employee benefit services, trust and estate planning, cash management, financial counseling, brokerage services, and commercial loans. UMBFC owns five commercial banks and one credit card bank with locations throughout Missouri, Illinois, Kansas, Oklahoma, Nebraska, and Colorado.

UMB Community Development Corporation (UMBCDC) is a subsidiary of UMBFC and is also headquartered in Kansas City, Missouri. UMBFC invested \$1 million in UMBCDC. We considered a portion of this investment in evaluating the bank's performance under the investment test.

UMBCO operates as an intrastate bank. The bank operates five branches and twelve Automated Teller Machines (ATMs) in the Denver metropolitan area, and six branches and ten ATMs in the Colorado Springs metropolitan area. The bank competes with numerous lenders in both its assessment areas.

UMBCO is a full-service banking institution, which offers various retail and commercial banking services. The bank's primary business focus is commercial and automobile loans. The bank provides direct automobile loans and serves as a major purchaser of automobile loans originated by dealerships in Colorado Springs and Denver. As of June 30, 2000, UMBCO's loan portfolio consisted of 40 percent commercial loans, 51 percent consumer loans, 8 percent consumer real estate loans, and 1 percent other loans. The bank has only one agricultural loan. Net loans represent 75 percent of total deposits and 55 percent of the bank's total assets. Tier 1 capital totals \$28 million. There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its assessment area (AA).

The bank was rated Satisfactory at the last CRA examination performed by the

Federal Deposit Insurance Corporation (FDIC) as of December 15, 1998.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We evaluated UMBCO's CRA performance using the Large Bank Tests in the revised CRA regulation. For the lending test we considered loan originations beginning October 1, 1998, through December 31, 1999. We reviewed only one quarter of 1998 because the previous CRA examination included an analysis of the first three quarters of that year. Also, at the bank's option, we considered consumer loan data, which the bank collected for the same period. For community development investments and services, our evaluation period runs from the ending date of the last CRA examination, which is December 16, 1998, through November 13, 2000.

Market comparisons for HMDA and small business lending are based on 1999 peer data. This is the most recent data available at the time of this evaluation. Peer data for consumer loans is not available.

We gave the greatest weight to small business loans, because this has been the bank's strategic focus. Small business loans are also identified as a need in both AAs. Home mortgage lending is not a significant product for the bank. For consumer loans, we weighted borrower distribution more heavily than geographic distribution. Geographic distribution is less meaningful because the bank relies heavily on indirect distribution channels (primarily automobile dealers) to generate these loans. Also, consumer loans generally are not considered a credit product with a stabilizing impact on LMI areas, nor are consumer loans consistently identified as a credit need in the bank's AAs.

For the Investment and Service Tests, we evaluated investments and donations; retail services, including branch distribution and accessibility; and community development services.

### Data Integrity

We performed a data integrity examination in September 2000. We used numerical sampling to test the integrity of HMDA, CRA, and consumer loan data; we used judgmental sampling to verify the accuracy of the bank's qualified investments and community development services. The examination covered loans originated during our review period, including HMDA, small business, and consumer loans. We also reviewed one small farm loan originated during this review period.

The errors we identified were not significant and did not impact our analysis. Publicly reported data is accurate, since the bank reviewed and corrected significant errors during an internal review prior to data submission.

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

The bank operates in only two AAs. Our analysis consists of a full-scope review of both.

### **Ratings**

The bank's overall rating is based on both of its AAs as they both received full-scope reviews. We weighted both areas equally. Although slightly more than half of the bank's deposits come from the Denver MSA, the bank has a longer and greater market share presence in the Colorado Springs MSA.

### **Other**

We reviewed six recent community contacts, which were performed by the OCC and the Federal Deposit Insurance Corporation in the Denver MSA. These indicate there is a need for banks to finance affordable housing projects; provide low cost financial services, including affordable home mortgage loans for LMI; and provide home ownership counseling to LMI individuals. In addition, there is a need for financial education for LMI individuals, including budgeting, managing bank accounts, and understanding credit histories. Community contacts also indicate there is a need for small business loans and technical support, particularly to minority and women owned businesses.

We reviewed four recent community contacts, which were performed by the OCC and the Federal Reserve Bank in the Colorado Springs MSA. These indicate there is a need for banks to provide affordable home mortgage loans, down payment assistance, home ownership counseling, and financial counseling for LMI individuals. There is also a need for venture capital financing for start-up businesses, as well as ongoing funding for existing businesses. Banks can also participate by holding seminars and forums to help entrepreneurs and small businesses get started, particularly those in LMI areas.

## **Fair Lending Review**

The OCC performed an analysis of 1998 HMDA lending data, public comments; and consumer complaint information in accordance with the OCC's risk-based fair lending approach. We also reviewed 1998 small business and small farm lending data. The analysis of this data revealed no basis for this office to conduct a

comprehensive fair lending examination in connection with the CRA evaluation. The FDIC performed the latest comprehensive fair lending examination as of December 15, 1998. UMBCO has adequate fair lending policies and procedures in place and periodically provides training to prevent discriminatory practices from occurring.

## 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 low satisfactory. Based on full-scope reviews, the bank's overall lending performance in both the Denver MSA and in the Colorado Springs MSA is adequate.

We gave the most weight to small business loans followed by consumer loans and home mortgage loans. Within home mortgage lending, we gave the most weight to lending activity in the Colorado Springs MSA, since the bank made very few home mortgage loans of any type in the Denver MSA. Consumer loans accounted for 90 percent of the number and 91 percent of the dollar volume; small business loans accounted for 8 percent of both the number and dollar volume; and HMDA loans accounted for 2 percent of the number and 1 percent of the dollar volume.

For home mortgage lending, we gave the most weight to home improvement loans. They account for 72 percent of all HMDA loans. We did not give any consideration to home purchase lending, because the volume is insignificant. In addition, a market share analysis for home refinance loans is not meaningful given the bank generated less than 1 percent of the market's loans in these categories in both AAs.

Our analysis does not include farm lending. The bank originated only one farm loan in its in AA during this review period. In addition, both the Denver MSA and the Colorado Springs MSA are primarily urban areas with little agricultural land.

#### Lending Activity

Refer to Table 1 in Appendix C for the facts and data used to evaluate UMBCO's lending activity. Lending levels reflect good responsiveness to the credit needs of the AAs relative to the bank's deposits. The bank's market share for its major loan products is equal to or higher than its market share for deposits. UMBCO's deposit market share in the Denver MSA is 1 percent; and in the Colorado Springs MSA it is 3 percent. In comparison, the bank's market share for small business loans is 1 percent for Denver and 2 percent for Colorado Springs. The bank is not a significant home purchase and home refinance lender. The bank's market share for home improvement loans in the Colorado Springs MSA is nearly 3 percent, but is well below 1 percent in the Denver MSA. Market share data is not available for consumer loans.

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

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

Refer to Tables 2, 3 and 4 in Appendix C for the facts and data used to evaluate the geographic distribution of UMBCO's home mortgage loan originations and purchases. We did not analyze geographic distribution of home purchase loans because the bank's volume of home purchase lending is negligible. We also did not analyze geographic distribution of home refinance lending in the Denver MSA since the bank originated only one loan in this AA. Data indicates geographic distribution of home improvement lending in both LMI census tracts in the Denver MSA is very poor. In the Colorado Springs MSA, geographic distribution of home improvement and home refinance loans in low-income census tracts is also very poor. The data indicates stronger distribution of these loans in moderate-income census tracts.

The bank originated only a few home improvement loans in the Denver MSA. Consequently, market share data for this AA is not meaningful. No home improvement loans were originated in low-income census tracts; and one was originated in a moderate-income census tract.

In the Colorado Springs MSA, the bank did not originate any home improvement loans in low-income census tracts. However, home improvement lending in moderate-income tracts is adequate. The percentage of home improvement loans in moderate-income census tracts is slightly below demographics. Market share in moderate-income census tracts nearly meets overall market share.

We did not analyze geographic distribution of home refinance lending in the Denver MSA. The bank only originated one loan.

In the Colorado Springs MSA, distribution of home refinance lending in low-income census tracts is very poor; the bank made no home refinance loans in low-income tracts. In moderate-income census tracts, home refinance lending is below demographics, but still adequate. While market share in moderate-income census tracts meets overall market share, it is not meaningful as the bank has a very small market share of home refinance loans in the MSA.

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

Refer to Table 5 in Appendix C for the facts and data used to evaluate the geographic distribution of UMBCO's origination/purchase of small loans to

businesses. The geographic distribution of small loans to businesses in both the Denver MSA and the Colorado Springs MSA is excellent. The percentage of loans in both LMI census tracts either closely meets or exceeds the percentage of businesses in these tracts. UMBCO's market share in low-income census tracts exceeds its overall market share in both the Denver and Colorado Springs MSAs. Market share in moderate-income census tracts in both MSAs meets the overall market share.

### ***Consumer Loans***

Refer to Table 14 in Appendix C for the facts and data used to evaluate the geographic distribution of UMBCO's consumer loan originations and purchases.

Geographic distribution of consumer loans in both LMI census tracts in the Denver MSA is poor. The percentage of loans in these census tracts is significantly less than the percentage of the population that resides in LMI census tracts.

Distribution of consumer loans in low-income census tracts in the Colorado Springs MSA is adequate; but it is poor in moderate-income census tracts. The percentage of loans originated in low-income census tracts is reasonably close to the percentage of the population that resides in low-income census tracts. The percentage of loans originated in moderate-income census tracts is well below the percentage of the population that resides in these tracts.

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

Our geographic distribution analysis included a review for any lending gaps in the Denver and Colorado Springs MSAs, particularly in LMI areas. We did not identify any unexplained conspicuous gaps in the bank's lending activity.

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

We calculated the inside/outside ratio at the bank level. UMBCO originated a substantial majority of home mortgage and small business loans in its assessment areas. The bank originated 97 percent of home mortgage loans and 90 percent of small business loans in the bank's AA. The percentage of consumer loans in the AA was lower, but still represents a majority at 78 percent.

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

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

Refer to Tables 7, 8 and 9 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases. We did not analyze borrower distribution for home purchase loans, because the bank's volume of home purchase lending is negligible. In addition, we did not analyze home refinance lending in the Denver MSA because the bank originated only one loan in this AA. Data for home improvement loans indicates adequate distribution to low-income borrowers, but very poor distribution to moderate-income borrowers in the Denver MSA. In the Colorado Springs MSA, distribution of home improvement and home refinance loans to low- and moderate-income borrowers is adequate, with the exception of home refinance loans to moderate-income borrowers, which is excellent. Market share data is most meaningful for home improvement loans. It is not as meaningful for home refinance loans because the bank originated very few of these loans in its AAs.

Distribution of home improvement loans to low-income borrowers in the Denver MSA is adequate, but very poor for loans to moderate-income borrowers. Although the percentage of loans to low-income borrowers falls well below the demographic, data indicates that 10 percent of the low-income population has an income below the poverty level. This leaves 9 percent of the low-income population, which could reasonably qualify for home ownership and home improvement loans. On the other hand, the bank did not originate any loans to moderate-income borrowers in the Denver MSA. Market share for home improvement loans to low-income borrowers nearly meets overall market share.

Distribution of home improvement loans to both LMI borrowers in the Colorado Springs MSA is adequate. Although the percentage of loans to low-income borrowers is well below the percentage of families that are low-income, this is considered adequate given that 10 percent of the families live below the poverty level. The percentage of home improvement loans to moderate-income borrowers is below the demographic; but it is still considered reasonable. Market share for home improvement loans to low-income borrowers exceeds overall market share; market share to moderate-income borrowers is well below overall market share.

We did not analyze home refinance lending in the Denver MSA; the bank only originated one home refinance loan in this AA. In the Colorado Springs MSA, distribution of home refinance loans to low-income borrowers is adequate, and excellent for home refinance loans to moderate-income borrowers. While the percentage of loans to low-income borrowers is well below the demographic, data indicates 10 percent of the population has an income below the poverty level. Consequently, about 8 percent of the population could reasonable qualify for home ownership. The percentage of home refinance loans to moderate-income borrowers exceeds the demographic. Market share data indicates the bank exceeded overall market share for home refinance loans to low-income borrowers

and nearly met overall market share for loans to moderate-income borrowers.

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

Refer to Table 10 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 businesses of different sizes in the Denver MSA is poor, and in the Colorado Springs MSA it is adequate.

In the Denver MSA, UMBCO made 40 percent of its reportable business loans to small businesses (businesses with gross annual revenues of \$1 million or less). The distribution of loans to small businesses with gross annual revenues of \$1 million or less is significantly below the demographic. This is considered poor despite the fact the bank competes with numerous other lenders who offer small business loans. Market share for small business loans nearly meets overall market share; however, both are less than 1 percent.

In the Colorado Springs MSA, UMBCO made 68 percent of its reportable business loans to small businesses. The percentage of loans to small businesses is well below the demographic but is considered adequate. The bank also faces significant competition for business loans in this AA. Overall, the bank has a market share of less than 2 percent. Market share for small business loans nearly meets overall market share.

### ***Consumer Loans***

Refer to Table 14 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

In the Denver MSA, the distribution of consumer loans to low-income borrowers is adequate and to moderate-income borrowers it is poor. Data indicates the percentage of loans to low-income borrowers is below the demographic, but still reasonable. The percentage of loans to moderate-income borrowers is well below the demographic.

Distribution of consumer loans to low-income borrowers in the Colorado Springs MSA is excellent, but poor to moderate-income borrowers. The percentage of loans to low-income borrowers in the Colorado springs MSA exceeds the demographic. However, the percentage of loans to moderate income borrowers is significantly below the demographic.

### ***Community Development Lending***

The bank did not originate any community development loans during this review period.

### ***Product Innovation and Flexibility***

The bank did not present any innovative or flexible loan products for our consideration during this review.

## **INVESTMENT TEST**

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

The bank's performance under the Investment Test is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Denver MSA is poor; and in the Colorado Springs MSA it is good. Please refer to Table 12 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

UMBCO and an affiliate extended \$58 thousand in investments and grants in the Denver MSA. About half of this represents a portion of an investment which UMBFC provided to UMB Community Development Corporation (UMBCDC). The description of this investment and others follows:

UMBFC invested \$1 million in UMBCDC in May 2000. The funds reactivated the CDC with a goal of implementing affordable home improvement loan programs targeting LMI areas or LMI individuals in the bank's AA. This investment is allocated among all UMBFC's subsidiary banks. The amounts, which are allocated, are primarily based on the percentage of deposits from each bank. The portion allocated to UMBCO is \$50,000, with half benefiting the Denver MSA and the other half benefiting the Colorado Springs MSA. The investment is innovative, as most CDCs in this AA do not focus on home improvement loans to LMI. In addition, it is complex based on the level of expertise needed to work with several diverse groups in developing a home improvement product to meet the specific needs of the AA, as well as, the time required to bring the CDC to fruition. This loan program is eligible for partnerships with other organizations to allow for attractive financing programs using interest rate subsidies. To date, no loans have been made under the program.

In addition to the investment, UMBCO made three grants in the Denver MSA, the majority represents a donation to United Way. The bank gave all of the donations to organizations that provide services to LMI.

The investment in the CDC is very responsive to a stated need in the AA.

However, overall dollar volume of qualified investments in the Denver MSA is very low, particularly considering the number of opportunities in the Denver AA and the bank's capacity to invest in available opportunities. Opportunities to invest include grants or investments, including bonds and low-income housing tax credits, in organizations which provide affordable housing; provide start-up and micro loans to small businesses; support economic development; or provide services to LMI individuals.

The bank has slightly over \$1 million in qualified investments and grants in the Colorado Springs MSA. A significant majority of the investments consists of Colorado School District bonds. A description of these and other investments follows:

UMBCO has an investment in five El Paso County Colorado School District Bonds. The bonds are prior period investments and have a combined book value of just over \$1 million. The funds were used to make permanent improvements to an elementary school and a high school. This investment has a continuing beneficial impact on the community and the students who attend the schools due to the improvements in educational facilities. A majority of the students who attend both schools come from low- and moderate-income families.

In addition, UMBCDC has allocated a portion of an investment, which is both innovative and complex in the Colorado Springs AA. The \$25,000 allocated to this AA will provide home improvement loans to LMI individuals or in LMI areas. To date, no loans have been made under this program.

The bank also provided grants to four community development organizations. Two of these represent donations to organizations which support economic development; one provided funds for a project which revitalized and stabilized a low-income area in Colorado Springs; and one provided funds for an organization which serves LMI individuals.

## **SERVICE TEST**

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

The bank's performance under the Service Test is rated low satisfactory. Based on full-scope reviews, the bank's performance in both the Denver MSA and Colorado Springs MSA is adequate.

UMBCO's branch delivery systems are reasonably accessible to geographies and individuals of different income levels in the Denver and Colorado Springs AAs.

Refer to Table 13 of Appendix D for data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings. UMBCO also provided an adequate level of community development services that benefited its AAs. Branch distribution received the most weight in rating the bank's performance under the Service Test.

## **Retail Banking Services**

UMBCO does not have any branches in low-income census tracts in either the Denver MSA and the Colorado Springs MSA. The percentage of branches in moderate-income census tracts compares adequately to demographics in the Denver MSA and very favorably in the Colorado Springs MSA. In the Denver MSA, the branch which is located in a moderate-income census tract is adjacent to a low-income census tract. In the Colorado Springs MSA, two branches are located in census tracts which are adjacent to low-income census tracts; and two are adjacent to moderate-income census tracts. The proximity of these branches helps provide reasonable access for residents in adjacent LMI census tracts.

Distribution of ATMs in the Denver MSA is reasonable. The bank has five full service ATMs and seven cash dispensing ATMs in the Denver MSA. None of the full service ATMs is located in a LMI census tract. However, one full service ATM located in an upper-income census tract is adjacent to a low-income census tract. While none of the cash dispensing ATMs are located in low-income census tracts, two are located in moderate-income census tracts and all of the cash dispensing ATMs are located in census tracts which are adjacent to numerous low- and moderate-income census tracts. This provides reasonable access to all segments of the assessment area, including low- and moderate-income geographies.

Distribution of ATMs in the Colorado Springs MSA is good. The bank operates six full-service and four cash dispensing ATMs in the Colorado Springs AA. Two, or 33 percent, of the full service ATMs are located in moderate-income census tracts; this compares very favorably with demographics. Two other full-service ATMs are located in census tracts that are adjacent to LMI census tracts. UMBCO operates one cash-dispensing ATM in a low-income census tract and one other is located in a census tract that is adjacent to a moderate-income census tract. The distribution of ATMs helps provide good access to all segments of the AA, including LMI geographies.

Banking hours do not vary significantly at the different branches in either the Denver MSA or the Colorado Springs MSA. Hours maintained at moderate-income branches are comparable to those maintained at other branches.

All banking services are offered at all the branches. Although only some of the branches have in-house lenders, individuals can apply for credit at any branch location.

UMBCO offers other types of services in both the Denver MSA and the Colorado Springs MSA, which provide specific benefit to LMI individuals. The bank's ATMs have been programmed to accept transactions associated with the Colorado Quest program; this program allows welfare recipients to withdraw payments by debit card at the bank's ATMs. The bank also offers Electronic Transfer Accounts (ETA). These accounts support the government's initiative to improve access to financial services and encourage LMI individuals to establish accounts to receive their payments from the federal government. The bank also offers low-cost checking accounts.

UMBCO offers other alternative delivery systems such as 24-hour account information via the telephone, telephone bill payment services, and PC online banking services. The bank also offers a courier service, which picks up deposits for commercial customers. This service allows businesses to keep their staff working full time at the business instead of going to the bank to make daily deposits. However, the bank does not have information available to determine if these services are an effective alternative for providing banking services to LMI individuals or geographies. These services received no weight in determining the bank's overall performance.

UMBCO also provides accounts to attorneys through the Colorado Lawyer Trust Account Foundation (COLTAF). The bank pays interest on these accounts and waives the charges. The interest from these accounts is contributed to the COLTAF fund which awards grants that provide legal assistance or education to LMI individuals.

### **Community Development Services**

UMBCO's level of community development services in both the Denver MSA and the Colorado Springs MSA is adequate.

The bank provided services to 12 community development organizations in the Denver MSA. The services included fundraising, serving as committee chairman, serving on the finance committee, and serving as a board member for organizations which provide affordable housing, provide services for LMI individuals, or promote economic development in LMI areas.

In the Colorado Springs MSA, the bank provided services to seven community

development organizations. Bank personnel served on advisory committees and boards and served as consultants, fundraisers, and team leaders for organizations which provide services for LMI individuals, provide affordable housing for LMI, and provide services and education for small businesses. The branch in Colorado Springs also provided tours for high school students who attend schools in predominately LMI geographies. The tours included discussions on financial services and balancing a checkbook.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan areas that received comprehensive examination review (designated by the term AFull-Scope). The bank has only two metropolitan AAs and does not serve any nonmetropolitan areas.

<b>Time Period Reviewed</b>	Lending Test: (10/1/98 to 12/31/99) Investment and Service Tests: (12/16/98 to 11/13/00)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
UMB Bank Colorado, N.A. Denver, Colorado	Small Business HMDA Consumer	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
UMB CDC	Subsidiary of UMBFC	Qualified Investments
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Denver MSA #2080 Colorado Springs MSA #1720	Full-Scope Full Scope	

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

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#### Market Profiles for Areas Receiving Full-Scope Reviews

Denver MSA .....	B-2-3
Colorado Springs MSA .....	B-4-5

**Denver MSA - #2780**

Demographic Information for Full-Scope Area: Denver MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	498	7%	22%	33%	21%	17%
Population by Geography	1,622,980	7%	24%	43%	26%	
Owner-Occupied Housing by Geography	399,963	4%	20%	45%	31%	
Businesses by Geography	88,846	9%	24%	36%	31%	
Farms by Geography	1,785	4%	19%	44%	33%	
Family Distribution by Income Level	424,027	19%	19%	24%	38%	
Distribution of Low- and Moderate-Income Families throughout AA Geographies	159,032	12%	36%	40%	12%	
Median Family Income	= \$ 40,222	Median Housing Value				= \$ 89,581
HUD Adjusted Median Family Income for 2000	= \$ 62,100	Unemployment Rate (September 30, 2000)				= 2.3%
Households Below the Poverty Level	= 10%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2000 HUD updated MFI.

The Denver AA consists of five contiguous counties in the Denver MSA. These are Adams, Arapahoe, Denver, Douglas, and Jefferson. The AA complies with regulatory guidelines and does not arbitrarily exclude any LMI areas.

The Denver metropolitan area is home to 49 percent of Colorado’s residents and 53 percent of its jobs. For the past few years, the Denver MSA has enjoyed a booming economy with a diverse employment base. The strong economy has been fueled by large municipal and commercial construction projects, a hot residential construction market, an influx of people, and growth in high tech firms. A cluster of telecommunication companies resides in the Denver metropolitan area, dubbing the area as “Communications Valley.” Biotechnology, computer technology, and communications technology have grown rapidly and are important sectors of the economy. The prosperity enjoyed by the Denver MSA has created a strong retail trades sector. According to a recent newspaper article, Denver has one of the highest per capita concentrations of retail store space in the nation. The retail trade sector is one of the biggest providers of jobs in the area; although these are not high paying jobs. While the employment picture appears to be very good, a recent economic report indicates the employment growth Denver has enjoyed during the past five years showed signs of slowing down in 2000. This is partly due to layoffs in the manufacturing sector and partly due to mergers and acquisitions in the telecommunication industry.

Unemployment in the five counties currently averages below 3 percent. Most

people have jobs except for the hardcore unemployed. However, there are underemployment issues. Many lower-income individuals work two to three jobs to keep up with the cost of living; the consumer price index has persistently outpaced that of the nation during the past several years.

Housing costs are high. The median housing price rose well over \$200,000 in 2000. Few LMI families can afford to purchase homes. Upper income individuals have begun to trickle down to traditionally moderate-income areas. Gentrification has become a concern among affordable housing providers. The high cost of housing was recently illustrated in an article in the *Rocky Mountain News*, which quoted HUD data that said from 1992 to 1998, the median cost of a home increased 61 percent, while wages only increased by 28 percent. Similarly, rents have increased by 44 percent.

Although the banks provide loans for affordable housing development, there are no special programs available for non-profit developers. Due to stiff competition from market rate developers, affordable housing providers have difficulties obtaining land for development and contractors to build the projects. The consolidated plans of four counties in the Denver MSA focus considerable attention on the need for affordable housing. But land and materials costs are so high that real estate developers have no financial incentive to build affordable housing. Real estate development in and near downtown Denver has focused on mid-range and high-end lofts, condos, and apartments, with a few mixed income condominium projects. Suburban housing construction has been explosive, but heavily focused on mid-range and high-end single family residences. However, there are a few LMI housing projects scattered throughout the MSA.

The city and county of Denver has a HUD EZ/EC Zone. Denver and other counties in the MSA also have areas designated as Redevelopment Zones and Blighted Areas. The entire Denver MSA has 34 low-income CTs and 109 moderate-income CTs. Twenty-eight of the low-income CTs are located in Denver County. Several of them are located in the Five Points area. The eastern part of the city near Stapleton Airport and the area around East Colfax Avenue, have also experienced some economic decline in recent years.

About 58 percent of the bank's deposits come from the Denver AA. However, when compared to other banks in this AA, UMBCO only has a market share of 1.45 percent. The bank faces stiff competition from larger financial institutions, which operate branches in the AA. These include Wells Fargo Bank, National Association; U.S. Bank National Association; First Trust Corporation; Bank One, Colorado, National Association; Commercial Federal Bank; World Savings Bank, F.S.B.; and Key Bank, National Association.

## Colorado Springs MSA - #1720

Demographic Information for Full-Scope Area: Colorado Springs MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	
Geographies (Census Tracts/BNAs)	84	2%	32%	44%	21%	
Population by Geography	397,014	2%	26%	44%	28%	
Owner-Occupied Housing by Geography	84,307	1%	19%	46%	34%	
Businesses by Geography	18,636	2%	32%	36%	30%	
Farms by Geography	468	1%	22%	49%	28%	
Family Distribution by Income Level	104,914	18%	20%	23%	39%	
Distribution of Low- and Moderate-Income Families throughout AA Geographies	39,511	3%	39%	44%	14%	
Median Family Income	= \$ 33,932	Median Housing Value		= \$ 82,238		
HUD Adjusted Median Family Income for 2000	= \$ 51,300	Unemployment Rate (September 30, 2000)		= 3.1%		
Households Below the Poverty Level	= 10%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 1990 U.S. Census, and 2000 HUD updated MFI.

The Colorado Springs AA consists of El Paso County, which makes up the entire Colorado Springs MSA. The Colorado Springs MSA is located about 65 miles south of Denver and is part of Colorado's Front Range, which stretches from Colorado Springs to Fort Collins.

The MSA contains 84 census tracts, 2 are low-income and 27 are moderate-income. In addition to Colorado Springs, the MSA contains the towns of Calhan, Cascade, Falcon, Fountain, Green Mountain Falls, Manitou Springs, Monument, Peyton, Security, and Rush. In 1999, the population of the MSA was estimated to be 500,000.

Economic conditions are good. The U.S. Bureau of Labor Statistics estimated the unemployment rate at 3.1 percent as of September 30, 2000. This is well below the national average. Much of the prosperity of the MSA is attributed to the presence of large military installations. Those are Fort Carson Army Base, Peterson Air Force Base, and the U.S. Air Force Academy. In its consolidated plan, Colorado Springs estimated that 60 percent of the local economy was directly or indirectly dependent upon Fort Carson. The largest private employer is MCI Communications. Other significant employers are Memorial Hospital; Current, Inc.; and, Penrose Healthcare Systems.

According to the National Association of Realtors, the median sales price of a single family home in 1999 was \$147,000. Data indicates that since 1990, the

median price of a home increased almost 79 percent while median family income only increased 44 percent. This makes homeownership for LMI families and individuals difficult.

The bank operates in a competitive environment. Wells Fargo Bank, National Association; U.S. Bank, National Association; World Savings Bank, F.S.B.; Bank One, Colorado, National Association; and, Western National Bank are the five largest banks and hold 59 percent of the insured deposits. UMBCO holds 3.42 percent market share of deposits in the Colorado Springs AA. About 42 percent of the bank's total deposits come from this AA.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

References to the Abank $\equiv$  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: purchased loans are treated as originations/purchases; market rank is based on the number of loans originated and purchased by the bank as compared to all other lenders in the MSA/assessment area; and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MSA/AA.

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 MSA/assessment area.
- 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 rank and 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 Refinance Loans** - See Table 2.
- Table 5. 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 rank and market share information based on the most recent aggregate market data available.
- Table 6. 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 rank and market share information based on the most recent aggregate market data available.

- Table 7. 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 MSA/assessment area. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 8. Borrower Distribution of Home Improvement Loans** - See Table 7.
- Table 9. Borrower Distribution of Refinance Loans** - See Table 7.
- Table 10. 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 11. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500 thousand) 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 12. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MSA/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.

**Table 13. 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 MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

**Table 14. 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 the population 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 MSA/assessment area.

**Table 1. Lending Volume**

LENDING VOLUME													State: COLORADO	Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999
MSA/Assessment Area:	% of Rated Area Deposits in MSA/AA*	Home Mortgage**		Small Loans to Businesses**		Small Loans to Farms**		Community Development***		Total Reported Loans		% of Rated Area Loans(#) in MSA/AA		
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)			
Full-Scope:														
Colorado Springs MSA	42%	77	3,568	98	10,198	1	2	0	\$0	176	13,758	46%		
Denver MSA	58%	15	397	194	37,554	0	0	0	\$0	209	37,951	54%		

(\*) Deposit data as of June 30, 2000.

(\*\*) The evaluation period for Home Mortgage Loans, Small Loans to Businesses and Small Loans to Farms is October 1, 1998, to December 31, 1999.

(\*\*\*) The bank did not originate any community development loans during this review period.

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

Geographic Distribution: HOME PURCHASE																	State: COLORADO	Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans			
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**		
Full-Scope:																		
Colorado Springs MSA	1%	0%	19%	0%	46%	67%	34%	33%	217	0.01	0.00	0.00	0.00	0.03	3	100%		
Denver MSA	4%	0%	20%	0%	45%	0%	31%	0%	312	0.00	0.00	0.00	0.00	0.00	0	0%		

(\*) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

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

Geographic Distribution: HOME IMPROVEMENT										State: COLORADO		Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999					
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans		
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full-Scope:																	
Colorado Springs MSA	1%	0%	19%	15%	46%	54%	34%	31%	10	2.63	0.00	2.51	2.97	2.40	52	78%	
Denver MSA	4%	0%	20%	7%	45%	14%	31%	79%	75	0.15	0.00	0.00	0.12	0.34	14	21%	

(\*) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE										State: COLORADO		Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999					
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans		
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full-Scope:																	
Colorado Springs MSA	1%	0%	19%	14%	46%	54%	34%	32%	167	0.05	0.00	0.05	0.04	0.06	22	96%	
Denver MSA	4%	0%	20%	0%	45%	100%	31%	0%	289	0.01	0.00	0.00	0.01	0.03	1	4%	

(\*) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

**Table 5. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES																State: COLORADO		Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans				
	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**			
Full-Scope:																			
Colorado Springs MSA	2%	4%	32%	35%	36%	35%	30%	26%	70	1.47	4.71	1.93	1.40	1.10	98	34%			
Denver MSA	9%	19%	24%	22%	36%	22%	31%	34%	51	0.56	1.50	0.55	0.30	0.62	194	66%			

(\*) Based on 1999 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

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

Geographic Distribution: SMALL LOANS TO FARMS																State: COLORADO		Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans				
	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**			
Full-Scope:																			
Colorado Springs MSA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Denver MSA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A				

**Table 7. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		State: COLORADO		Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999												
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% BANK Loans	% of Families	% BANK Loans	% of Families	% BANK Loans	% of Families	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full-Scope:																
Colorado Springs MSA	18%	0%	20%	0%	23%	33%	39%	67%	217	0.01	0.00	0.03	0.00	0.02	3	100%
Denver MSA	19%	0%	19%	0%	24%	0%	38%	0%	312	0.00	0.00	0.00	0.00	0.00	0	0%

(\*) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

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

Borrower Distribution: HOME IMPROVEMENT		State: COLORADO		Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999												
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Improvement Loans	
	% of Families	% BANK Loans	% of Families	% BANK Loans	% of Families	% BANK Loans	% of Families	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full-Scope:																
Colorado Springs MSA	18%	6%	20%	15%	23%	37%	39%	42%	10	2.63	3.21	1.35	3.34	2.77	52	79%
Denver MSA	19%	7%	19%	0%	24%	21%	38%	72%	75	0.15	0.11	0.00	0.09	0.28	14	21%

(\*) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

**Table 9. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE				State: COLORADO				Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999								
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% BANK Loans	% of Families	% BANK Loans	% of Families	% BANK Loans	% of Families	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full-Scope:																
Colorado Springs MSA	18%	5%	20%	23%	23%	18%	39%	45%	167	0.05	0.11	0.03	0.08	0.08	22	96%
Denver MSA	19%	0%	19%	0%	24%	0%	38%	100%	289	0.01	0.00	0.00	0.02	0.03	1	4%

(\*) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

**Table 10. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES				State: COLORADO				Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999			
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share**		Total Small Loans To Businesses			
	% of Businesses*	% BANK Loans	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$1 million or less	#	% of Total***		
Full-Scope:											
Colorado Springs	98%	68%	77%	15%	8%	1.47%	1.18%	98	34%		
Denver MSA	98%	40%	61%	12%	27%	.56%	.31%	194	66%		

(\*) Businesses with revenues of \$1 million or less as a percentage of all businesses.

(\*\*) Based on 1999 Aggregate Small Business Data only.

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

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

Borrower Distribution: SMALL LOANS TO FARMS State: COLORADO Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 1999									
MSA/Assessment Area:	Farms with Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share***		Total Small Farm Loans	
	% of Farms*	% BANK Loans**	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$500,000	All	Rev \$1 million or less	#	% of Total****
Full-Scope:									
Colorado Springs MSA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Denver MSA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Table 12. Qualified Investments**

QUALIFIED INVESTMENTS State: COLORADO Evaluation Period: DECEMBER 16, 1998 TO OCTOBER 31, 2000									
MSA/Assessment Areas:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	% of Total \$=s	#	\$ (000's)
Full-Scope:									
Colorado Springs MSA	5	\$1,087	6	\$53	11	\$1,140	95%	0	\$0
Denver MSA	0	\$0	6	\$58	6	\$58	5%	0	\$0

(\*) APrior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.

(\*\*) AUnfunded Commitments means legally binding investment commitments that are tacked and reported by the bank's financial reporting system.

**Table 13. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	State: COLORADO		Evaluation Period: DECEMBER 16, 1998 TO OCTOBER 31, 2000			
MSA/Assessment Area:	Deposits		Branches					Branch Openings/Closings						Population								
	% of Rated Area Deposits in MSA/AA	# of BANK Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies				# of Branch Closings	# of Branch Openings	Net Change in Location of Branches (+ or -)				% of the Population within Each Geography								
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp					
Full-Scope:																						
Colorado Springs MSA	42%	6	55%	0%	33%	17%	50%	0	0	N/A	N/A	N/A	N/A	2%	26%	44%	28%					
Denver MSA	58%	5	45%	0%	20%	40%	40%	0	0	N/A	N/A	N/A	N/A	7%	24%	43%	26%					

**Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)**

Geographic and Borrower Distribution: CONSUMER LOANS																			State: COLORADO		Evaluation Period: OCTOBER 1, 1998 TO DECEMBER 31, 2000			
MSA/Assessment Area:	Geographic Distribution								Borrower Distribution															
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Total Consumer Loans							
	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Hshlds	% BANK Loans	% of Hshlds	% BANK Loans	% of Hshlds	% BANK Loans	% of Hshlds	% BANK Loans	#	% of Total **						
Full-Scope:																								
Colorado Springs MSA	2%	1%	26%	12%	44%	44%	28%	43%	2%	7%	32%	15%	44%	17%	22%	61%	319	9%						
Denver MSA	7%	2%	24%	10%	24%	40%	43%	48%	7%	5%	22%	14%	33%	22%	21%	59%	3,080	91%						

(\*) The percentage of the population in the MSA/assessment area that resides in these geographies.

(\*\*) Consumer loans originated and purchased in the MSA/AA as a percentage of all consumer loans originated and purchased in the rated area.