



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Public Disclosure

Evaluation Period:
January 1, 2000 – December 31, 2001

Community Reinvestment Act Performance Evaluation

Bank of America, N.A.
Charter Number: 13044
101 South Tryon Street
Charlotte, NC 28255

Office of the Comptroller of the Currency
Large Bank Supervision
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Washington, D.C. 20219

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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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 with 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.

Assessment Area (AA)- A geographic area that consists generally of one or more MSAs (using the MSA boundaries that were in effect as of January 1 of the calendar year in which the delineation is made) or one or more contiguous political subdivisions, such as counties, cities, or towns, in which the bank has its main office, branches, and deposit-taking ATMs.

Automated Teller Machine (ATM) - An unattended electronic machine in a public place, connected to a bank's data system and related equipment and activated by a bank customer to obtain cash withdrawals and other banking services.

Banking Presence - Bank deposits held within an assessment area relative to total deposits held within a rating area.

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.

Community Development Financial Institution (CDFI) - Specialized financial institutions that work in market niches that have not been adequately served by traditional financial institutions. CDFIs provide a wide range of financial products and services, including mortgage financing for first-time home-buyers, financing for needed community facilities, commercial loans and investments to start or expand small businesses, loans to rehabilitate rental housing, and financial services needed by low-income households and local businesses. In addition, these institutions provide services that help ensure that credit is used effectively, such as technical assistance to small businesses and credit counseling to consumers. CDFIs include community development banks, credit unions, loan funds, venture capital funds, and microenterprise loan funds, among others.

Census Tract (CT) - Small, locally defined statistical areas within metropolitan 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 13 CFR 121.802(a)(2) 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 Office of the Comptroller of the Currency to evaluate a bank's record of meeting the credit needs of its local community, consistent with 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 developed 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).

Franchise MSAs or State - Includes all markets in which Bank of America, N.A. has a banking presence.

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).

Low-Income Housing Tax Credit (LIHTC) - A program through which investors receive a credit against Federal tax owed in return for providing funds to developers to help build or renovate housing for low income households.

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, branch openings and closings).

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.

- **Low-Income** - Income levels that are less than 50% of the MFI.
- **Moderate-Income** - Income levels that are at least 50% and less than 80% of the MFI.
- **Middle-Income** - Income levels that are at least 80% and less than 120% of the MFI.
- **Upper-Income** - Income levels that are 120% or more of the MFI.

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.

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

Qualified Zone Academy Bond (QZAB) - A federal program to help strengthen schools serving large concentrations of low-income families.

Small Business/Small Farm - A business or farm that has \$1 million or less in gross annual revenues.

Small Business Loans - Loans with original amounts of \$1 million or less that are: (1) secured by non-farm non-residential 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.

Description of Institution

Bank of America, N.A. is a full-service interstate bank that operates in 23 states and the District of Columbia. The bank, headquartered in Charlotte, North Carolina, is a subsidiary of Bank of America Corporation with previous ownership held by NationsBank Corporation. The bank has established 4,291 banking offices and 13,113 automated teller machines (ATMs). Bank of America, N.A. Internet services also allow for nationwide banking activity with a current user base of approximately 2.9 million online customers. The bank offers a varied range of products and services directly or indirectly through affiliates. As of December 31, 2001, Bank of America, N.A. and Bank of America Corporation had respective total assets of approximately \$551.7 billion and \$587.9 billion. Tier 1 capital for Bank of America, N.A. was \$42.1 billion.

The lending and community investment activities of two bank subsidiaries and one affiliate were considered when evaluating Community Reinvestment Act (CRA) performance during the two-year period of 2000 and 2001. For purposes of this evaluation, we considered affiliate Home Mortgage Disclosure Act (HMDA) lending activities that occurred within the bank's assessment areas (AAs). In addition, we considered the community development investment activity by other subsidiaries and affiliates. The financial condition and performance of Bank of America, N.A.'s affiliates did not negatively impact the bank's compliance with CRA. The Appendix includes information on the subsidiaries and affiliates, products, and the AAs reviewed during this evaluation.

Bank of America, N.A. did not face any major legal or financial impediments that would hamper its ability to help meet the credit needs of its communities. A major focus of Bank of America, N.A. is on community development initiatives, particularly in its role as a developer through its community development corporations.

The last CRA evaluation is dated January 2000 and addresses NationsBank, N.A. performance prior to its merger with Bank of America, NT & SA. The scope of that evaluation included geographies in the District of Columbia and in the states of Arkansas, Florida, Georgia, Illinois, Iowa, Kansas, Maryland, Missouri, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia.

Description of Evaluation Process

Evaluation Period/Products Evaluated

Unless otherwise noted, conclusions drawn throughout this evaluation are based upon bank performance during fiscal years 2000 and 2001. At the bank's request, investment activity of other bank subsidiaries and affiliates was also incorporated to show all corporate activity in Bank of America, N.A. commercial banking markets. Please refer to Appendix A for a detailed listing of products as well as entities included in our review.

Selection of Areas for Full-Scope Review

We selected 34 of the 218 bank delineated AAs for full-scope review. In each state where the bank has an office, the AA with the largest Bank of America, N.A. deposit presence was selected. In the states of California, Florida, and Texas, we analyzed two AAs using full-scope procedures. Two AAs were selected due to the significant deposit presence in those states. Every multistate metropolitan statistical area (MSA) in which the bank has branches in more than one state also received a full-scope review. Detailed narrative was prepared for the Charlotte-Gastonia-Rock Hill multistate MSA and the states of California, Florida, and Texas. These areas represented 68% of the bank's total deposits. Abbreviated narratives were prepared for the remaining rating areas. For additional information regarding the makeup and consolidation of AAs, please refer to Appendix A.

Ratings

The overall Lending, Investment, and Service Test ratings for each multistate MSA and state are based primarily on conclusions drawn on those areas that received full-scope reviews, but were also influenced by performance in limited-scope areas.

When determining the Lending Test conclusions by AA, HMDA loan products have been weighted more heavily than small business and small farm loans. The weighting reflects Bank of America, N.A.'s loan volume over the evaluation period. The combined geographic and borrower distribution of HMDA, small business and small farm loans provided the most weight to AA Lending Test conclusions. Qualitative factors, such as lending volume and the use of innovative and flexible lending programs provided a lesser amount of weight to conclusions. Significant housing affordability issues impacted our analysis in the Washington multistate MSA and the Chicago, Los Angeles-Long Beach, Miami, New York, San Francisco, and Seattle-Bellevue-Everett MSAs. Based on volume

and complexity, community development lending provided a neutral or positive impact to overall Lending Test ratings.

Investment and contribution activity, and responsiveness to community development needs initiatives were considered equally throughout the analysis when determining Investment Test AA conclusions.

Finally, accessibility to branch offices as well as branch hours and services provided the most weight when determining Service Test conclusions. Changes in branch locations and community development services received a lesser amount of weight to overall conclusions.

Bank of America, N.A.'s overall rating is a blend of the multistate MSA and state ratings. Ratings were determined by considering lending, investment, and service activity in relation to the bank's presence within each AA. When consolidating AA conclusions into state ratings, communities with a large banking presence received more weight than those with a small banking presence. We applied similar standards when consolidating state and multistate ratings into the overall bank rating.

Data Integrity

Bank of America, N.A. public lending information is accurate. As part of this CRA evaluation, the accuracy and reliability of the bank's 2000 and 2001 publicly filed Home Mortgage Disclosure Act (HMDA) information as well as small business and small farm lending data was reviewed and validated through a sample of 115 loan files or applications. The bank's Corporate Compliance division also performed reviews of HMDA information and small business and small farm data during 2001. We found the reviews performed by Corporate Compliance to be satisfactory.

Community development loans, investments, and services submitted by bank management were verified to ensure that they met the regulatory definition for community development. Numerous items submitted were excluded from this evaluation because they did not meet the definition or purpose of community development.

Community Contacts

This evaluation considers input received from community members as well as those obtained through other regulatory sources. In total, we conducted or reviewed 134 contacts in 34 MSAs across the United States.

Fair Lending Review

We review Bank of America, N.A.'s Fair Lending compliance as part of our ongoing supervision activities. These activities are performed in view of the Office of the Comptroller of the Currency's (OCC) risk-based supervision approach.

As part of our ongoing supervision activities, we request and evaluate information from the bank quarterly. The request includes information that is available about the bank's Fair Lending program including policy and organizational changes, training initiatives, and bank complaint statistics. We also analyze information annually, such as the bank's HMDA and complaint data, for the appropriateness of lending patterns, potential problems with redlining or marketing, and issues with loan terms or conditions. A review of any Fair Lending complaints received by the OCC's Customer Assistance Group is included in our process.

During the evaluation period, we also sampled mortgage loan files, including mortgage loan applications from 2000 and 2001. Our review did not identify any fair lending issues or concerns.

General Information and Overall CRA Rating

General Information

The 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 (LMI) 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 Bank of America, N.A. issued by the OCC, the institution's supervisory agency, as of December 31, 2001. The agency evaluates performance in AAs, as they are delineated by the institution, rather than individual branches. This AA 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.

Overall CRA Rating

Institution's CRA Rating: This institution is rated "Outstanding".

The following table indicates the performance level of Bank of America, N.A. with respect to the Lending, Investment, and Service Tests:

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

Summary of Multistate Metropolitan Areas and State Ratings

RATINGS - BANK OF AMERICA, N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating**	Service Test Rating	Overall Ratings
BANK OF AMERICA, N.A.	Outstanding	Outstanding	High Satisfactory	Outstanding
Multistate Metropolitan Area:				
Augusta-Aiken (GA-SC)	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Charlotte-Gastonia-Rock Hill (NC-SC)	Outstanding	Low Satisfactory	Outstanding	Outstanding
Johnson City-Kingsport-Bristol (TN-VA)	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Kansas City (MO-KS)	Outstanding	Outstanding	Outstanding	Outstanding
Las Vegas (NV-AZ)	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Portland-Vancouver (OR-WA)	Outstanding	Outstanding	Outstanding	Outstanding
St Louis (MO-IL)	Outstanding	Outstanding	Low Satisfactory	Outstanding
Washington (DC-MD-VA-WV)	Outstanding	Outstanding	Outstanding	Outstanding
State:				
Arizona	Outstanding	High Satisfactory	High Satisfactory	Outstanding
Arkansas	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
California	Outstanding	Outstanding	High Satisfactory	Outstanding
Florida	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Georgia	Outstanding	Outstanding	High Satisfactory	Outstanding
Idaho	Outstanding	Outstanding	High Satisfactory	Outstanding
Illinois	Outstanding	Outstanding	High Satisfactory	Outstanding
Iowa	High Satisfactory	Low Satisfactory	Outstanding	Satisfactory
Kansas	Low Satisfactory	Low Satisfactory	Outstanding	Satisfactory
Maryland	Outstanding	Outstanding	High Satisfactory	Outstanding
Missouri	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Nevada	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
New Mexico	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
New York	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
North Carolina	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Oklahoma	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Oregon	Low Satisfactory	Outstanding	Low Satisfactory	Satisfactory
South Carolina	Low Satisfactory	Outstanding	High Satisfactory	Satisfactory
Tennessee	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Texas	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Utah	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Virginia	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Washington	Outstanding	High Satisfactory	Outstanding	Outstanding

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

(**) The overall Investment Test rating includes investment activity in non-franchise states that are not weighted within the 31 rating areas detailed above.

Executive Summary

Narrative support for Bank of America, N.A.'s overall performance rating is detailed below. Additional narrative regarding performance for each multistate MSA and state is included in the *Primary Rating Areas* and *Other Rating Areas* sections of this Evaluation. Narrative is supported by numerical tables that reflect data considered during the analysis of Bank of America, N.A.'s CRA performance. The reader can find those tables in *Appendix D*.

LENDING TEST

- Lending performance is excellent and has positively impacted persons living in or businesses located in LMI geographies as well as persons of different income levels and businesses of different revenue sizes.
- During the evaluation period, Bank of America, N.A. originated 971,667 CRA reportable loans that total \$127.6 billion. Of that total, 828,205 were HMDA reportable loans totaling \$112.8 billion, 142,488 were small business and farm loans totaling \$12.4 billion, and 974 were community development loans totaling \$2.3 billion.

Bank of America, N.A. consistently demonstrates excellent or good Lending Test results in its rating areas. The bank's HMDA, small business, and small farm lending distribution among areas of different income levels is good, as the percentages of these loan types typically are near to or exceeds the percentages of owner-occupied households, businesses, and farms in LMI geographies. The geographic distribution of HMDA, small business, and small farm loans is strongest in the Washington multistate MSA and the states of Illinois and Maryland. Rating areas with either excellent or good geographic distributions of HMDA, small business, and small farm loans represent almost 86% of the bank's total deposits.

Bank of America, N.A.'s HMDA lending distribution among borrowers of different income levels is adequate while the distribution of small business and small farm loans among businesses and farms of different revenue sizes is good. Rating areas where the borrower distribution of HMDA loans is adequate or better represent over 99% of bank deposits while rating areas where the borrower distribution of small business and farm loans is excellent or good contribute over 95% of bank deposits. The Augusta-Aiken and Las Vegas multistate MSAs and the states of Florida, Idaho, and Nevada demonstrate excellent performance and reflect the most positive distribution of small business and farm loans among businesses and farms of different revenue sizes.

The bank's community development lending enhances its Lending Test performance. In many instances, Bank of America, N.A. originated community development loans in greater amounts than expected to achieve excellent performance. Relative to banking presence, the most significant level of community development loans exceeding \$50.0 million were made in the Charlotte-Gastonia-Rock Hill and Washington multistate MSAs as well as the Atlanta, Baltimore, Chicago, Houston, New York, Riverside-San Bernardino, San Diego, and Tucson MSAs. Rating areas where community development lending performance had a significantly positive impact on overall Lending Test performance represent almost 78% of bank deposits. In addition, letters of credit originated by the bank contributed significantly to the bank's community development goals as these activities supported the creation of an additional 13,622 affordable homes.

In relation to the bank's deposit market share, lending activity levels further support the bank's overall excellent Lending Test performance as Bank of America, N.A.'s activity is almost always commensurate with, or exceeds, its presence in the market. Finally, special loan products with flexible underwriting standards assist in meeting the credit needs of LMI individuals and geographies within its AAs. Bank of America, N.A. originated a substantial majority of HMDA, small business, and small farm loans inside of its defined AAs.

INVESTMENT TEST

- Investment activity reflects an excellent level of responsiveness to the needs of Bank of America, N.A. AAs. In many AAs, Bank of America, N.A. has taken a leadership role in developing and participating in investments that are complex and involve multiple partners and both public and private funding. Many investments serve significant community development needs.
- During the evaluation period, Bank of America, N.A. made 3,513 investments, including grants and contributions, within the franchise states totaling almost \$1.3 billion. Currently, 1,229 prior period investments remain outstanding and total \$861.4 million. Bank of America, N.A. also made 57 additional qualified investments in non-franchise states that total \$265.4 million.

Bank of America, N.A. consistently demonstrates strong Investment Test performance. Rating areas where investment performance is excellent or good represent 88% of bank deposits. Weaker, but adequate performance in four rating areas is centered in lower amounts of qualified investments relative to the bank's operations in those rating areas. Investment performance in many AAs was positively impacted by prior period investments that remain outstanding.

In many markets, the volume of investments made during and prior to the evaluation period as well as the investment projects located outside of Bank of America, N.A.'s AAs

enhances investment performance. Bank of America, N.A. has made investments in many AAs in greater amounts than expected to achieve excellent performance. Relative to banking presence, the most significant current period investments in amounts greater than 20% of tier one capital and \$10.0 million were made in the Memphis, Merced, New York, and Pensacola MSAs. In addition, during this evaluation period, more than \$40.0 million was invested in the St. Louis multistate MSA and Baltimore, Dallas, Houston, Los Angeles-Long Beach, Riverside-San Bernardino, and San Francisco MSAs. The most significant housing development, where Bank of America, N.A. invested in more than 1,000 LMI housing units, was in the Washington multistate MSA and Atlanta, Chicago, Dallas, Fort Lauderdale, and Los Angeles-Long Beach MSAs. In aggregate, Bank of America, N.A. provided investment vehicles that funded more than 17,000 LMI housing units throughout its franchise states.

Bank of America, N.A. often demonstrates significant leadership in its qualified investment activities. The bank consistently ranks among the five most significant LIHTC investors across the country. Similar leadership is evident in the bank's investments in QZABs and CDFIs. Often, Bank of America, N.A. amplifies the impact of its qualified investments by providing technical assistance to the community based non-profit entities that benefit from the bank's funding support. Bank of America, N.A. frequently extends grants to assist organizations that are incapable of supporting additional debt or providing a sufficient investment return.

SERVICE TEST

- Provision of retail and community development services shows good responsiveness to the banking needs of geographies and individuals of different income levels in its assessment areas.

Bank of America, N.A. demonstrates good Service Test performance. The accessibility of the bank's retail service delivery systems is good as the percentage of branches in LMI geographies is typically near to or is in excess of the percentage of the population in these areas. Rating areas with either excellent or good branch distribution contribute 73% of franchise deposits. The bank's record of opening and closing branches generally did not adversely affect the accessibility of delivery systems, particularly in LMI geographies. The bank's hours and services are typically tailored to the convenience and needs of communities the bank serves as rating areas with excellent performance under this Service Test performance criteria contributed 66% of the bank's deposits. Bank of America, N.A. provides a good level of community development services as services typically respond to the community development needs of the communities Bank of America, N.A. serves. Rating areas where the bank's provision of community development services is excellent or good includes 84% of franchise deposits.

PRIMARY RATING AREAS

- Charlotte-Gastonia-Rock Hill (NC-SC) Multistate MSA
- State of California
- State of Florida
- State of Texas

Charlotte-Gastonia-Rock Hill (NC-SC) Multistate MSA Rating

CRA rating for the multistate MSA¹: Outstanding

The Lending Test is rated:	<u>Outstanding</u>
The Investment Test is rated:	<u>Low Satisfactory</u>
The Service Test is rated:	<u>Outstanding</u>

The major factors that support this rating:

- Lending levels that reflect good responsiveness by Bank of America, N.A. to the credit needs of the multistate MSA;
- Good distribution of Bank of America, N.A.'s loans among geographies and borrowers of different income levels throughout the multistate MSA;
- Community development lending levels that had a significant positive impact on performance in the multistate MSA;
- Investment volume that reflects an adequate level of responsiveness to the needs of the multistate MSA; and
- Provision of services that shows an excellent responsiveness to banking needs.

Description of Institution's Operations in Charlotte-Gastonia-Rock Hill (NC-SC) multistate MSA

Bank of America, N.A. is the largest banking institution in the Charlotte-Gastonia-Rock Hill multistate MSA rating area. The bank holds a market share of 53% representing \$33.5 billion in deposits. This deposit amount is high due to the concentration of national deposits associated with the Global, Corporate, and Investment Banking (GCIB) division. The bank's primary competitor is the former First Union National Bank with a deposit market share of 28%. Of the bank's 31 rating areas, the Charlotte-Gastonia-Rock Hill multistate MSA ranks third and accounts for approximately 11% of total bank deposits. Within the multistate MSA, Bank of America, N.A. operates 71 branch offices and 99 ATMs.

¹ This rating reflects performance within the multistate MSA. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate MSA.

Refer to the market profile for the Charlotte-Gastonia-Rock Hill multistate MSA in Appendix B for detailed demographics and other performance context information.

LENDING TEST

Lending Test performance in the Charlotte-Gastonia-Rock Hill multistate MSA is rated Outstanding.

Lending Activity

Lending activity in the Charlotte-Gastonia-Rock Hill multistate MSA is good. With the leading deposit market share, the bank has the fifth, fourth, and fourth market shares for home purchase, home improvement and home refinance loans within the MSA, respectively. In addition, the bank's small business lending market rank for deposit taking institutions is below its deposit market rank.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Home purchase loan geographic distribution within the Charlotte-Gastonia-Rock Hill multistate MSA is good. The portion of loans made in low-income geographies exceeds the percent of owner occupied units in like geographies. In moderate-income geographies, the portion of loans is well below the percent of owner occupied units in like geographies. In addition, the market share of home purchase loans in LMI geographies exceeds the bank's overall market share within the MSA.

Home improvement loan geographic distribution is good. The portion of loans made in low-income geographies exceeds the percent of owner occupied units in like geographies. The portion of loans in moderate-income geographies is below the percent of owner occupied units in like geographies. In addition, the market share of home improvement loans in low-income geographies exceeds and in moderate-income geographies is below the bank's overall market share within the MSA.

Home refinance loan geographic distribution is good. The portion of loans originated in low-income geographies is near to the percent of owner occupied units within like geographies. The portion of loans originated in moderate-income geographies is well below the percent of owner occupied units in like geographies. The market share of home refinance loans in low-income geographies exceeds and in moderate-income geographies is below the bank's overall market share within the MSA.

Small Loans to Businesses

The geographic distribution of small loans to businesses in the Charlotte-Gastonia-Rock Hill multistate MSA is good. The distribution of small loans to businesses in low-income geographies exceeds the percent of businesses in like geographies. The distribution of small loans to businesses in moderate-income geographies is below the percent of businesses in like geographies. The bank's market share of small loans to businesses in LMI geographies exceeds its overall market share of small business loans in the MSA.

Small Loans to Farms

The volume of small farm lending in the Charlotte-Gastonia-Rock Hill multistate MSA was not significant and was not used in the Lending Test evaluation.

Multi-family Loans

Multi-family loan geographic distribution is excellent. Of the five multi-family loans originated in the multistate MSA, two are in low-income geographies.

Distribution of Loans by Income Level of the Borrower

Home purchase loan borrower distribution is good. The portion of loans originated to low-income borrowers is below the percent of low-income families within the MSA. However, the portion of loans to moderate-income borrowers exceeds the percent of moderate-income families within the MSA. The market share of home purchase loans to LMI borrowers exceeds the bank's overall market share for this type of loan within the MSA.

Home improvement loan borrower distribution is adequate. The amount of loans originated to low-income borrowers is below the percent of low-income families within the MSA. However, the amount of loans originated to moderate-income borrowers is near to the percent of moderate-income families within the MSA. In addition, the market share of loans to LMI families is well below the bank's overall market share of home improvement loans within the MSA.

Home refinance loan borrower distribution is adequate. The portion of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. The amount of loans originated to moderate-income families is near to the percent of moderate-income families within the MSA. The market share of loans to low-income families is well below and to moderate-income families is below the bank's overall market share of home refinance loans within the MSA.

Small Loans to Businesses

The borrower distribution of small loans to businesses is good in the Charlotte-Gastonia-Rock Hill multistate MSA. The percentage of loans to small businesses is below the percentage of small businesses in the MSA. The bank's market share of small loans to businesses is near to its overall business loan market share. The bank also makes a high majority of these loans in smaller amounts.

Community Development Lending

Community development lending had a significant positive impact on lending performance in the Charlotte-Gastonia-Rock Hill multistate MSA. During the evaluation period, the bank originated 15 community development loans totaling \$227.1 million. Almost all of these loans were for affordable housing and created more than 1,000 LMI housing units within the MSA.

Product Innovation and Flexibility

Bank of America, N.A.'s use of flexible loan programs positively impacted its Lending Test performance. For example, Bank of America, N.A. established the Neighborhood Advantage program to address affordable housing needs in its AAs. The Neighborhood Advantage Zero Down product targets LMI applicants with good credit histories who are unable to provide a sufficient down payment required under traditional mortgage products. In addition, the Neighborhood Advantage Credit Flex program accommodates low-income families who pay their bills on time but have yet to establish credit histories. Although this product requires a three percent down payment, the borrower only has to contribute one-third of this amount with the remaining funds coming from gifts or other sources. To take advantage of this product, the applicant must either fall into an LMI category or must purchase a home in a low-income census tract.

INVESTMENT TEST

Investment Test performance in the Charlotte-Gastonia-Rock Hill multistate MSA is rated Low Satisfactory. Bank of America, N.A. made 27 investments in the MSA totaling \$18.5 million during 2000 and 2001. As of year-end 2001, prior period investments totaled \$14.5 million. The largest investments in the Charlotte-Gastonia-Rock Hill multistate MSA totaled \$16.2 million and consisted of one Low-Income Housing Tax Credit (LIHTC), five equity investments, and one Historical Tax Credit in six single-family and multi-family housing projects. Those projects provided more than 425 housing units to LMI households. Bank of America, N.A. also made investments totaling \$1.1 million in two Community Development Financial Institutions (CDFIs) and other organizations that provided strategic funding to area small businesses. Other investments consisted

primarily of contributions to local or regional organizations providing community development, housing, and financial services to LMI areas or individuals.

SERVICE TEST

Service Test performance in the Charlotte-Gastonia-Rock Hill multistate MSA is rated Outstanding.

Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels. Approximately 7% of the bank's branches are in low-income geographies, which, exceeds the 3% of the population residing in these tracts. In addition, over 15% of the bank's branches are in moderate-income geographies, which is near to the 17% of the population residing in these areas.

Branch openings and closings in the multistate MSA have not adversely affected the accessibility of the bank's delivery systems, particularly in LMI geographies. Bank of America, N.A. closed one office in a low-income tract. However, the receiving branch was less than one mile away. Hours and services do not vary in a way that inconveniences people living in the multistate MSA.

Community Development Services

Bank of America, N.A. provided an adequate level of community development services to the multistate MSA. The bank served 14 organizations pursuing affordable housing and community services initiatives targeted at LMI areas and individuals. These services occasionally addressed community development needs such as technical assistance for organizations providing community development, housing, and financial services to LMI areas or individuals.

Refer to Tables 1-13 in the multistate MSA section of Appendix D for the facts and data that support all Test conclusions.

State of California Rating

CRA Rating for the State ²:	<u>Outstanding</u>
The Lending Test is rated:	<u>Outstanding</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>High Satisfactory</u>

The major factors that support this rating include:

- Lending levels that reflect excellent responsiveness by Bank of America, N.A. to the credit needs of its AAs within the state;
- Good distribution of Bank of America, N.A.'s loans among geographies and adequate distribution among borrowers of different income levels throughout its AAs;
- Community development lending levels that positively impacted performance within the state;
- Investment volume that reflects an excellent level of responsiveness to the needs of the state; and
- Provision of services that shows good responsiveness to banking needs.

Description of Institution's Operations in the State of California

Bank of America, N.A. is the largest banking financial institution in the California rating area with 22% of the market share representing \$108.5 billion in deposits. Primary competitors include Wells Fargo Bank, N.A. and Washington Mutual Bank, F.A. with deposit market shares of 14% and 12%, respectively. Of the bank's 31 rating areas, California ranks first and accounts for 34% of total bank deposits. Bank of America, N.A. has 30 defined AAs in California, which include every county in the state. The Los Angeles-Long Beach and San Francisco MSAs comprise 50% of bank deposits and 41% of bank lending totals in California and are the largest AAs in the state. For purposes of this review, five AAs that are not MSAs have been combined under the California Non-

² For institutions with branches in two or more states in a multistate MSA, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate MSA. Refer to the multistate MSA rating and discussion for the rating and evaluation of the institution's performance in that area.

MSA. Within the state, Bank of America, N.A. operates 950 branch offices and 3,637 ATMs.

Refer to the market profiles for the State of California in Appendix B for detailed demographics and other performance context information for AAs that received full-scope reviews.

LENDING TEST

Lending Test performance in California is rated Outstanding. Based on a full-scope review, performance in the Los Angeles-Long Beach and San Francisco MSAs is excellent. Performance in limited-scope AAs did not impact the Lending Test rating for California.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity

Lending activity in the Los Angeles-Long Beach MSA is excellent. With the leading deposit market share, the bank has the fifth, first, and second market shares for home purchase, home improvement and home refinance loans within the MSA, respectively. In addition, the bank's small business lending market for deposit taking institutions is near to its deposit market rank.

Lending activity in the San Francisco MSA is excellent. With the leading deposit market share, the bank has the second, first, and second market shares for home purchase, home improvement and home refinance loans within the MSA, respectively. In addition, the bank has the third ranked market share for small business lending for deposit taking institutions.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Home purchase loan geographic distribution within the Los Angeles-Long Beach MSA is excellent. The portion of loans made in LMI geographies exceeds the percent of owner occupied units in like geographies. In addition, the market share of home purchase loans in LMI geographies exceeds the bank's overall market share within the MSA.

Home improvement loan geographic distribution within the Los Angeles-Long Beach MSA is good. The portion of loans made in low-income geographies is near to the percent of

owner occupied units in like geographies. However, the portion of loans originated in moderate-income geographies is below the percent of owner occupied units in like geographies. In addition, the market share of home improvement loans in LMI geographies is below the bank's overall market share within the MSA.

Home refinance loan geographic distribution within the Los Angeles-Long Beach MSA is excellent. The portion of loans originated in LMI geographies exceeds the percent of owner occupied units within like geographies. The market share of home refinance loans in LMI geographies exceeds the bank's overall market share within the MSA.

Home purchase loan geographic distribution in the San Francisco MSA is excellent. The portion of loans made in LMI geographies exceeds the percent of owner occupied units in like geographies. In addition, the market share of home purchase loans in LMI geographies exceeds the bank's overall market share within the MSA.

Home improvement loan geographic distribution in the San Francisco MSA is excellent. The portion of loans made in LMI geographies exceeds the percent of owner occupied units in like geographies. The market share of home improvement loans originated in low-income geographies is below and in moderate-income geographies is near to the bank's overall market share of these loans within the MSA.

Home refinance loan geographic distribution in the San Francisco MSA is excellent. The portion of loans originated in low-income geographies exceeds the percent of owner occupied units within like geographies. The amount of loans originated in moderate-income geographies is near to the percent of owner occupied units in like geographies. In addition, the market share of home refinance loans in LMI geographies is near to the bank's overall market share within the MSA.

Small Loans to Businesses

The geographic distribution of small loans to businesses in the Los Angeles-Long Beach MSA is excellent. The distribution of small loans to businesses in LMI geographies exceeds the percent of businesses in like geographies. The bank's market share of small loans to businesses in LMI geographies exceeds its overall market share of small business loans in the MSA.

The geographic distribution of small loans to businesses in the San Francisco MSA is excellent. The distribution of small loans to businesses in low-income geographies is near to the percent of businesses in like geographies. The distribution of small loans to

businesses in moderate-income geographies exceeds the percent of businesses in like geographies. The bank's market share of small loans to businesses in LMI geographies exceeds its overall market share of small business loans in the MSA.

Small Loans to Farms

The volume of small farm lending in the Los Angeles-Long Beach and San Francisco MSAs was insignificant and was not used in the Lending Test evaluation.

Multi-family Loans

Multi-family loan geographic distribution in the Los Angeles-Long Beach MSA is good. Of the 28 multi-family loans originated in the MSA, eight loans were originated in low-income geographies and five loans were originated in moderate-income geographies. The volume of multi-family loans in the San Francisco MSA is insignificant.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Home purchase loan borrower distribution in the Los Angeles-Long Beach MSA is good. The portion of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. However, the portion of loans made to moderate-income borrowers exceeds the percent of moderate-income families within the MSA. The market share of home purchase loans to LMI borrowers exceeds the bank's overall market share for this type of loan within the MSA.

Home improvement loan borrower distribution in the Los Angeles-Long Beach MSA is adequate. The amount of loans originated to LMI borrowers is significantly below the percent of LMI families within the MSA. In addition, the market share of loans to low-income borrowers is near to and to moderate-income borrowers is below the bank's overall market share of home improvement loans within the MSA.

Home refinance loan borrower distribution in the Los Angeles-Long Beach MSA is good. The portion of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. However, the amount of loans originated to moderate-income borrowers is near to the percent of moderate-income families within the MSA. The market share of loans to LMI families exceeds the bank's overall market share of home refinance loans within the MSA.

Home purchase loan borrower distribution in the San Francisco MSA is very poor. The portion of loans originated to LMI borrowers is significantly below the percent of LMI families within the MSA. The market share of home purchase loans to low-income borrowers is significantly below and to moderate-income borrowers is below the bank's overall market share for this type of loan within the MSA.

Home improvement loan borrower distribution in the San Francisco MSA is adequate. The amount of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. In addition, the amount of loans originated to moderate-income borrowers is well below the percent of moderate-income borrowers within the MSA. The market share of loans to low-income families is below and to moderate-income families is near to the bank's overall market share of home improvement loans within the MSA.

Home refinance loan borrower distribution in the San Francisco MSA is adequate. The portion of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. In addition, the amount of loans originated to moderate-income borrowers is well below the percent of moderate-income families within the MSA. The market share of loans to low-income families exceeds and to moderate-income families is near to the bank's overall market share of home refinance loans within the MSA.

Small Loans to Businesses

The borrower distribution of small loans to businesses in the Los Angeles-Long Beach MSA is excellent. The percentage of loans to small businesses is exceeds the percentage of small businesses in the MSA. The bank's market share of small loans to businesses exceeds its overall business loan market share. The bank also makes a significant majority of these loans in smaller amounts.

The borrower distribution of small loans to businesses in the San Francisco MSA is excellent. The percentage of loans to small businesses is near to the percentage of small businesses in the MSA. The bank's market share of small loans to businesses exceeds its overall business loan market share. The bank also makes a significant majority of these loans in smaller amounts.

Community Development Lending

Community development lending had a positive impact on lending performance in the Los Angeles-Long Beach MSA. During the evaluation period, the bank originated 67 community development loans totaling \$134.8 million. A large portion of these loans was for affordable housing and created more than 1,100 LMI housing units within the MSA. In addition, 45 jobs were created through economic development loans.

Community development lending had a positive impact on lending performance in the San Francisco MSA. During the evaluation period, the bank originated 15 community development loans totaling \$42.8 million. A large portion of these loans was for affordable housing and created more than 300 LMI housing units within the MSA. In addition, 15 jobs were created through economic development loans.

Product Innovation and Flexibility

Bank of America, N.A.'s Lending Test performance in California is enhanced by the offering of bank-wide flexible loan products that help meet the credit needs of LMI home buyers and small businesses. Refer to the Charlotte-Gastonia-Rock Hill (NC-SC) multistate MSA section of this Evaluation for information regarding product flexibility.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Lending Test performance in the Bakersfield, Fresno, Modesto, Oakland, Riverside-San Bernardino, Sacramento, Santa Cruz-Watsonville, San Diego, San Jose, Stockton-Lodi, Visalia-Tulare-Porterville, Ventura, and Yuba City MSAs is excellent and is not inconsistent with the overall Outstanding performance in California. Performance in the Chico-Paradise, Merced, Orange County, Redding, Salinas, Santa Barbara-Santa Maria-Lompoc, San Luis Obispo-Atascadero-Paso Robles, Santa Rosa, Vallejo-Fairfield-Napa, and Yolo MSAs as well as the California Non-MSA is weaker than the overall Outstanding performance in the state. Performance is good in the Chico-Paradise, Merced, Orange County, Redding, Salinas, Santa Rosa, Vallejo-Fairfield-Napa, and Yolo MSAs. Performance is adequate in the Santa Barbara-Santa Maria-Lompoc and San Luis Obispo-Atascadero-Paso Robles MSAs and poor in the California Non-MSA. Weaker performance is due to a less favorable distribution of HMDA loans among borrowers of different income levels. Performance in limited-scope AAs did not impact the Lending Test rating in California.

INVESTMENT TEST

Investment Test performance in California is rated Outstanding. Based on a full-scope review, performance in the Los Angeles-Long Beach and San Francisco MSAs is excellent. Performance in limited-scope AAs did not impact the Investment Test rating for California.

Conclusions for Areas Receiving Full-Scope Reviews

Investment Test performance in the Los Angeles-Long Beach MSA is excellent. Bank of America, N.A. made 199 investments in the MSA totaling \$141.1 million during 2000 and 2001. As of year-end 2001, prior period investments totaled \$122.8 million. The largest investments in the Los Angeles-Long Beach MSA totaled \$93.7 million and consisted of LIHTCs in 15 single-family and multi-family housing projects. Those projects provided more than 1,170 housing units to LMI households. Bank of America, N.A. also made an investment totaling \$31.6 million in an area QZAB. In addition, the bank invested \$11.4 million in four CDFIs and other organizations that provided funding to area small businesses. Other investments consisted primarily of contributions to local or regional organizations providing community development, housing, and financial services to LMI areas or individuals.

Investment Test performance in the San Francisco MSA is excellent. Bank of America, N.A. made 112 investments in the MSA totaling \$78.0 million during 2000 and 2001. As of year-end 2001, prior period investments totaled \$22.3 million. The largest investments in the San Francisco MSA totaled \$43.0 million and consisted of five LIHTCs and one equity investment in six single-family and multi-family housing projects. Those projects provided approximately 300 housing units to LMI households. Bank of America, N.A. also made an investment totaling \$29.7 million in four CDFIs and other organizations that provided funding to area small businesses and revitalization projects. Other investments consisted primarily of contributions to local or regional organizations providing community development, housing, and financial services to LMI areas or individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Investment Test performance in the Fresno, Merced, Riverside-San Bernardino, Salinas, San Diego, San Jose, Stockton-Lodi, Visalia-Tulare-Porterville, Yolo, and Yuba City MSAs is excellent and is not inconsistent with the overall Outstanding performance in California. Performance in the Bakersfield, Chico-Paradise, Modesto, Oakland, Orange County, Redding, Sacramento, San Luis Obispo-Atascadero-Paso Robles, Santa Barbara-Santa Maria-Lompoc, Santa Cruz-Watsonville, Santa Rosa, Vallejo-Fairfield-Napa, and Ventura MSAs as well as the California Non-MSA is weaker than the overall Outstanding performance in the state. Performance is good in the Bakersfield, Chico-Paradise, Modesto, Oakland, Orange County, Redding, Sacramento, San Luis Obispo-Atascadero-Paso Robles, Santa Cruz-Watsonville, Santa Rosa, and

Vallejo-Fairfield-Napa MSAs as well as the California Non-MSA. Performance is adequate in the Santa Barbara-Santa Maria-Lompoc and Ventura MSAs. Weaker performance is centered in a lower amount of qualified investments relative to the bank's operations in the AAs. The largest investments in the limited-scope AAs consisted of 33 LIHTCs and two equity investments in 35 single-family and multi-family housing projects. Those projects provided more than 3,200 housing units to LMI households. Bank of America, N.A. also made an investment in six CDFIs and other organizations that provided funding to area small businesses and revitalization projects. In addition, Bank of America, N.A. invested in one large QZAB. Other investments consisted primarily of contributions to local or regional organizations providing community development, housing, and financial services to LMI areas or individuals. Performance in limited-scope AAs did not impact the Investment Test rating for California.

SERVICE TEST

Service Test performance in California is rated High Satisfactory. Based on a full-scope review, performance in the Los Angeles–Long Beach MSA is good and in the San Francisco MSA is excellent. Performance in limited-scope AAs did not impact the Service Test rating for California.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Service delivery systems in the Los Angeles–Long Beach MSA are accessible to geographies and individuals of different income levels. In the MSA, 8% of the bank's branches are in low-income geographies, which is near to the population of 9% residing in these tracts. However, 18% of the bank's branches are in moderate-income geographies, which is below the population of 27% residing in these areas. Bank of America, N.A.'s use of telephone and electronic banking delivery systems improved access by LMI individuals to retail banking services. In the Los Angeles–Long Beach MSA 22% of the customers using alternative delivery systems are LMI, compared to 36% of the population that is LMI. Branch openings and closings in the Los Angeles–Long Beach MSA have generally not adversely affected the accessibility of the bank's delivery systems, particularly in LMI geographies. The bank closed three branches in middle-income geographies in the MSA. Hours and services are tailored to the convenience and needs of the people residing in the Los Angeles–Long Beach MSA. The bank offers extended hours throughout branches located in LMI tracts.

Service delivery systems in the San Francisco MSA are readily accessible to geographies and individuals of different income levels. In the MSA, 10% of branches are in low-income tracts compared to almost 7% of the population living in these areas. Twenty-one percent of branches located in moderate-income tracts approximates the population of 21% located in these tracts. Bank of America, N.A.'s use of telephone and electronic banking delivery systems improved access by LMI individuals to retail banking services. In the San Francisco MSA 26% of the customers using alternative delivery systems are LMI, compared to 28% of the population that is LMI. Branch openings and closings in the San Francisco MSA have not adversely affected the accessibility of the bank's delivery systems, particularly in LMI geographies. The bank closed no offices in the MSA. Hours and services are tailored to the convenience and needs of the people residing in the San Francisco MSA. The bank offers extended hours throughout branches located in LMI tracts in both MSAs.

Community Development Services

Bank of America, N.A. provided an excellent level of community development services to the Los Angeles–Long Beach MSA. The bank served 57 organizations pursuing a variety of initiatives targeted at LMI areas and individuals. These services consistently addressed community development needs such as technical assistance for organizations providing community development, housing, and financial services to LMI areas or individuals.

Bank of America, N.A. provided an adequate level of community development services to the San Francisco MSA. The bank served 16 organizations pursuing affordable housing and community services initiatives targeted at LMI areas and individuals. These services consistently addressed community development needs such as technical assistance for organizations providing community development, housing, and financial services to LMI areas or individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Service Test performance in the Oakland, Orange County, Redding, San Diego, Santa Rosa, Stockton–Lodi, Vallejo–Fairfield–Napa, Visalia–Tulare–Porterville, Yolo, and Yuba City MSAs is good and is not inconsistent with its overall High Satisfactory performance in California. Performance in the Bakersfield, Chico–Paradise, Fresno, Merced, Modesto, Riverside–San Bernardino, Sacramento, Salinas, Santa Barbara–Santa Maria–Lompoc, Santa Cruz–Watsonville, San Jose, and San Luis Obispo–Atascadero–Paso Robles MSAs, as well as the California Non-MSA, is excellent and stronger than the overall High Satisfactory performance in the state. The primary reason for this performance is more accessible retail delivery services to LMI areas.

Performance in the Ventura MSA is adequate and weaker than the overall High Satisfactory performance in the state. The primary reason for this performance is less accessible retail delivery services to LMI areas. Performance in limited-scope AAs did not impact the Service Test rating for California.

Refer to Tables 1-13 in the California section of Appendix D for the facts and data that support all Test conclusions.

State of Florida Rating

CRA Rating for the State ³: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: Low Satisfactory

The major factors that support this rating:

- Lending levels that reflect excellent responsiveness by Bank of America, N.A. to the credit needs of its AAs within the state;
- Good distribution of Bank of America, N.A.'s loans among geographies and borrowers of different income levels throughout its AAs;
- Community development lending levels that positively impacted performance within the state;
- Investment volume that reflects a good level of responsiveness to the needs of the state; and
- Provision of services that shows adequate responsiveness to banking needs.

Description of Institution's Operations in the State of Florida

Bank of America, N.A. is the largest banking financial institution in the Florida rating area with 21% of the market share representing \$46.8 billion in deposits. The bank's primary competitors include the former First Union National Bank and Sun Trust Bank with deposit market shares of 14% and 10%, respectively. Of the bank's 31 rating areas, Florida ranks second and accounts for approximately 15% of total bank deposits. Bank of America, N.A. has 24 defined AAs in Florida, which include 48 of 67 counties in the state. The Tampa-St. Petersburg-Clearwater and Miami MSAs comprise 37% of bank deposits and 30% of bank lending totals in Florida and are the largest AAs in the state. For purposes of this review, 5 AAs that are not MSAs have been combined under the

³ For institutions with branches in two or more states in a multistate MSA, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate MSA. Refer to the multistate MSA rating and discussion for the rating and evaluation of the institution's performance in that area.

Florida Non-MSA. Bank of America, N.A. operates 741 branch offices and 1,221 ATMs in Florida.

Refer to the market profiles for the State of Florida in Appendix B for detailed demographics and other performance context information for AAs that received full-scope reviews.

LENDING TEST

Lending Test performance in Florida is rated High Satisfactory. Based on a full-scope review, performance in the Miami and the Tampa-St. Petersburg-Clearwater MSAs is excellent. However, weaker performance in limited-scope AAs negatively impacted the overall Lending Test performance due to a less favorable distribution of HMDA loans among borrowers of different income levels.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity

Lending activity in the Miami MSA is excellent. With the leading deposit market share, the bank has the fifth, second, and first market shares for home purchase, home improvement and home refinance loans within the MSA, respectively. In addition, the bank's small business lending market rank is second for deposit taking institutions.

Lending activity in the Tampa-St. Petersburg-Clearwater MSA is excellent. With the leading deposit market share, the bank has the fifth, first and third market shares for home purchase, home improvement, and home refinance loans within the MSA, respectively. In addition, the bank's small business lending market rank is second for deposit taking institutions.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Home purchase loan geographic distribution within the Miami MSA is excellent. The portion of loans made in low-income geographies is equal to and in moderate-income geographies is near to the percent of owner occupied units in like geographies. In addition, the market share of home purchase loans in low-income geographies is below and in moderate-income geographies exceeds the bank's overall market share within the MSA.

Home improvement loan geographic distribution within the Miami MSA is good. The portion of loans made in low-income geographies is below the percent of owner occupied units in like geographies. However, the portion of loans originated in moderate-income

geographies exceeds the percent of owner occupied units in like geographies. In addition, the market share of home improvement loans in LMI geographies is below the bank's overall market share within the MSA.

Home refinance loan geographic distribution within the Miami MSA is excellent. The portion of loans originated in LMI geographies is near to the percent of owner occupied units within like geographies. The market share of home refinance loans in LMI geographies exceeds the bank's overall market share within the MSA.

Home purchase loan geographic distribution in the Tampa-St. Petersburg-Clearwater MSA is adequate. The portion of loans made in LMI geographies is below the percent of owner occupied units in like geographies. In addition, the market share of home purchase loans in low-income geographies is below and in moderate-income geographies exceeds the bank's overall market share within the MSA.

Home improvement loan geographic distribution in the Tampa-St. Petersburg-Clearwater MSA is poor. The portion of loans made in low-income geographies is below the percent of owner occupied units in like geographies. The portion of loans originated in moderate-income geographies is well below the percent of owner occupied units in like geographies. The market share of home improvement loans originated in low-income geographies is significantly below and in moderate-income geographies is below the bank's overall market share of these loans within the MSA.

Home refinance loan geographic distribution in the Tampa-St. Petersburg-Clearwater MSA is good. The portion of loans originated in low-income geographies is near to the percent of owner occupied units within like geographies. The amount of loans originated in moderate-income geographies is below the percent of owner occupied units in like geographies. In addition, the market share of home refinance loans in low-income geographies is below and in moderate-income geographies exceeds the bank's overall market share within the MSA.

Small Loans to Businesses

The geographic distribution of small loans to businesses in the Miami MSA is excellent. The distribution of small loans to businesses in low-income geographies is near to the percent of businesses in like geographies. The distribution of small loans to businesses in moderate-income geographies exceeds the percent of businesses in like geographies. The bank's market share of small loans to businesses in LMI geographies exceeds its overall market share of small loans to businesses in the MSA.

The geographic distribution of small loans to businesses in the Tampa-St. Petersburg-Clearwater MSA is excellent. The distribution of small loans to businesses in low-income geographies is near to the percent of businesses in like geographies. The distribution of small loans to businesses in moderate-income geographies is near to the percent of

businesses in like geographies. The bank's market share of small loans to businesses in LMI geographies exceeds its overall market share of small business loans in the MSA.

Small Loans to Farms

The volume of small farm lending in the Miami and Tampa-St. Petersburg-Clearwater MSAs was insignificant and was not used in the Lending Test evaluation.

Multi-family Loans

Multi-family loan geographic distribution in the Tampa-St. Petersburg-Clearwater MSA is excellent. Of the 11 multi-family loans originated in the MSA, one loan was originated in a low-income geography and six loans were originated in moderate-income geographies. The volume of multi-family loans in the Miami MSA is insignificant and was not used in the Lending Test evaluation.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Home purchase loan borrower distribution in the Miami MSA is good. The portion of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. However, the portion of loans made to moderate-income borrowers exceeds the percent of moderate-income families within the MSA. The market share of home purchase loans to LMI borrowers exceeds the bank's overall market share for this type of loan within the MSA.

Home improvement loan borrower distribution in the Miami MSA is poor. The amount of loans originated to LMI borrowers is well below the percent of LMI families within the MSA. In addition, the market share of loans to LMI borrowers is well below the bank's overall market share of home improvement loans within the MSA.

Home refinance loan borrower distribution in the Miami MSA is adequate. The portion of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. However, the amount of loans originated to moderate-income borrowers is near to the percent of moderate-income families within the MSA. The market share of loans to low-income borrowers is near to and to moderate-income borrowers is below the bank's overall market share of home refinance loans within the MSA.

Home purchase loan borrower distribution in the Tampa-St. Petersburg-Clearwater MSA is adequate. The portion of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. However, the portion of loans originated to moderate-income borrowers exceeds the percent of moderate-income

families within the MSA. The market share of home purchase loans to low-income borrowers is below and to moderate-income borrowers exceeds the bank's overall market share for this type of loan within the MSA.

Home improvement loan borrower distribution in the Tampa-St. Petersburg-Clearwater MSA is adequate. The amount of loans originated to low-income borrowers is well below the percent of low-income families within the MSA. In addition, the amount of loans originated to moderate-income borrowers is below the percent of moderate-income families within the MSA. The market share of loans to LMI borrowers is below the bank's overall market share of home improvement loans within the MSA.

Home refinance loan borrower distribution in the Tampa-St. Petersburg-Clearwater MSA is good. The portion of loans originated to low-income borrowers is well below the percent of low-income families within the MSA. However, the amount of loans originated to moderate-income borrowers is near the percent of moderate-income families within the MSA. The market share of loans to LMI borrowers is near to the bank's overall market share of home refinance loans within the MSA.

Small Loans to Businesses

The borrower distribution of small loans to businesses in the Miami MSA is excellent. The percentage of loans to small businesses exceeds the percentage of small businesses in the MSA. The bank's market share of small loans to businesses exceeds its overall business loan market share. The bank also makes a significant majority of these loans in smaller amounts.

The borrower distribution of small loans to businesses in the Tampa-St. Petersburg-Clearwater MSA is excellent. The percentage of loans to small businesses exceeds the percentage of small businesses in the MSA. The bank's market share of small loans to businesses exceeds its overall business loan market share. The bank also makes a significant majority of these loans in smaller amounts.

Community Development Lending

Community development lending had a positive impact on lending performance in the Miami MSA. During the evaluation period, the bank originated five community development loans totaling \$23.4 million. Almost all of these loans were for affordable housing and created more than 500 LMI housing units within the MSA.

Community development lending had a positive impact on lending performance in the Tampa-St. Petersburg-Clearwater MSA. During the evaluation period, the bank originated eight community development loans totaling \$13.9 million. A large portion of these loans was for affordable housing and created more than 330 LMI housing units within the MSA.

Product Innovation and Flexibility

Bank of America, N.A.'s Lending Test performance in Florida is enhanced by the offering of bank-wide flexible loan products that help meet the credit needs of LMI home buyers and small businesses. Refer to the Charlotte-Gastonia-Rock Hill (NC-SC) multistate MSA section of this Evaluation for information regarding product flexibility.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Lending Test performance in the Daytona Beach, Orlando, Sarasota-Bradenton, and Tallahassee MSAs is good and is not inconsistent with its overall High Satisfactory performance in the state. Performance in the Fort Lauderdale, Jacksonville, Melbourne-Titusville-Palm Bay, Naples, and West Palm Beach-Boca Raton MSAs is excellent and stronger than the overall High Satisfactory performance in Florida. Stronger performance is due to a more favorable distribution of small business loans among businesses of different revenue levels and higher levels of community development lending. Performance in the Fort Myers-Cape Coral, Fort Pierce-Port St. Lucie, Fort Walton Beach, Gainesville, Lakeland-Winter Haven, Ocala, Pensacola, and Punta Gorda MSAs as well as the Florida Non-MSA is adequate and weaker than the overall High Satisfactory performance in Florida. Weaker performance is due to a less favorable distribution of HMDA loans among borrowers of different income levels. Performance in limited-scope AAs negatively impacted the Lending Test rating for Florida.

INVESTMENT TEST

Investment Test performance in Florida is rated High Satisfactory. Based on a full-scope review, performance in the Miami MSA is good and in the Tampa-St. Petersburg-Clearwater MSA is excellent. However, weaker performance in limited-scope AAs negatively impacted the overall Investment Test performance due to a lower amount of qualified investments relative to the bank's operations in those AAs.

Conclusions for Areas Receiving Full-Scope Reviews

Investment Test performance in the Miami MSA is good. Bank of America, N.A. made 47 investments in the MSA totaling \$14.7 million during 2000 and 2001. As of year-end 2001, prior period investments totaled \$22.9 million. The largest investments in the Miami MSA totaled \$12.6 million and consisted of LIHTCs in four single-family and multi-family housing projects. Those projects provided more than 650 housing units to LMI households. Bank of America, N.A. also made an investment totaling \$1.5 million in three CDFIs. Other investments consisted primarily of contributions to local or regional organizations providing community development, housing, and financial services to LMI areas or individuals.

Investment Test performance in the Tampa-St. Petersburg-Clearwater MSA is excellent. Bank of America, N.A. made 57 investments in the MSA totaling \$27.1 million during 2000 and 2001. As of year-end 2001, prior period investments totaled \$8.7 million. The largest investments in the Tampa-St. Petersburg-Clearwater MSA totaled \$17.0 million and consisted of four LIHTCs and two equity investments in six single-family and multi-family housing projects. Those projects provided more than 320 housing units to LMI households. Bank of America, N.A. also made an investment totaling \$9.6 million in an area QZAB. In addition, the bank invested \$150,000 in one CDFI. Other investments consisted primarily of contributions to local or regional organizations providing community development, housing, and financial services to LMI areas or individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Investment Test performance in the Fort Lauderdale and West Palm Beach-Boca Raton MSAs as well as the Florida Non-MSA is good and is not inconsistent with its overall High Satisfactory performance in Florida. Performance in the Fort Myers-Cape Coral, Gainesville, Jacksonville, Naples, Orlando, Pensacola, and Sarasota-Bradenton MSAs is excellent and stronger than the bank's overall performance. Performance in the Daytona Beach, Fort Pierce-Port St. Lucie, Fort Walton Beach, Lakeland-Winter Haven, Melbourne-Titusville-Palm Bay, Ocala, Punta Gorda, and Tallahassee MSAs is weaker than its overall performance in Florida. Performance in the Ocala, Punta Gorda, and Tallahassee MSAs is adequate while performance in the Daytona Beach, Fort Pierce-Port St. Lucie, Fort Walton Beach, Lakeland-Winter Haven, and Melbourne-Titusville-Palm Bay MSAs is poor. Weaker performance is centered in a lower amount of qualified investments relative to the bank's operations in the AAs. The largest investments in the limited-scope AAs consisted of 12 LIHTCs and six equity investments in 18 single-family and multi-family housing projects. Those projects provided more than 3,850 housing units to LMI households. Bank of America, N.A. also made an investment in one CDFI and one organization that provided funding to area small businesses and revitalization projects. In addition, Bank of America, N.A. invested in one QZAB. Other investments consisted primarily of contributions to local or regional organizations providing community development, housing, and financial services to LMI areas or individuals. Performance in limited-scope AAs negatively impacted the Investment Test rating for Florida.

SERVICE TEST

Service Test performance in Florida is rated Low Satisfactory. Based on a full-scope review, performance in the Miami and Tampa-St. Petersburg-Clearwater MSAs is good. However, weaker performance in limited-scope AAs negatively impacted the Service Test rating due to less accessible retail delivery services to LMI areas.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Service delivery systems in the Miami MSA are accessible to geographies and individuals of different income levels. In the MSA, over 9% of the bank's branches are in low-income geographies, which approximates the population percentage residing in these tracts. However, almost 12% of the bank's branches are in moderate-income geographies, which is below the 19% of the population residing in these areas. In the Miami MSA 18% of the customers using alternative delivery systems are LMI, compared to 25% of the population that is LMI. Branch openings and closings have generally not adversely affected the accessibility of the bank's delivery systems, particularly in LMI geographies. The bank closed two branches in low-income geographies and one branch in a moderate-income geography in the Miami MSA. Hours and services do not vary in a way that inconveniences the people living in the Miami MSA. The bank offers extended hours throughout a significant portion of its branches in the MSA, including those located in LMI tracts.

Service delivery systems in the Tampa-St. Petersburg-Clearwater MSA are accessible to geographies and individuals of different income levels. Although Bank of America, N.A. has no branches in low-income tracts in the Tampa-St. Petersburg-Clearwater MSA, only 2% of the MSA population resides in these areas. The bank has over 18% of its branches in moderate-income tracts, which is near to the population of 23% living in these areas. In the Tampa-St. Petersburg-Clearwater MSA 15% of the customers using alternative delivery systems are LMI, compared to 28% of the population that is LMI. Branch openings and closings have generally not adversely affected the accessibility of the bank's delivery systems, particularly in LMI geographies. The bank closed three branches in moderate-income geographies in the MSA. Hours and services do not vary in a way that inconveniences the people living in the Tampa-St. Petersburg-Clearwater MSA. The bank offers extended hours throughout a significant portion of its branches in the MSA, including those located in LMI tracts.

Community Development Services

Bank of America, N.A. provided a good level of community development services to the Miami MSA. The bank served 12 organizations pursuing affordable housing, small business development, and community service initiatives targeted at LMI areas and individuals. These services consistently addressed community development needs such as technical assistance for organizations providing community development, housing, and financial services to LMI areas or individuals.

Bank of America, N.A. provided a good level of community development services to the Tampa-St. Petersburg-Clearwater MSA. The bank served 11 organizations pursuing affordable housing and community service initiatives and worked with local groups

providing homebuyer education classes. These services consistently addressed community development needs such as technical assistance for organizations providing community development, housing, and financial services to LMI areas or individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Service Test performance in the Fort Pierce–Port St. Lucie, Jacksonville, Tallahassee, and West Palm Beach–Boca Raton MSAs is adequate and is not inconsistent with its overall Low Satisfactory performance in Florida. Service Test performance in the Fort Myers–Cape Coral, Gainesville, Lakeland–Winter Haven, Melbourne–Titusville–Palm Bay, Orlando, Pensacola, and Punta Gorda MSAs is stronger than its Service Test performance in Florida. Performance in the Fort Myers–Cape Coral, Lakeland–Winter Haven, Melbourne–Titusville–Palm Bay, Pensacola, and Punta Gorda MSAs is excellent while performance in the Gainesville and Orlando MSAs is good. Performance in these MSAs is stronger due to more accessible retail delivery services to LMI areas. Service Test performance in the Daytona Beach, Fort Lauderdale, Fort Walton Beach, Naples, Ocala, and Sarasota–Bradenton MSAs as well as the Florida Non-MSA is weaker than its Service Test performance in Florida. Performance in the Daytona Beach, Fort Lauderdale, Naples, Sarasota–Bradenton MSAs, and the Florida Non-MSA is poor while performance in the Fort Walton Beach and Ocala MSAs is very poor. Performance in limited-scope AAs negatively impacted the Service Test rating for Florida due to less accessible retail delivery services to LMI areas.

Refer to Tables 1-13 in the Florida section of Appendix D for the facts and data that support all Test conclusions.

State of Texas Rating

CRA Rating for the State⁴: 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:

- Lending levels that reflect excellent responsiveness by Bank of America, N.A. to the credit needs of its AAs within the state;
- Adequate distribution of Bank of America, N.A.'s loans among geographies and good distribution among borrowers of different income levels throughout its AAs;
- Community development lending levels that positively impacted performance within the state;
- Investment volume that reflects an excellent level of responsiveness to the needs of the state; and
- Provision of services that shows good responsiveness to banking needs.

Description of Institution's Operations in the State of Texas

Bank of America, N.A. is the second largest banking financial institution in the Texas rating area with 14% of the market share representing \$29.0 billion in deposits. Primary competitors include Chase Manhattan Bank and Bank One, N.A. with deposit market shares of 15% and 9%, respectively. Of the bank's 31 rating areas, Texas ranks fourth and accounts for 9% of total bank deposits. Bank of America, N.A. has 29 defined AAs in Texas. The Dallas and Houston MSAs comprise 58% of bank deposits and 54% of bank lending totals in Texas and are the largest AAs in the state. For purposes of this review, 5 AAs that are not MSAs have been combined under the Texas Non-MSA. Within the state, Bank of America, N.A. operates 465 branch offices and 809 ATMs.

⁴ For institutions with branches in two or more states in a multistate MSA, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate MSA. Refer to the multistate MSA rating and discussion for the rating and evaluation of the institution's performance in that area.

Refer to the market profiles for the State of Texas in Appendix B for detailed demographics and other performance context information for AAs that received full-scope reviews.

LENDING TEST

Lending Test performance in Texas is rated High Satisfactory. Based on a full-scope review, performance in the Dallas MSA is good and in the Houston MSA is excellent. However, weaker performance in limited-scope AAs negatively impacted the overall Lending Test performance due to a less favorable distribution of HMDA and small business loans among geographies of different income levels and HMDA loans among borrowers of different income levels.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity

Lending activity in the Dallas MSA is excellent. With the leading deposit market share, the bank has the third, second, and third market shares for home purchase, home improvement, and home refinance loans within the MSA, respectively. In addition, the bank's small business lending market rank is fourth for deposit taking institutions.

Lending activity in the Houston MSA is excellent. With the second deposit market share, the bank has the third, first, and fourth market shares for home purchase, home improvement, and home refinance loans within the MSA, respectively. In addition, the bank had a market share for small business lending that was near to its deposit market share.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Home purchase loan geographic distribution within the Dallas MSA is adequate. The portion of loans made in LMI geographies is well below the percent of owner occupied units in like geographies. However, the market share of home purchase loans in LMI geographies exceeds the bank's overall market share within the Dallas MSA.

Home improvement loan geographic distribution within the Dallas MSA is adequate. The portion of loans made in low-income geographies is below the percent of owner occupied units in like geographies. The portion of loans originated in moderate-income geographies is significantly below the percent of owner occupied units in like geographies. In addition, the market share of home improvement loans in low-income geographies is near to and in

moderate-income geographies is below the bank's overall market share within the Dallas MSA.

Home refinance loan geographic distribution within the Dallas MSA is adequate. The portion of loans originated in LMI geographies is well below the percent of owner occupied units within like geographies. The market share of home refinance loans in LMI geographies exceeds the bank's overall market share within the Dallas MSA.

Home purchase loan geographic distribution in the Houston MSA is good. The portion of loans made in low-income geographies is near to the percent of owner occupied units in like geographies. The portion of loans made in moderate-income geographies is below the percent of owner occupied units in like geographies. The market share of home purchase loans in LMI geographies exceeds the bank's overall market share within the Houston MSA.

Home improvement loan geographic distribution in the Houston MSA is poor. The portion of loans made in low-income geographies is significantly below the percent of owner occupied units in like geographies. The amount of loans originated in moderate-income geographies is well below the percent of owner occupied units in like geographies. The market share of home improvement loans originated in low-income geographies is significantly below and in moderate-income geographies is well below the bank's overall market share of these loans within the Houston MSA.

Home refinance loan geographic distribution in the Houston MSA is adequate. The portion of loans originated in low-income geographies is significantly below the percent of owner occupied units within like geographies. The amount of loans originated in moderate-income geographies is below the percent of owner occupied units in like geographies. The market share of home refinance loans in low-income geographies is below and in moderate-income geographies exceeds the bank's overall market share within the Houston MSA.

Small Loans to Businesses

The geographic distribution of small loans to businesses in the Dallas MSA is excellent. The distribution of small loans to businesses in low-income geographies is near to the percent of businesses in like geographies. The distribution of small loans to businesses in moderate-income geographies exceeds the percent of businesses in like geographies. The bank's market share of small loans to businesses in low-income geographies exceeds and in moderate-income geographies is near to its overall market share of small business loans in the MSA.

The geographic distribution of small loans to businesses in the Houston MSA is excellent. The distribution of small loans to businesses in low-income geographies is near to the percent of businesses in like geographies. The distribution of small loans to businesses in

moderate-income geographies is near to the percent of businesses in like geographies. The bank's market share of small loans to businesses in low-income geographies is near to and in moderate-income geographies exceeds its overall market share of small business loans in the MSA.

Small Loans to Farms

The volume of small farm lending in the Dallas and Houston MSAs was insignificant and was not used in the Lending Test evaluation.

Multi-family Loans

Multi-family loan geographic distribution in the Dallas MSA is excellent. Of the seven multi-family loans originated in the MSA, four loans were originated in low-income geographies. Multi-family loan geographic distribution in the Houston MSA is adequate. Of the ten multi-family loans originated in the MSA, three loans were originated in moderate-income geographies.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Home purchase loan borrower distribution in the Dallas MSA is good. The portion of loans originated to low-income borrowers is well below the percent of low-income families within the MSA. However, the portion of loans made to moderate-income borrowers exceeds the percent of moderate-income families within the MSA. The market share of home purchase loans to LMI borrowers exceeds the bank's overall market share for this type of loan within the Dallas MSA.

Home improvement loan borrower distribution in the Dallas MSA is poor. The amount of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. The amount of loans originated to moderate-income borrowers is well below the percent of moderate-income families within the MSA. In addition, the market share of loans to LMI borrowers is well below the bank's overall market share of home improvement loans within the Dallas MSA.

Home refinance loan borrower distribution in the Dallas MSA is good. The portion of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. However, the amount of loans originated to moderate-income borrowers is near to the percent of moderate-income families within the MSA. The market share of loans to LMI borrowers exceeds the bank's overall market share of home refinance loans within the Dallas MSA.

Home purchase loan borrower distribution in the Houston MSA is excellent. The portion of loans originated to low-income borrowers is near to the percent of low-income families within the MSA. The portion of loans originated to moderate-income borrowers exceeds the percent of moderate-income families within the MSA. The market share of home purchase loans to LMI borrowers exceeds the bank's overall market share for this type of loan within the Houston MSA.

Home improvement loan borrower distribution in the Houston MSA is poor. The amount of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. In addition, the amount of loans originated to moderate-income borrowers is well below the percent of moderate-income families within the MSA. The market share of loans to low-income borrowers is significantly below and to moderate-income borrowers is well below the bank's overall market share of home improvement loans within the Houston MSA.

Home refinance loan borrower distribution in the Houston MSA is good. The portion of loans originated to low-income borrowers is significantly below the percent of low-income families within the MSA. However, the amount of loans originated to moderate-income borrowers exceeds the percent of moderate-income families within the MSA. The market share of loans to low-income borrowers is near to and to moderate-income borrowers exceeds the bank's overall market share of home refinance loans within the Houston MSA.

Small Loans to Businesses

The borrower distribution of small loans to businesses in the Dallas MSA is excellent. The percentage of loans to small businesses is near to the percentage of small businesses in the MSA. The bank's market share of small loans to businesses exceeds its overall business loan market share. The bank also makes a significant majority of these loans in smaller amounts.

The borrower distribution of small loans to businesses in the Houston MSA is good. The percentage of loans to small businesses is near to the percentage of small businesses in the MSA. The bank's market share of small loans to businesses exceeds its overall business loan market share. The bank also makes a high majority of these loans in smaller amounts.

Community Development Lending

Community development lending had a positive impact on lending performance in the Dallas MSA. During the evaluation period, the bank originated four community development loans totaling \$18.9 million. All of these loans were for affordable housing and created more than 520 LMI housing units within the MSA.

Community development lending had a significant positive impact on lending performance in the Houston MSA. During the evaluation period, the bank originated 18 community development loans totaling \$96.1 million. A large portion of these loans was for affordable housing and created more than 1,840 LMI housing units within the MSA.

Product Innovation and Flexibility

Bank of America, N.A.'s Lending Test performance in Texas is enhanced by the offering of bank-wide flexible loan products that help meet the credit needs of LMI home buyers and small businesses. Refer to the Charlotte-Gastonia-Rock Hill (NC-SC) multistate MSA section of this Evaluation for information regarding product flexibility.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Lending Test performance in the Austin-San Marcos, McAllen-Edinburg-Mission, and San Antonio MSAs as well as the Texas Non-MSA is good and is not inconsistent with its overall High Satisfactory performance in the state. Performance in the El Paso, Fort Worth-Arlington, and Galveston-Texas City MSAs is excellent and stronger than overall performance in Texas due to a more favorable distribution of small business loans among geographies of different income levels. Performance in the Abilene, Amarillo, Beaumont-Port Arthur, Brownsville-Harlingen-San Benito, Bryan-College Station, Brazoria, Corpus Christi, Killeen-Temple, Lubbock, Odessa-Midland, San Angelo, Sherman-Denison, Tyler, Victoria, Waco, and Wichita Falls MSAs is weaker than overall performance in Texas. Performance in Amarillo, Beaumont-Port Arthur, Brazoria, Lubbock, Odessa-Midland, San Angelo, Sherman-Denison, Tyler, Victoria, Waco, and Wichita Falls MSAs is adequate while performance in the Abilene, Brownsville-Harlingen-San Benito, Bryan-College Station, Corpus Christi, and Killeen-Temple MSAs is poor. Weaker performance is due to a less favorable distribution of HMDA and small business loans among geographies of different income levels and HMDA loans among borrowers of different income levels. Performance in limited-scope AAs negatively impacted the Lending Test rating in Texas.

INVESTMENT TEST

Investment Test performance in Texas is rated Outstanding. Based on a full-scope review, performance in the Dallas and Houston MSAs is excellent. Performance in limited-scope AAs did not impact the Investment Test rating for Texas.

Conclusions for Areas Receiving Full-Scope Reviews

Investment Test performance in the Dallas MSA is excellent. Bank of America, N.A. made 103 investments in the MSA totaling \$55.6 million during 2000 and 2001. As of year-end 2001, prior period investments totaled \$19.6 million. The largest investments in

the Dallas MSA totaled \$38.1 million and consisted of seven LIHTCs and five equity investments in 12 single-family and multi-family housing projects. Those projects provided more than 1,700 housing units to LMI households. Bank of America, N.A. also made investments totaling \$14.5 million in three area QZABs. In addition, the bank invested \$583,000 in two CDFIs and one organization that provided funding to area small businesses. Other investments consisted primarily of contributions to local or regional organizations providing community development, housing, and financial services to LMI areas or individuals.

Investment Test performance in the Houston MSA is excellent. Bank of America, N.A. made 63 investments in the MSA totaling \$43.3 million during 2000 and 2001. As of year-end 2001, prior period investments totaled \$6.9 million. The largest investments in the Houston MSA totaled \$17.8 million and consisted of four LIHTCs and one housing bond that assisted in the development of five single-family and multi-family housing projects. Those projects provided more than 540 housing units to LMI households. Bank of America, N.A. also made investments totaling \$24.0 million in two area QZABs. Other investments consisted primarily of contributions to local or regional organizations providing community development, housing, and financial services to LMI areas or individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Investment Test performance in the Austin-San Marcos, Brazoria, Fort Worth-Arlington, Galveston-Texas City, San Antonio, and Waco MSAs is excellent and is not inconsistent with its overall Outstanding performance in Texas. Performance in the Abilene, Amarillo, Beaumont-Port Arthur, Brownsville-Harlingen-San Benito, Bryan-College Station, Corpus Christi, El Paso, Killeen-Temple, Lubbock, McAllen-Edinburg-Mission, Odessa-Midland, San Angelo, Sherman-Denison, Tyler, Victoria, and Wichita Falls MSAs as well as the Texas Non-MSA is weaker than the bank's overall performance in Texas. Performance in the Beaumont-Port Arthur, El Paso, Lubbock, and Victoria MSAs is good while performance in the Abilene, Amarillo, Brownsville-Harlingen-San Benito, Bryan-College Station, Corpus Christi, McAllen-Edinburg-Mission, Odessa-Midland, Tyler, and Wichita Falls MSAs as well as the Texas Non-MSA is adequate. Performance in the Killeen-Temple, San Angelo, and Sherman-Denison MSAs is poor. Weaker performance is centered in a lower amount of qualified investments relative to the bank's operations in the AAs. The largest investments in the limited-scope AAs consisted of 14 LIHTCs, three equity investments, and one housing bond that assisted in the development of 17 single-family and multi-family housing projects. Those projects provided more than 2,300 housing units to LMI households. Bank of America, N.A. also made investments in three CDFIs and one QZAB. Other investments consisted primarily of contributions to local or regional organizations providing community development, housing, and financial services to LMI areas or individuals. Performance in limited-scope AAs did not impact the Investment Test rating for Texas.

SERVICE TEST

Service Test performance in Texas is rated High Satisfactory. Based on a full-scope review, performance in the Dallas and Houston MSAs is good and adequate, respectively. Performance in limited-scope AAs did not impact the Service Test rating in Texas.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Service delivery systems in the Dallas MSA are reasonably accessible to geographies and individuals of different income levels. In the MSA, 2% of the bank's branches are in low-income geographies, which is well below the population of 8% residing in these tracts. However, 21% of the bank's branches are in moderate-income geographies, which is near to the population of 25% residing in these areas. In the Dallas MSA 18% of the customers using alternative delivery systems are LMI, compared to 33% of the population that is LMI. Branch openings and closings have improved the accessibility of the bank's delivery systems, particularly in LMI geographies. The bank opened two branches in moderate-income geographies in the Dallas MSA. Hours and services are tailored to the convenience and needs of people living in the Dallas MSA. The bank offers extended hours throughout branches located in LMI tracts.

Service delivery systems in the Houston MSA are reasonably accessible to geographies and individuals of different income levels. In the MSA, 2% of branches are located in low-income tracts, which is well below the population of 8% residing in these tracts. Eighteen percent of the branches are located in moderate-income tracts, which is below the population of 28% living in these tracts. In the Houston MSA 19% of the customers using alternative delivery systems are LMI, compared to 36% of the population that is LMI. Branch openings and closings have generally not adversely affected the accessibility of the bank's delivery systems, particularly in LMI geographies. The bank closed one office in a moderate-income tract in the Houston MSA. Hours and services are tailored to the convenience and needs of the people living in the Houston MSA. The bank offers extended hours throughout branches located in LMI tracts.

Community Development Services

Bank of America, N.A. provided an excellent level of community development services to the Dallas MSA. The bank served 32 organizations pursuing a variety of initiatives targeted at LMI areas and individuals. These services consistently addressed community development needs such as technical assistance for organizations providing community development, housing, and financial services to LMI areas or individuals.

Bank of America, N.A. provided an excellent level of community development services to the Houston MSA. The bank served 19 organizations pursuing a variety of initiatives targeted at LMI areas and individuals. These services consistently addressed community development needs such as technical assistance for organizations providing community development, housing, and financial services to LMI areas or individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Service Test performance in the Abilene, Beaumont-Port Arthur, Brazoria, Brownsville-Harlingen-San Benito, Bryan-College Station, Fort Worth-Arlington, Killeen-Temple, Lubbock, McAllen-Edinburg-Mission, Odessa-Midland, Sherman-Denison, Tyler, Victoria, Waco, and Wichita Falls MSAs is good and is not inconsistent with its overall High Satisfactory performance in the state. Performance in the Amarillo, Galveston-Texas City, and San Antonio MSAs and in the Texas Non-MSA is excellent and stronger than overall performance in Texas due to a more accessible retail delivery services to LMI areas. Performance in the Austin-San Marcos, Corpus Christi, El Paso, and San Angelo MSAs is adequate and weaker than overall performance in Texas due to a less favorable record of branch openings and closings. Performance in limited-scope AAs did not impact the Service Test rating for Texas.

Refer to Tables 1-13 in the Texas section of Appendix D for the facts and data that support all Test conclusions.