



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## PUBLIC DISCLOSURE

July 7, 2009

### COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

City National Bank  
Charter Number: 14695

400 North Roxbury Drive  
Beverly Hills, CA 90210-0000

Office of the Comptroller of the Currency

MIDSIZE BANK SUPERVISION  
440 South LaSalle Street, Suite 2700  
Chicago, IL 60605-1073

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

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## Overall CRA Rating

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

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

Performance Levels	City National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- CNB’s community development lending performance is excellent. The bank’s community development lending addressed several identified community development needs and had a significant positive impact on the bank’s CRA performance.
- CNB’s lending activity is excellent. The bank’s dollar volume market share of small business lending exceeded its deposit market share in each of the bank’s full-scope assessment areas. The bank originated a significant volume of community development loans.
- The bank’s geographic distribution of loans and distribution of loans by size of business is adequate. Small business loans are the bank’s primary CRA loan product.
- Over 90% of all small business loans originated by the bank were originated within the bank’s assessment areas.
- The bank’s use of flexible and innovative loan products has a neutral impact on the bank’s performance under the lending test.
- The bank has an excellent level of qualified community development investments that are responsive to community needs.
- Service delivery systems are generally accessible to all portions of the AA, commensurate with the size and scope of operations of the bank. CNB provides a relatively high level of community development services that are responsive to a variety of community development needs.

## Definitions and Common Abbreviations

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

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

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

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

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

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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

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

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

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

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

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

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

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

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

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

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

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

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

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

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

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

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

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

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

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

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

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

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

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

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

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

## Description of Institution

City National Bank (“CNB” or “bank”) is a wholly owned subsidiary of City National Corporation (CNC). The bank was founded in 1954 and the holding company, CNC, was organized in 1968. CNB is an interstate bank with over \$16.6 billion in assets and operations in California, New York and Nevada.

CNB began operations in the Los Angeles-Long Beach-Glendale Metropolitan Division (MD) and has expanded throughout Southern California and the San Francisco Bay Area. In late 2002, CNB opened a private banking office in New York City. In 2007 CNB acquired Business Bank of Nevada.

CNB is a business bank that targets its products and services toward small and medium-sized businesses, high net worth individuals, entrepreneurs, and professionals with an emphasis in the entertainment and real estate industries. CNB offers its clients a full range of private, business banking and wealth management services including trust and insurance services, as well as a variety of ancillary retail products including mortgage loans, consumer loans, and credit card products. These retail products are primarily made available to support CNB’s business and wealth management focus, and provide full-service relationships to the targeted customer base. CNB does not market retail banking products to the general public. CNB also operates several subsidiaries that provide asset management, investment and real estate related services. The activities in the subsidiaries had no impact on the bank’s ability to engage in community development activities in its assessment areas.

Based on the bank’s March 31, 2009, Uniform Bank Performance Report, the loan portfolio was comprised of commercial and industrial loans (32.92%), 1-4 family residential loans (32.79%), non-farm/non-residential real estate loans (16.1%), construction and development loans (9.87%), and loans to individuals (3.15%). As of the same date, the bank’s net Tier 1 Capital was \$1.43 billion. The company also had \$11.7 billion of assets under management or administration from its Wealth Management businesses.

CNB operates 54 branches in eight assessment areas (AAs) in the State of California; eight branches in four assessment areas in the State of Nevada and one branch in one assessment area in the State of New York. This is the second CRA Performance Evaluation in which CNB was evaluated as a multi-state bank.

There are no legal, financial, or other factors impeding the ability of the bank to meet the financial service needs of its assessment areas.

CNB was last examined under the CRA as of January 26, 2006, at which time it was rated Satisfactory.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This Performance Evaluation assesses the bank's performance under the Lending, Investment, and Service Tests. In evaluating the bank's lending performance, we reviewed their residential mortgage loans subject to filing under the Home Mortgage Disclosure Act (HMDA), small loans to businesses and farms, and community development (CD) loans. With the exception of CD loans, the evaluation period for the Lending Test is October 1, 2005 through December 31, 2008. For CD loans and the Investment and Service Tests, the evaluation period is January 26, 2006 through July 7, 2009. The Investment Test includes a review of investments, grants, and donations made in the bank's AAs that meet the definition of community development investments. The Service Test evaluation is based on branch distribution, hours of operation, branch openings and closings, alternative delivery systems, retail and commercial loan and deposit products and services and community development services provided in the bank's AAs.

Appendix D contains tables with data used to evaluate the bank's performance.

### Data Integrity

Prior to this CRA examination, we verified the accuracy of data available to the public in accordance with the HMDA and CRA regulation. This public data included home mortgage purchase, refinance, home improvement, and multifamily loans, and small loans to businesses and farms. We also verified the bank's reporting of community development loans, investments, and services. Based on the results of our review, we considered the lending data to be materially accurate.

### Selection of Areas for Full-Scope Review

In each state where the bank has an office, a sample of assessment areas within that state was selected for full-scope reviews. Refer to the "Scope" section under each state rating for details regarding how the areas were selected and why they are representative.

### Ratings

The bank's overall rating is a blend of the state ratings. The state ratings are based primarily on those areas that received full-scope reviews. The State of California receives the greatest weight in our determination of the overall rating. This state accounts for 86% of the branch network, 94% of total deposits, and 91% of the CRA reportable loans during the evaluation period.

Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

## **Fair Lending or Other Illegal Credit Practices Review**

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## State Rating

### State of California

<b>CRA Rating for California:</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>High Satisfactory</b>
<b>The investment test is rated:</b>	<b>Outstanding</b>
<b>The service test is rated:</b>	<b>High Satisfactory</b>

The major factors that support this rating include:

- CNB's community development lending performance is excellent. The bank's community development lending addressed several identified community development needs and had a significant positive impact on the bank's CRA performance.
- CNB's lending activity is excellent. The bank's dollar volume market share of small business lending exceeded its deposit market share in the bank's full-scope assessment area. The bank originated a significant volume of community development loans.
- CNB's geographic distribution of small loans to businesses is adequate in its full scope assessment area. Small business loans are the bank's primary CRA loan product.
- Over 90% of all small business loans originated by the bank were originated within the bank's assessment areas.
- CNB's distribution of small loans to businesses with revenues of \$1 million or less is adequate.
- The bank's use of flexible and innovative loan products had a neutral impact on the bank's performance under the lending test
- The bank has an excellent level of qualified community development investments that are responsive to community development needs.
- Service delivery systems are accessible to all portions of the AA, commensurate with the size and scope of operations of the bank. CNB provides a relatively high level of community development services that are responsive to a variety of community development needs.

### Description of Institution's Operations in California

City National Bank operates 54 branches in eight assessment areas in the State of California: 1) Los Angeles-Long Beach-Glendale Metropolitan Statistical Area (MSA) (Los Angeles); 2) Oakland-Fremont-Hayward MSA (Oakland); 3) Oxnard-Thousand Oaks-Ventura MSA (Oxnard); 4) Riverside-San Bernardino-Ontario MSA (Riverside); 5) San Diego-Carlsbad-San Marcos MSA (San Diego); 6) San Francisco-San Mateo Counties (San Francisco); 7) Santa Ana-Anaheim-Irvine MSA (Santa Ana); and 8) Santa Clara County.

Of the bank's three state rating areas California is by far the most significant, with 94% of its deposits, 86% of its branches and 91% of its CRA reportable loans by number concentrated in this rating area.

Based on FDIC Deposit Market Share data as of June 30, 2008, CNB is the eleventh largest banking institution in the State of California with 1.47% of the market share representing \$11.2 billion in deposits. Bank of America, N.A., Wells Fargo Bank, NA, and Washington Mutual Bank (subsequently acquired by JPMorgan Chase) are the dominant banking companies in California with deposit market shares of 21%, 15%, and 10%, respectively. Citibank, N.A. and Union Bank of California, NA, hold deposit market shares in excess of 5%, and Wachovia Bank, N.A. (subsequently acquired by Wells Fargo) has over 4% of the market. Seven other financial institutions have deposit market shares between 1% and 3%. Altogether, 354 insured financial institutions operated in the state in 2008. These statistics portray a highly competitive market for financial services in the state.

Small business lending is dominated by several large banks and credit card lenders. In the Los Angeles AA, the top five lenders held over 77% of the market share of small business loans reported for 2007 and only ten banks had market shares greater than 1%.

The Los Angeles AA is the bank's most significant assessment area in the state. The majority of the bank's branches, loans, and deposits in California are located in this AA. Refer to the Market Profile for the State of California in appendix C for detailed demographics and other performance context information for the Los Angeles AA.

## **Scope of Evaluation in California**

A full scope review was performed of the Los Angeles assessment area (AA). Refer to demographic table in appendix C for more information on the Los Angeles AA.

The high cost of housing is a significant performance context issue in the bank's California AAs. Some of the bank's AAs in this state are home to the highest median housing costs in the country. This issue primarily affects our analysis of the bank's efforts to meet affordable housing needs through community development activities. We also considered this issue in evaluating home mortgage lending.

Within the State of California, small business loans represent 86% of the CRA reportable loans by number and 50% by dollar. Evaluation of small business loans received significant weight in the final rating. Home Mortgage loans represent 12% of the CRA reportable loans by number and 29% by dollar. The bank's dollar volume of mortgage lending is impacted by a high average loan amount of approximately \$1.2 million, which reflects the bank's client base. CNB makes mortgage loans to support its business and wealth management focus. Mortgage products are not marketed to the public and are made to existing bank customers only. Mortgage lending activity was given very minimal weight in assigning the lending test rating. CNB has made significant efforts in making qualified community development loans in the assessment area. The bank's CD lending performance had a significant positive impact on the final lending test ratings for the State of California. Refer to lending tables in appendix D for more information.

Two community organizations were contacted during the examination. They indicated that in California, the most pressing needs relate to the crisis in housing. Nonprofits and local governments are looking for support in stemming the tide of foreclosures. Most often, organizations are seeking support for foreclosure prevention and loan modification counseling

programs. There is also a need for financing for affordable housing developments and support for organizations and public agencies involved in HUD's Neighborhood Stabilization Program (NSP). The other area of need relates to the provision of credit for small businesses. Many opportunities exist in the bank's markets for community development lending, investment and service activities.

## **LENDING TEST**

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

The bank's performance under the lending test in California is rated "High Satisfactory". Based on a full-scope review, the bank's performance in the Los Angeles AA is good. Community Development lending in the Los Angeles AA was excellent. Community Development lending in the Los Angeles AA had a positive impact on the final rating. Performance in the limited scope AAs was generally consistent with the performance in the full scope AA, and did not have an impact on the lending test rating for California.

### **Lending Activity**

Refer to Tables 1 Lending Volume in the State of California section of appendix D for the facts and data used to evaluate the bank's lending activity.

CNB's lending activity in the Los Angeles AA is excellent. Small business loans represented the majority of the bank's CRA lending activity. Small business loans represent 86% of the CRA reportable loans by number and 48% by dollar. During 2008, CNB held a 3.05% market share of the dollar amount of deposits; ranking 8<sup>th</sup> among 180 FDIC insured financial institutions in the full scope AA. During the same period, the bank achieved a 3.20% market share by dollar volume of small loans to businesses, ranking 9<sup>th</sup> among 201 reporting lenders. By number of loans, however, the bank ranked 19<sup>th</sup> with a 0.25% market share. Market share of small business loans by dollar volume was given more weight than market share by number of loans due to the large volume of small credit card loans originated in the AA by large credit card lending institutions, many of which do not take deposits in the AA thus distorting the comparison. Six of the top ten lenders by number of loans had average loan amounts of \$10 thousand or less. Many of these lenders do not take deposits in the AA. The deposit market share numbers are also impacted by the bank's business focus on business and high net worth individuals which results in the bank having higher average deposit dollar volumes per account. These statistics show that in its most important loan product, the bank's lending activity exceeded its deposit taking activity in the full-scope assessment area despite the highly competitive environment. Home Mortgage loans represent 12% of the CRA reportable loans by number and 34% by dollar. The bank did not achieve a meaningful market share in any of the three home mortgage loan categories, and home mortgage lending is not reflective of the bank's strategic focus or its CRA performance. CNB originated a significant volume of community development loans in the AA totaling \$534.6 million.

## Distribution of Loans by Income Level of the Geography

### *Home Mortgage Loans*

Refer to Tables 2, 3, 4 and 5 in the State of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases. In evaluating the geographic distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. Low-income tracts have 2% of the owner occupied units in the AA. 18% of households in these tracts live below the poverty level. Moderate-income tracts have 15% of the owner occupied units in the AA. 41% of the households in these tracts live below the poverty level. The median housing value based on the 2000 census data is approximately \$240,248. It would be very difficult for persons in low- and moderate-income tracts living below the poverty level to afford a house in this price range. The bank's mortgage lending performance is considered poor even after considering these barriers.

### Home Purchase-

The geographic distribution of home purchase loans is poor for low-income tracts and poor for moderate-income tracts. The percentage of home purchase loans in low-income geographies is lower than the percent of owner-occupied housing units. The percentage of home purchase loans in moderate-income geographies is significantly lower than the percentage of owner-occupied housing units. The bank does not have a market share for low-income tracts for home purchase loans. The bank's market share for moderate-income tracts is significantly lower than its overall market share for home purchase loans. Home purchase lending represents 50% of the bank's home mortgage lending in the Los Angeles AA. Home purchase loans were given limited weight in our evaluation.

### Home Improvement

The geographic distribution of home improvement loans is very poor. The bank did not make any home improvement loans in low-income tracts. The percentage of home improvement loans in moderate-income geographies is significantly lower than the percentage of owner-occupied housing units. The bank does not have a market share in low-or-moderate-income geographies. Home Improvement loans represent only 10% of the total HMDA reportable loans in the Los Angeles AA. Home improvement lending is not a significant product for the bank and was given minimal weight in our evaluation.

### Home Refinancing

The geographic distribution of home refinance loans is poor. The bank did not make any home refinance loans in low-income tracts. Home refinance loans in moderate-income geographies was lower than the percentage of owner-occupied housing units. The bank does not have a market share in low-or-moderate income geographies. Home refinance loans represent 40% of the total HMDA reportable loans in the Los Angeles AA. Refinance lending was given limited weight in our evaluation.

### Multi-Family

The geographic distribution of multi-family loans is good. CNB originated 3 multi-family loans in the Los Angeles AA for the evaluation period. CNB did not originate any multi-family loans in low-income tracts. The percentage of multi-family loans in moderate income tracts exceeds the number of multi-family units in these tracts. The bank did not have a notable market share

in low-or-moderate income geographies. Multi-family loans represent less than 1% of the total HMDA reportable loans in the Los Angeles AA. Due to the low volume, multi-family loans were given very little weight in our evaluation.

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

Refer to Table 6 in the State of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

CNB's geographic distribution of small loans to businesses is adequate. The percentage of small loans to businesses in low-income geographies is somewhat lower than the percentage of businesses located in these tracts. The percentage of small loans to businesses in moderate-income geographies is somewhat lower than the percentage of businesses located in these tracts. The bank's market share for low-income tracts is near to its overall market share for small loans to businesses. The bank's market share for moderate-income tracts is somewhat lower than its overall market share for small loans to businesses.

### ***Small Loans to Farms***

Refer to Table 7 in the State of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

CNB did not make any small loans to farms in the Los Angeles AA during the evaluation period.

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

Reports detailing CNB's lending activity over the evaluation period for small loans to businesses were reviewed to identify gaps in the geographic distribution of those loans. No unexplained conspicuous gaps were identified.

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

At the state level, CNB has an excellent record of lending inside its assessment areas by number of loans and dollar amount for the State of California. The bank loaned 98% by number of CRA reportable loans inside the combined California AAs. By dollar amount, the bank loaned 96% of the CRA reportable loans inside the California AAs. This includes both HMDA and Small Business loans. The home mortgage performance was comparable to its overall inside/outside ratio with 95% by number and 93% by dollar in the combined California AAs. The Small Business performance was also comparable to its overall inside/outside ratio with 98% by number and 97% by dollar in the combined California AAs. The bank made six small farm loans in the State of California during the evaluation period; however none of these were located in the full scope Los Angeles AA. Two of the 6 small farm loans were located inside limited scope areas in California.

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

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

Refer to Tables 8, 9 and 10 in the State of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. The percentage of total households living below poverty level in the entire Los Angeles AA based on the 2000 census data is 15%. The median housing value based on the 2000 census data is approximately \$240,248. It would be very difficult for persons living below the poverty level to afford a house in this price range. The bank's mortgage lending performance is considered very poor even after considering these barriers.

### Home Purchase

The borrower distribution for low-and-moderate income borrowers is very poor for home purchase loans. The percentage of home purchase loans to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The bank did not make any home purchase loans to moderate-income borrowers during the evaluation period. The bank's market share for low-income borrowers exceeds its overall market share for home purchase loans. This represents only one loan to low-income borrowers in the Los Angeles AA and is not meaningful in the final analysis. CNB does not have a market share for moderate-income borrowers.

### Home Improvement

The borrower distribution for low-and-moderate-income borrowers is very poor for home improvement loans. During the evaluation period, CNB did not make any home improvement loans to low-or-moderate income borrowers. Home improvement loans represent 10% of the total reported home loans. Home improvement lending is not a significant product for the bank and was given minimal weight in our evaluation.

### Home Refinance

The borrower distribution for low-and-moderate-income borrowers is very poor for home refinance loans. The bank did not make any home refinance loans to low-income borrowers during the evaluation period. The percentage of home refinance loans to moderate-income borrowers is significantly lower than the percentage of moderate-income families in the AA. The bank's market share for home refinance loans to moderate-income families is lower than the bank's overall market share for home refinance loans. Home refinance loans represent 40% of the total HMDA reportable loans in the Los Angeles AA.

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

Refer to Table 11 in the State of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

In evaluating the bank's performance, we considered the competitive market in which the bank operates regarding small business lending and the deteriorating economic conditions in 2008, which adversely affected both demand for credit and availability of credit on a national scale, especially for smaller businesses.

CNB's distribution of small loans to businesses with revenues of \$1 million or less is adequate. The percentage of small loans to businesses is lower than the percentage of businesses with revenues of \$1 million or less in the Los Angeles AA. The bank's market share to businesses with revenues of \$1 million or less is near to the bank's overall market share for small loans to businesses, regardless of revenue size.

In addition, over 45% of the bank's small business loans were originated for under \$100 thousand. This performance is good considering that the need for smaller dollar business loans is met, in large part, by credit card lenders who often possess competitive advantages over other financial institutions in that segment of the market.

### ***Small Loans to Farms***

Refer to Table 12 in the State of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

CNB did not make any small loans to farms in the Los Angeles AA during the evaluation period.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the State of California section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

The bank's community development lending performance is excellent. The bank originated a significant volume of CD loans in the Los Angeles AA. By purpose, economic development was the largest percentage of loans originated at 69% of the number and 62% of the dollars originated. These loans promoted economic development by creating or retaining jobs in low- or moderate-income areas or for low- or moderate-income individuals by financing numerous small businesses. Other percentages were 20% by both number and dollars for loans promoting community services targeted to low- or moderate-income individuals, 9% by both number and dollars for affordable housing loans, and 2% by number and 9% by dollar for loans that revitalized and stabilized low- and moderate-income areas. Examples of some of the more significant CD loans in the Los Angeles assessment area are:

- The bank issued a \$20 million revolving line of credit to a non-profit corporation that provides both funding for and financing of affordable housing units primarily in Los Angeles County. This non-profit corporation has developed or financed more than 12 thousand affordable housing units.

- The bank originated a \$50 million construction loan and retained \$28 million for the development of a retail center. The project is located in a moderate-income census tract in a redevelopment area. The development includes a formal plan between the borrower and the local Community Redevelopment Agency of the City of Compton. The center will provide jobs and services benefiting low- and moderate-income individuals as well as revitalizing and stabilizing the area.
- The bank provided a \$32 million bridge loan to an East Los Angeles center for the developmentally disabled in the event the California state budget approval process causes delays in funding. The center receives all of its funding from the state, of which a portion is federal funds. Services provided include diagnosis evaluations, client program management, and life-long planning services for persons with developmental disabilities and their families. The majority of the center's clients are very low- to moderate-income.
- The bank provided a similar \$32 million bridge loan to a Los Angeles County center for the developmentally disabled. Services provided include diagnosis evaluations, client program management, and life-long planning services for persons with developmental disabilities and their families. The majority of the center's clients are very low- to moderate-income.
- The bank provided a \$3.5 million revolving line of credit to support working capital needs for the largest rescue mission of its kind in the United States and the oldest in Los Angeles. The mission's mandate is to provide emergency services, transportation programs, education, and advocacy for the poor and homeless. The mission is located in a low-income census tract in a Los Angeles Empowerment Zone.
- The bank originated a \$4.6 million construction loan to build 18 units of affordable senior housing to be sold as condominiums, with 16 of the units priced specifically for low- or moderate-income seniors. The land is being granted to the builder for building the 18 unit complex. In addition, a local redevelopment agency is providing subsidies to assist low- or moderate-income seniors in purchasing the condominiums.

The bank also received credit for loans benefiting a broader statewide area including the bank's AAs. The bank extended a \$20 million warehouse financing line to one of the nation's primary affordable housing secondary market organizations. The organization purchases loans from a network of nonprofits throughout the country. \$17.8 million was allocated to the State of California based on loan fundings. These funds have potential to benefit the bank's AAs. Another \$706 thousand of a loan to this organization has no potential to benefit the bank's AAs but was considered since the bank has adequately addressed community development lending needs in its AA.

The bank's community development lending addressed identified community needs and had a significant positive impact on the bank's CRA performance.

## **Product Innovation and Flexibility**

CNB makes moderate use of flexible lending products and limited use of innovative lending products.

CNB used flexible underwriting standards to make some of its CD loans during this evaluation period. These include extended amortization periods, relaxed loan-to-value collateral standards, reduced interest rates, and others.

CNB entered into an innovative partnership with one of its customers, a transportation company that contracts with individual owner-operators of trucks for hauling goods. The bank developed a \$21 million lease program with the transportation company that enables the owner-operators to acquire trucks at attractive rates and terms. The transportation company supports the lessees by acting as a paying agent by netting out lease payments from contract payments; utilizing participating operators on a priority basis; exercising lease substitution provisions when necessary; and ultimately, guaranteeing leases when operators are unable to pay. More than \$10 million of the lease proceeds have gone to operators residing in low-and moderate-income census tracts. This program is new to the bank's market.

Several flexible loan programs are available through the bank's Government Lending Department. These loans feature guarantees through various government and quasi-government agencies including the SBA, the Export/Import Bank, and the State of California. The guarantees allow the bank to make a variety of underwriting concessions that would not otherwise be available to borrowers. Depending on the program, concessions granted to borrowers include high loan-to-value, high debt-to-income, longer terms, and others. These programs increase the provision of credit to businesses, including small businesses, which in turn promotes economic development. These programs also contribute to the creation or maintenance of jobs, including jobs for LMI persons. During this evaluation period, the bank originated 215 loans totaling over \$161 million under various government lending programs. Of these, 59 loans totaling more than \$112.8 million were loans in excess of \$1 million and excluded from consideration under the small loans to business analysis. Some of these loans require considerable documentation and can take considerable effort to underwrite. These programs enable CNB to extend credit to entities, markets, and geographies that might otherwise be underserved by traditional credit facilities.

### **Other Loan Data**

The bank provided an \$87 thousand standby letter of credit to a nonprofit organization providing services to foster children to enable the organization to obtain a lease for office space. The majority of clients are low- or moderate-income.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Oakland, Oxnard, Riverside, San Diego, San Francisco, Santa Ana, and Santa Clara AAs is not inconsistent with the bank's overall "High Satisfactory" lending test rating performance under the lending test in California. Refer to the Tables 1 through 11 in the state of California section of appendix D for the facts and data that support these conclusions.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in California is rated Outstanding. Based on full-scope reviews, the bank's performance in the Los Angeles AA is excellent.

Refer to Table 14 in the State of California section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The bank's dollar volume of qualifying investments, grants and donations exhibits an excellent responsiveness to the credit and community development needs of the Los Angeles AA. Qualified investments grants and donations total \$87.3 million, which represents 59% of the total investment dollars for the state. This conclusion considers the numerous investment opportunities within the AA and the bank's capacity to address these needs.

During the evaluation period, CNB made 10 investments in the Los Angeles AA for a total of \$30.29 million. The bank's excellent responsiveness to one of the primary community development needs is demonstrated by the fact that Low-Income Housing Tax Credits (LIHTCs) have been an integral part of the bank's investment program in the Los Angeles AA. These investments fund rental housing for low- and moderate-income households. The bank had eight LIHTC fund investments totaling \$27.6 million. The LIHTC funds provided 1,369 low- to moderate-income housing units.

In addition, the bank's dollar volume of qualified contributions reflects the bank's willingness to work with a variety of organizations in the AA to help meet various community development needs. During the evaluation period, the bank made over \$3.09 million in donations to 914 community service, small business, and affordable housing organizations that provide essential services primarily to low- and moderate-income individuals and small business financing. Community service programs range from youth empowerment programs to food banks and homeless shelters.

Forty prior period investments totaling \$53.9 million remain outstanding. These prior period investments all were for affordable housing for low- and moderate-income persons. The bank also has a total of \$531 thousand binding, unfunded commitments for equity investments benefiting affordable housing. These commitments demonstrate the bank's continuing commitment to help meet community development needs and show continued capacity for investments..

The bank adequately addressed the community development needs in its assessment area, therefore, we gave positive consideration for qualified investments that benefit the broader statewide area that has no potential to benefit the AA. During the current evaluation period, \$2.2 million in affordable housing mortgage backed securities and a \$752 thousand LIHTC investment benefited the state of California outside the bank's AAs. The bank also had 21 investments from the prior period for a total of \$11 million in the State of California outside of the bank's assessment areas with no potential benefit to the AAs. Investments were for affordable housing in the form of MBS and LIHTC funds.

## Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Oakland, Oxnard, Riverside, San Diego, San Francisco and Santa Clara AAs is not inconsistent with the bank's overall "Outstanding" performance under the investment test in California. In the Santa Ana AA, the bank's performance appears weaker than the bank's overall performance in the state as the level of the bank's investment activities in relation to the bank's presence in this AA is lower than in the other AAs due to the recent increase in deposits. The weaker performance in this AA did not impact the bank's overall rating.

Refer to the Tables 12 in the State of California section of appendix D for the facts and data that support these conclusions.

## SERVICE TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in California is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Los Angeles-Long Beach-Glendale MSA is good.

### Retail Banking Services

Refer to Table 15 in the State of California section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

The distribution of CNB's 30 branches in the Los Angeles-Long Beach-Glendale AA is good. The opening and closing of branch offices has not adversely affected accessibility of banking services in LMI geographies, as supported below.

As discussed in the *Description of the Institution* and *Description of AA* comments, CNB is a business bank that targets its products and services toward small- and medium-sized businesses, high net worth individuals, entrepreneurs, and professionals with an emphasis in the entertainment and real estate industries. Consumer products are primarily offered to existing customers in support of the bank's small business and wealth management focus and are not mass marketed to the general public. In addition, some branches are located in unknown income geographies (i.e. census tracts without population) because the branch is located to serve businesses rather than consumers. Thus, it is useful to compare branch distribution to the distribution of businesses, as well as population.

Delivery systems are generally accessible to all portions of the AA, commensurate with the size and scope of operations of the bank. The distribution of branches in the low-income geographies exceeds the percentage of the population residing in the low-income geographies, as well as businesses. In the moderate-income geographies, the distribution of branches is substantially less than the respective percentages of the population, and of businesses. However, 10 of the 22 branches in the Los Angeles AA that are not located in low- or moderate-income geographies are either adjacent to or surrounded by low- and moderate-income geographies. This adjacency improves performance and makes the branches somewhat more accessible than might otherwise be indicated by the overall distribution. Alternative delivery systems include ATMs, bank-by-mail, and telephone banking.

CNB opened one office in the AA during the evaluation period and closed two offices. These changes had the net effect of decreasing the branches located in low- and upper-income geographies by one each, and increasing the number of branches in unknown income geographies by one. Customers were transferred to a branch approximately three miles away in another low-income neighborhood. Branch closures have not affected the accessibility of delivery systems in the AA.

The bank's services and products are similar in all of their full-service branches. A broad array of consumer and business loan and deposit products were offered at each of the branch locations. The bank does not offer any products specifically designed to or for low- and moderate-income individuals. Banking lobby hours are slightly extended in four low-income, one moderate-income branch and one moderate-income drive-up. 24-hour ATMs are available at three low-income locations.

## **Community Development Services**

CNB provides a relatively high level of community development services that are responsive to a variety of community development needs in the full-scope AA. The bank's CD services enhance their performance under the Service Test. CNB management encourages employee involvement, and bank personnel played an active role in over 40 different community development organizations. Bank employees contributed over 7,000 qualifying community service hours during this evaluation period. The technical and financial assistance provided includes fundraising, serving on finance committees, serving as treasurer, budgeting assistance and strategic planning. Community development services in the Los Angeles AA represent approximately 73% of the total hours reported for all assessment areas in California, which is slightly higher than the distribution of branches, deposits and loans among the bank's AAs in the state.

Based on a breakdown of CD services by type, as provided for the evaluation period, 82% were community services targeted to low- and moderate-income individuals, 11% benefited entities that provide or promote the development of affordable housing for LMI families and 7% went to agencies that promote economic development by financing small businesses that provide or revitalize/stabilize LMI geographies. The community development services provided by the bank are not considered innovative.

The bank's provision of community development services had a broad impact in terms of the community services needs met and the segments of the LMI population they benefited. Recipient organizations included programs for LMI youth and families, services for the homeless and financial education. A community development service initiated by the bank in 2009 is a bank-developed and taught financial literacy program adapted from the national Learning for Life® program called Dollars + Sense. Experiential lessons involve role-playing, activities, and small-group discussions on money management, consumerism, and the relationship of education to earning potential. Topics taught include saving, comparison shopping, basic bank services, and managing a budget. Course material varies by grade level. To date, bank employees have presented the program as a bank sponsored group activity in a school with a majority of children from low- and moderate-income backgrounds. Bank employees take the training to these schools during the work day, for a total of over 200 hours to date (included in the total hours listed above). The bank's CD services addressing affordable housing needs were limited but did have a direct impact. As a member of the Federal Home Loan Bank (FHLB), CNB sponsored and assisted organizations in applying for five Affordable Housing Program (AHP) grants during the evaluation period for non-profit partners totaling over \$3.3 million covering 294 multi-family housing units and 30 single-family homes in the Los Angeles AA. FHLB AHP grants are used for gap financing, acquisition/ construction/ rehabilitation of rental housing, homebuyer down-payment/closing cost assistance and homebuyer counseling supporting affordable rental housing and homeownership opportunities. The bank's CD services did not have a significant impact on small business financing needs in the AA.

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

Based on limited-scope reviews, the bank's performance under the service test in the Oakland AA is stronger than the bank's High Satisfactory performance in California. Performance in the Santa Ana and San Francisco AAs is not inconsistent with the bank's high satisfactory performance in California. In the Oxnard, Riverside, San Diego and Santa Clara County AAs the bank's performance was weaker than its overall High Satisfactory performance under the service test in California. This weaker performance did not have an impact upon the bank's overall rating in California under the Service Test as these AAs together represent less than 7% of the bank's deposits and less than 18% of CRA reportable loans in California

Refer to Table 15 in the State of California section of appendix D for the facts and data that support these conclusions on the limited scope reviews.

## State Rating

### State of Nevada

<b>CRA Rating for Nevada:</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>High Satisfactory</b>
<b>The investment test is rated:</b>	<b>High Satisfactory</b>
<b>The service test is rated:</b>	<b>High Satisfactory</b>

The major factors that support this rating include:

- CNB's community development lending performance is excellent. The bank's community development lending addressed several identified community development needs and had a positive impact on the bank's CRA performance. CNB's lending activity is excellent. The bank's dollar volume market share of small business lending exceeded its deposit market share in the bank's full-scope assessment area. The bank originated a significant volume of community development loans.
- CNB's geographic distribution of small loans to businesses is good in its full scope assessment area. Small business loans are the bank's primary CRA loan product.
- Over 90% of all small business loans originated by the bank were originated within the bank's assessment areas.
- CNB's distribution of small loans to businesses with revenues of \$1 million or less is adequate.
- The bank makes limited use of flexible lending products and no innovative products were identified.
- The bank has an excellent level of qualified community development investments that are responsive to community development needs in its primary AA; however, weaker performance in two limited scope areas negatively impacted the investment test rating.
- Service delivery systems are accessible to all portions of the AA, commensurate with the size and scope of operations of the bank. CNB provides an adequate level of community development services that are responsive to a variety of community development needs.

### Description of Institution's Operations in Nevada

CNB operates eight branches in four assessment areas in the State of Nevada. CNB's operations in the State of Nevada commenced with the acquisition of Business Bank of Nevada in early 2007. This is CNB's first CRA assessment in the State of Nevada.

Based on FDIC Deposit Market Share data as of June 30, 2008, CNB is the twenty-first largest banking institution in the State of Nevada with 0.17% of the market share representing \$336 million in deposits. Citibank, N.A. and Washington Mutual Bank (subsequently acquired by JPMorgan Chase) are the dominant banking companies in Nevada with deposit market shares of 41% and 21%, respectively. Charles Schwab Bank and Wachovia Mortgage FSB (subsequently acquired by Wells Fargo) hold deposit market shares in excess of 5%. Bank of America, N.A., Wells Fargo N.A. and Nevada State Bank are the only other banks with more than 1% of the market. Altogether, 66 insured financial institutions operated in the state in

2008. These statistics portray a market for financial services dominated by a few large institutions in the state. Nevada represents 2.82% of the bank's deposits.

Small business lending is dominated by several large banks and credit card lenders. In the Las Vegas AA, the top five lenders held over 75% of the market share of small business loans reported for 2007 and only eleven banks had market shares greater than 1%.

The Las Vegas AA is the bank's most significant assessment area in the state. The majority of the bank's branches, loans, and deposits in Nevada are located in this AA. Refer to the Market Profile for the State of Nevada in appendix C for detailed demographics and other performance context information for the Las Vegas AA.

## **Scope of Evaluation in Nevada**

CNB has four assessment areas in the State of Nevada. This consists of the following areas: 1) Las Vegas-Paradise MSA (Las Vegas); 2) Carson City MSA (Carson City); 3) Douglas County (Douglas); and 4) Reno-Washoe County (Reno). A full scope review was performed of the Las Vegas assessment area (AA). Refer to demographic table in appendix C for more information on the Las Vegas AA.

The fact that CNB has only operated in Nevada for a little over half of the evaluation period is considered in evaluating the volume of activity in Nevada, especially the level of investments and community development loans

Small business loans represent 96% of the CRA reportable loans by number and 65% by dollar. Evaluation of small business loans received significant weight in assigning the lending test rating. Home Mortgage loans represent 3% of the CRA reportable loans by number and 27% by dollar. CNB makes mortgage loans to support its business and wealth management focus. Mortgage products are not marketed to the public and are made to existing bank customers only. Mortgage lending performance was given very minimal weight in assigning the lending test rating. CNB has made significant efforts in making qualified community development loans in the assessment area. The bank's CD lending had a positive impact on CRA performance. Refer to lending tables in appendix D for more information.

Two community organizations were contacted during the examination. They indicated that in Nevada, the most pressing needs relate to the crisis in housing. Nonprofits and local governments are looking for support in stemming the tide of foreclosures. Most often, organizations are seeking support for foreclosure prevention and loan modification counseling programs. There is also a need for financing for affordable housing developments and support for organizations and public agencies involved in HUD's Neighborhood Stabilization Program (NSP). The other area of need relates to the provision of credit for small businesses. Many opportunities exist in the bank's markets for community development lending, investment and service activities.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Nevada is rated "High Satisfactory". Based on a full-scope review, the bank's performance in the Las Vegas AA is good. Community Development lending in the Las Vegas AA was excellent. Community Development lending in the Las Vegas AA had a positive impact on CRA performance.

### Lending Activity

Refer to Tables 1 Lending Volume in the State of Nevada section of appendix D for the facts and data used to evaluate the bank's lending activity.

CNB's lending activity in the Las Vegas AA is excellent. Small business loans represented the majority of the bank's CRA lending activity. Small business loans represent 96% of the CRA reportable loans by number and 62% by dollar. During 2008, CNB held a 0.11% market share of the dollar amount of deposits; ranking 19<sup>th</sup> among 55 FDIC insured financial institutions in the full scope AA. During the same period, the bank achieved a 2.09% market share by dollar volume of small loans to businesses, ranking 11<sup>th</sup> among 149 reporting lenders. By number of loans, however, the bank ranked 20<sup>th</sup> with a 0.16% market share. Market share of small business loans by dollar volume was given more weight than market share by number of loans due to the large volume of small credit card loans originated in the AA by large credit card lending institutions, many of which do not take deposits in the AA thus distorting the comparison. Six of the top ten lenders by number of loans had average loan amounts of \$10 thousand or less. Many of these lenders do not take deposits in the AA. These statistics show that in its most important loan product, the bank's lending activity significantly exceeded its deposit taking activity in the full-scope assessment area despite the highly competitive environment. Home Mortgage loans represent 3% of the CRA reportable loans by number and 32% by dollar. The bank did not achieve a meaningful market share in any of the three home mortgage loan categories, and home mortgage lending is not reflective of the bank's strategic focus or its CRA performance. CNB originated community development loans in the AA totaling \$9 million.

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

#### *Home Mortgage Loans*

Refer to Tables 2, 3, 4 and 5 in the State of Nevada section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The bank reported seven home purchase loans, one home refinance loan, three multifamily loans, and no home improvement loans. Therefore, the very low volume of home mortgage loans was not sufficient to perform a meaningful analysis.

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

Refer to Table 6 in the State of Nevada section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

CNB's geographic distribution of small loans to businesses is good. The percentage of small loans to businesses in low-income geographies exceeds the percentage of businesses located in these tracts. The percentage of small loans to businesses in moderate-income geographies is somewhat below the percentage of businesses located in these tracts. The bank's market share for low-income tracts exceeds its overall market share for small loans to businesses. The bank's market share for moderate-income tracts exceeds its overall market share for small loans to businesses.

### ***Small Loans to Farms***

Refer to Table 7 in the State of Nevada section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

CNB did not make any small loans to farms in the Las Vegas AA during the evaluation period.

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

Reports detailing CNB's lending activity over the evaluation period for small loans to businesses were reviewed to identify gaps in the geographic distribution of those loans. No unexplained conspicuous gaps were identified.

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

At the state level, CNB has an excellent record of lending inside its assessment areas by number of loans and dollar amount for the State of Nevada. The bank loaned 99% by number and dollar amount of CRA reportable loans inside the combined Nevada AAs. This includes both HMDA and Small Business loans. The home mortgage performance exceeded its overall inside/outside ratio with 100% by number and by dollar in the combined Nevada AAs. The Small Business performance was comparable to its overall inside/outside ratio with 99% by number and by dollar in the combined Nevada AAs. The bank did not make any Small Farm loans in the State of Nevada during this evaluation period.

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

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

Refer to Tables 8, 9 and 10 in the State of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The bank reported seven home purchase loans, one home refinance loan and no home improvement loans. Therefore, the very low volume of home mortgage loans was not sufficient to perform a meaningful analysis.

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

Refer to Table 11 in the State of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

CNB's distribution of small loans to businesses with revenues of \$1 million or less is adequate. The percentage of small loans to businesses is somewhat lower than the percentage of businesses with revenues of \$1 million or less in the Las Vegas AA. The bank's market share to businesses with revenues of \$1 million or less is somewhat lower than the bank's overall market share for small loans to businesses, regardless of revenue size.

Over 41% of the bank's small business loans were originated for under \$100 thousand. This performance is good considering that the need for smaller dollar business loans is met, in large part, by credit card lenders who often possess competitive advantages over other financial institutions in that segment of the market.

### ***Small Loans to Farms***

Refer to Table 12 in the State of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

CNB did not make any small loans to farms in the Las Vegas AA during the evaluation period.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the State of Nevada section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

The bank's community development lending performance is excellent. The bank originated a significant volume of CD loans in the Las Vegas AA. Three of the loans originated were all for economic development purposes and included a \$5 million line of credit to a woman- and veteran-owned SBA 8(a) contractor that provides range/facilities services for the U.S. Department of Defense. The business is located in a moderate income tract, and employs 400 people. In addition to its regular services, the company also won FEMA contracts for the rebuilding of the Gulf Coast area after Hurricane Katrina. Another loan for \$300 thousand provided foreclosure abatement for primarily low and moderate income borrowers in the AA.

The bank also received credit for a loan benefiting the broader statewide area including the bank's AAs. The bank extended a \$20 million warehouse financing line to one of the nation's primary affordable housing secondary market organizations. The organization purchases loans from a network of nonprofits throughout the country. \$232 thousand was allocated to the State of Nevada based on loan fundings. These funds have the potential to benefit the bank's AAs. Another \$42 thousand of a loan to this organization has no potential to benefit the bank's AAs but was considered since the bank has adequately addressed community development lending needs in its AA.

The bank's community development lending addressed identified community needs and had a positive impact on the bank's CRA performance.

### **Product Innovation and Flexibility**

CNB makes limited use of flexible lending products. No innovative lending products were identified.

Several flexible loan programs are available through the bank's Government Lending Department. These loans feature guarantees through various government and quasi-government agencies including the SBA and the Export/Import Bank. The guarantees allow the bank to make a variety of underwriting concessions that would not otherwise be available to borrowers. Depending on the program, concessions granted to borrowers include high loan-to-value, high debt-to-income, longer terms, and others. These programs increase the provision of credit to businesses, including small businesses, which in turn promotes economic development. These programs also contribute to the creation or maintenance of jobs, including jobs for LMI persons. During this evaluation period, the bank originated one loan totaling \$630 thousand under government lending programs. Some of these loans require considerable documentation and can take considerable effort to underwrite. These programs enable CNB to extend credit to entities, markets, and geographies that might otherwise be underserved by traditional credit facilities.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Carson City and Douglas AAs is weaker than the bank's overall High Satisfactory lending test rating in Nevada. This weaker performance did not impact the overall High Satisfactory rating for Nevada. Performance in the Reno AA is not inconsistent with the bank's overall High Satisfactory lending test rating in Nevada. Refer to the Tables 1 through 11 in the State of Nevada section of appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

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

The bank's performance under the investment test in Nevada is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Las Vegas AA is excellent. Weaker performance in two limited scope AAs had a negative impact on the overall rating.

Refer to Table 14 in the State of Nevada section of appendix D for the facts and data used to evaluate the bank's level of qualified investments

The evaluation of Investment Test performance in the Las Vegas AA took into consideration the bank's limited presence there, the structure of the housing market, and the substantial competition from financial institutions and other investors. While there are substantial investment opportunities in the Las Vegas AA, there is also substantial competition for the investments.

The bank's dollar volume of qualifying investments, grants, and donations exhibit a significant responsiveness to the credit and community development needs of the Las Vegas AA. During the evaluation period, the bank made a total of two investments in the AA. The two investments consisted of a Low-Income Housing Tax Credit (LIHTC) fund for \$4 million and a pool of mortgage backed securities consisting of a majority low- and moderate-income borrowers for \$2.78 million. These investments meet a critical need in the AA, by providing low- to moderate-income families with affordable housing. The LIHTC fund provides for 40 units in the bank's AA.

In addition, the bank made 28 qualifying grants and/or donations for a total of \$26.4 thousand to community organizations in the AA that provide essential services primarily to low- to moderate- income individuals. Grants/contributions range from community development programs to youth empowerment programs, which also include affordable housing. The bank received positive consideration for a total of \$105 thousand binding, unfunded commitments for affordable housing type investments in the Las Vegas AA. This commitment demonstrates the bank's continuing commitment to help meet community development needs and shows continued capacity for investments.

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

Based on limited-scope reviews, the bank's performance under the investment test in the Reno AA is not inconsistent with the bank's overall High Satisfactory performance under the investment test in Nevada. Performance in the Carson City and Douglas County AAs is weaker than the bank's overall performance in Nevada. The bank made very limited investments in these AAs. The bank only had a total of 19 investments, contributions and/or grants for a total of \$19 thousand combined in these AAs. This weaker performance had a negative impact on the bank's overall rating for the Investment Test in Nevada.

Refer to the Tables 14 in the State of Nevada section of appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

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

The bank's performance under the Service Test in Nevada is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Las Vegas AA is good.

### **Retail Banking Services**

Refer to Table 15 in the State of Nevada section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

The distribution of CNB's five branches in the Las Vegas AA is good. The opening and closing of branch offices had a positive effect upon accessibility of banking services in LMI geographies, as supported below.

As discussed in the *Description of the Institution* and *Description of AA* comments, CNB is a business bank that targets its products and services toward small- and medium-sized businesses, high net worth individuals, entrepreneurs, and professionals with an emphasis in the entertainment and real estate industries. Consumer products are primarily offered to existing customers in support of the bank's small business and wealth management focus and are not mass marketed to the general public. Thus, it is useful to compare branch distribution to the distribution of businesses, as well as population.

CNB had no operations in Las Vegas at the time of the last CRA examination. CNB acquired the Business Bank of Nevada through merger, effective April 30, 2007. At the time of the merger, there were four branches in the Las Vegas-Paradise MSA. CNB subsequently closed one branch and opened two. These changes had the net effect of decreasing the branches located in middle-income geographies by one, and increasing the branches in moderate- and upper-income geographies by one each.

Delivery systems are accessible to essentially all portions of the AA, commensurate with the size and scope of operations of the bank. There are no branches in the low-income geographies, but only 2% of the population and less than 5% of the businesses are located in low-income geographies. The distribution of branches in the moderate-income geographies significantly exceeds the percentage of the population residing in the moderate-income geographies, as well as businesses. In addition, two of the branch locations in upper-income geographies are adjacent to moderate-income geographies.

The bank's services and products are similar in all of their full-service branches. A broad array of consumer and business loan and deposit products were offered at each of the branch locations. Banking lobby hours are slightly extended in two moderate-income branches, and a 24-hour ATM is available at one moderate-income location.

## **Community Development Services**

CNB provides an adequate level of community development services that are responsive to a variety of community development needs in the full-scope AA. CNB management encourages employee involvement, and bank personnel played an active role in six different community development organizations. Bank employees contributed 451 qualifying community service hours during this evaluation period. Community services targeted to LMI individuals accounted for 67% of the hours and economic development by financing small businesses represents the remaining 33%. The technical and financial assistance provided included fundraising, budget and finance reviews, and accounting assistance. Community development services in the Las Vegas AA represent approximately 72% of the total hours reported for all assessment areas in Nevada, which is slightly higher than the distribution of branches, deposits, and loans among the bank's AAs in Nevada.

The bank offered the same new Dollars + Sense financial literacy program described in the Los Angeles-Long Beach-Glendale AA to LMI students in the Las Vegas AA in 2009. Total hours to date for this AA were 34 (included in the total above).

The bank's provision of community development services had a broader impact in terms of the community service needs met and the segments of the LMI population they benefited than it did on economic development or affordable housing needs. Recipients included programs for LMI youth, women, and the disabled, and to a lesser extent, organizations that provide financing to small businesses. The bank's CD services were not innovative.

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

Based on limited-scope reviews, the bank's performance under the service test in the Carson City, Douglas County, and Reno AAs is weaker than the bank's overall "High Satisfactory" performance under the service test in Nevada due to weak branch distribution. This weaker performance did not have an impact upon the bank's overall rating in Nevada under the Service Test. Although the three AAs represent 42% of bank deposits in Nevada, each of them only had one branch compared to the five branches in the full scope AA.

Refer to Table 15 in the State of Nevada section of appendix D for the facts and data that support these conclusions.

## State Rating

### State of New York

<b>CRA Rating for New York:</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>Low Satisfactory</b>
<b>The investment test is rated:</b>	<b>Outstanding</b>
<b>The service test is rated:</b>	<b>Needs Improvement</b>

The major factors that support this rating include:

- CNB's lending activity is excellent. The bank's dollar volume market share of small business lending exceeded its deposit market.
- CNB's geographic distribution of small loans to businesses is adequate. Small business loans are the bank's primary CRA loan product.
- Over 90% of all small business loans originated by the bank were originated within the bank's assessment areas.
- CNB's distribution of small loans to businesses with revenues of \$1 million or less is adequate.
- The bank makes limited use of flexible lending products and no innovative products were identified.
- The bank has an excellent level of qualified community development investments that are responsive to community development needs.
- Service delivery systems are unreasonably inaccessible to portions of the bank's AA, including low- and moderate-income persons and geographies. CNB provides an adequate level of community development services.

### Description of Institution's Operations in New York

CNB operates one branch in one assessment area in the State of New York.

Based on FDIC Deposit Market Share data as of June 30, 2008, CNB is ranked 103 in the State of New York with 0.05% of the market share representing \$349 million in deposits. JPMorgan Chase Bank, N.A. holds 31% market share of deposits while HSBC Bank USA, N.A. and Citibank, N.A. each hold over 8% market share. Fourteen other institutions hold over 1% market share. Altogether, 247 insured financial institutions operated in the state in 2008. These statistics portray a highly competitive market for financial services in the state. The State of New York represents 2.93% of the bank's deposits.

Small business lending is dominated by several large banks and credit card lenders. In the New York AA, the top five lenders held over 82% of the market share of small business loans reported for 2007 and only twelve banks had market shares greater than 1%.

Refer to the Market Profile for the State of New York in appendix C for detailed demographics and other performance context information for the New York AA.

## Scope of Evaluation in New York

CNB has one assessment area in the State of New York. This consists of all of New York County (New York). It is better known as Manhattan Borough -Manhattan Island, one of the five boroughs of New York City. Refer to demographic table in appendix C for more information on the New York AA.

The high cost of housing is a significant performance context issue in the bank's New York AA. This issue primarily affects our analysis of the bank's efforts to meet affordable housing needs through community development activities. We also considered this issue in evaluating home mortgage lending.

Small business loans represent 74% of the CRA reportable loans by number and 36% by dollar. Evaluation of small business loans will receive a significant amount of the weight in the assigning the lending test rating. Home Mortgage loans represent 26% of the CRA reportable loans by number and 63% by dollar. The bank's dollar volume of mortgage lending is impacted by a high average loan amount of approximately \$1.4 million, which reflects the bank's client base. CNB makes mortgage loans to support its business and wealth management focus. Mortgage products are not marketed to the public and are made to existing bank customers only. Mortgage lending performance was given minimal weight in assigning the lending test rating. CNB has made limited efforts in making qualified community development loans in the assessment area. The bank's CD lending performance had a neutral impact on CRA performance. Refer to lending tables in appendix D for more information.

Two community contacts conducted during the past year were reviewed. They indicated that in New York, the most pressing needs relate to grants or other funding for organizations as well as financing for small business and affordable housing projects. Many opportunities exist in the bank's markets for community development lending, investment and service activities.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in New York is rated "Low Satisfactory". Based on full-scope reviews, the bank's performance in the New York AA is adequate. Community Development lending in the New York AA was adequate. Community Development lending in the New York AA had a neutral impact on CRA performance.

### Lending Activity

Refer to Table 1 Lending Volume in the Sate of New York section of appendix D for the facts and data used to evaluate the bank's lending activity.

CNB's lending activity in the New York AA is excellent. Small business loans represented the majority of the bank's CRA lending activity. Small business loans represent 74% of the CRA reportable loans by number and 36% by dollar. During 2008, CNB held a 0.08% market share of the dollar amount of deposits; ranking 41<sup>st</sup> among 97 FDIC insured financial

institutions in the full scope AA. During the same period, the bank achieved a 0.73% market share by dollar volume of small loans to businesses, ranking 20<sup>th</sup> among 181 reporting lenders. By number of loans, however, the bank ranked 28<sup>th</sup> with a 0.05 % market share. Market share of small business loans by dollar volume was given more weight than market share by number of loans due to the large volume of small credit card loans originated in the AA by large credit card lending institutions, many of which do not take deposits in the AA thus distorting the comparison. Six of the top ten lenders by number of loans had average loan amounts of \$10 thousand or less. Many of these lenders do not take deposits in the AA. These statistics show that in its most important loan product, the bank's lending activity exceeded its deposit taking activity in the full-scope assessment area despite the highly competitive environment. Home Mortgage loans represent 26% of the CRA reportable loans by number and 63% by dollar. The bank did not achieve a meaningful market share in any of the three home mortgage loan categories, and home mortgage lending is not reflective of the bank's strategic focus or its CRA performance. CNB originated one community development loan in the AA totaling \$250 thousand.

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

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

Refer to Tables 2, 3, 4 and 5 in the State of New York section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

In reviewing the geographic distribution of loans in the New York AA, it is important to note the following demographic characteristics. Low-income tracts have 3% of the owner occupied units in the AA. 32% of households in these tracts live below the poverty level. Moderate-income tracts have 9% of the owner occupied units in the AA. 33% of the households in these tracts live below the poverty level. Performance for home purchase is poor even when considering demographic factors.

### Home Purchase

The geographic distribution of home purchase loans is poor. The bank did not originate any home purchase loans in low-income geographies. The percentage of home purchase loans in moderate-income geographies is lower than the percentage of owner-occupied housing units. The bank does not have a market share for low-income or moderate-income tracts for home purchase loans. Home purchase lending represents 67% of the bank's home mortgage lending in the New York AA. Home purchase loans were given limited weight in our evaluation.

### Home Improvement

CNB did not make any home improvement loans in low- or moderate-income geographies in the New York AA. Home improvement loans only represent 3% of the HMDA reportable loans during the evaluation period. The bank only made three home improvement loans during the evaluation period. No weight was given to this product in the final rating.

### Home Refinancing

The geographic distribution of home refinance loans is adequate. The bank did not make any home improvement loans in low-income tracts. Home refinance loans in moderate-income geographies was somewhat lower than the percentage of owner-occupied housing units. The bank does not have a market share in low-or-moderate income geographies. Home refinance loans represent 30% of the total HMDA reportable loans in the New York AA. Refinance lending was given limited weight in our evaluation.

### Multi-Family

CNB did not make any multi-family loans in the New York AA.

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

Refer to Table 6 in the State of New York section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

CNB's geographic distribution of small loans to businesses is adequate. The percentage of small loans to businesses in low-income geographies is lower than the percentage of businesses located in these tracts. The percentage of small loans to businesses in moderate-income geographies is somewhat lower than the percentage of businesses located in these tracts. The bank's market share for both low- and moderate-income tracts is lower than its overall market share for small loans to businesses.

### ***Small Loans to Farms***

Refer to Table 7 in the State of New York section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

CNB did not make any small loans to farms in the New York AA during the evaluation period.

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

Reports detailing CNB's lending activity over the evaluation period for small loans to businesses were reviewed to identify gaps in the geographic distribution of those loans. No unexplained conspicuous gaps were identified.

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

At the state level, CNB has a good record of lending inside its assessment areas by number of loans and dollar amount for the State of New York. The bank loaned 83 % by number and 80% by dollar amount of CRA reportable loans inside the New York AA. This includes both HMDA and Small Business loans. The home mortgage performance was weaker than its overall inside/outside ratio with 68% by number and 73% by dollar in the New York AA. The Small Business performance was stronger than its overall inside/outside ratio with 91% by number and 93% by dollar in the New York AA. The bank did not make any Small Farm loans in the state of New York during this evaluation period.

## Distribution of Loans by Income Level of the Borrower

### *Home Mortgage Loans*

Refer to Tables 8, 9, and 10 in the State of New York section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, we considered the number of households that live below the poverty level and the barriers that this may have on home ownership. The percentage of total households living below poverty level in the entire New York AA based on the 2000 census data is 17%. The median housing value based on the 2000 census data is approximately \$345,000. It would be very difficult for persons living below the poverty level to afford a house in this price range. Performance is very poor even when considering the barriers discussed.

### Home Purchase

The borrower distribution for low-and-moderate income borrowers is very poor for home purchase loans. The bank did not make any home purchase loans to low-income borrowers during the evaluation period. The percentage of home purchase loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's market share for home purchase loans to moderate-income families exceeds the bank's overall market share for home purchase loans.

### Home Improvement

CNB did not make any home improvement loans to low-or-moderate income families in the New York AA. Home improvement loans only represent 3% of the HMDA reportable loans during the evaluation period. The bank only made three home improvement loans during the evaluation period. No weight was given to this product in the final rating.

### Home Refinance

CNB did not make any home refinance loans to low-or-moderate income families in the New York AA. Home refinance loans represent 30% of the HMDA reportable loans during the evaluation period.

### *Small Loans to Businesses*

Refer to Table 11 in the State of New York section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

In evaluating the bank's performance, we considered the competitive market in which the bank operates and the deteriorating economic conditions in 2008 which adversely affected both demand for credit and availability of credit on a national scale, especially for smaller businesses.

CNB's distribution of small loans to businesses with revenues of \$1 million or less is adequate. The percentage of small loans to businesses is lower than the percentage of businesses with revenues of \$1 million or less in the New York AA. This performance is adequate when

considering competition and economic conditions. The bank's market share to businesses with revenues of \$1 million or less exceeds the bank's overall market share for small loans to businesses, regardless of revenue size indicating excellent market share performance.

Over 40% of the bank's small business loans were originated for under \$100 thousand. This performance is good considering that the need for smaller dollar business loans is met, in large part, by credit card lenders who often possess competitive advantages over other financial institutions in that segment of the market.

### ***Small Loans to Farms***

Refer to Table 12 in the State of New York section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

CNB did not make any small loans to farms in the New York AA during the evaluation period.

### **Community Development Lending**

Refer to Table 1 Lending Volume in the State of New York section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

The bank's community development lending performance is adequate. The bank originated only one CD loan in the New York AA. The loan for \$250 thousand was originated to a non-profit that revitalizes and stabilizes neighborhoods through the rehabilitation of deserted or neglected open space that would otherwise become locations for crime. These locations are primarily in low- or moderate-income neighborhoods. The non-profit works through a unique partnership between public and private sectors to reclaim, restore, and revitalize parks, community gardens, and open space in New York County.

The bank also received credit for a loan benefiting a broader statewide area including the bank's AAs. The bank extended a \$20 million warehouse financing line to one of the nation's primary affordable housing secondary market organizations. The organization purchases loans from a network of nonprofits throughout the country. \$1.9 million was allocated to the State of New York based on loan fundings. These funds have potential to benefit the bank's AA. Another \$688 thousand of a loan to this organization has no potential to benefit the bank's AAs but was considered since the bank has adequately addressed community development lending needs in its AA.

The bank's community development lending had a neutral impact on the bank's CRA performance.

### **Product Innovation and Flexibility**

CNB makes limited use of flexible lending products. No innovative lending products were identified.

Several flexible loan programs are available through the bank's Government Lending Department. These loans feature guarantees through various government and quasi-government agencies including the SBA and the Export/Import Bank. The guarantees allow the bank to make a variety of underwriting concessions that would not otherwise be available to borrowers. Depending on the program, concessions granted to borrowers include high loan-to-value, high debt-to-income, longer terms, and others. These programs increase the provision of credit to businesses, including small businesses, which in turn promotes economic development. These programs also contribute to the creation or maintenance of jobs, including jobs for LMI persons. During this evaluation period, the bank originated two loans totaling \$5.4 million under various government lending programs. Both of these loans were loans in excess of \$1 million and excluded from consideration under the small loans to business analysis. Some of these loans require considerable documentation and can take considerable effort to underwrite. These programs enable CNB to extend credit to entities, markets, and geographies that might otherwise be underserved by traditional credit facilities.

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

CNB did not have any limited scope review areas for the State of New York during the evaluation period.

## **INVESTMENT TEST**

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

The bank's performance under the investment test in New York is rated "Outstanding". Based on full-scope reviews, the bank's performance in the New York Assessment Area (AA) is excellent.

Refer to Table 14 in the State of New York section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The evaluation of Investment Test performance in the New York AA took into consideration the bank's limited presence there, the structure of the housing market, and the substantial competition from financial institutions and other investors. While there are substantial investment opportunities in the New York AA, there is also substantial competition for the investments.

The bank's dollar volume of qualifying investments, grants, and donations exhibit an excellent responsiveness to the credit and community development needs of the New York AA. The bank made two current period investments in Low-Income Housing Tax Credit (LIHTC) funds that financed large affordable housing projects within the AA, for a total of \$4 million. The LIHTC funds meet one of the most critical needs in the AA, by providing low- to moderate-income families with affordable housing. The funds provide for 383 units in the bank's AA. In addition, the bank made 39 qualifying grants and/or donations for a total of \$153 thousand to community organizations in the AA that provide essential services primarily to low- to moderate- income individuals. These affordable housing investments have a significant overall impact on the performance rating.

Since the bank adequately addressed the community development needs in its assessment area the bank also received positive consideration for investments made at the statewide level that has no potential to benefit the assessment area.

The bank made one investment in a mortgage backed security pool for \$3.08 million. The majority of the 19 loans in the pool were to low- and moderate-income borrowers located in New York but out of the bank's AA. This investment has no potential to benefit the assessment area.

The bank had one investment from the prior period for a total of \$721 thousand for LIHTC funds. This project provided affordable housing in New York and has no potential to benefit the AA.

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

CNB did not have any limited scope review areas for the State of New York during the evaluation period.

## **SERVICE TEST**

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

The bank's performance under the Service Test in New York is rated "Needs To Improve". Based on a full-scope review, the bank's performance in the New York AA is poor.

### **Retail Banking Services**

Refer to Table 15 in the State of New York section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

CNB operates one branch in Manhattan Borough, which is located on the 20<sup>th</sup> floor of a commercial building in an upper-income census tract. There is no ATM or other alternative delivery system in place that increases the accessibility of the bank's services to LMI persons or geographies. As discussed in the *Description of the Institution* and *Description of AA* comments, CNB is a business bank that targets its products and services toward small- and medium-sized businesses, high net worth individuals, entrepreneurs, and professionals with an emphasis in the entertainment and real estate industries. Consumer products are primarily offered to existing customers in support of the bank's small business and wealth management focus and are not mass marketed to the general public. The location of the branch is appropriate for CNB's target market of affluent commercial and individual clients. However, this banking facility is unreasonably inaccessible to portions of the bank's AA, including low- and moderate-income persons and geographies.

## **Community Development Services**

CNB provided adequate community development services in the New York AA during the evaluation period. CD services were provided to two nonprofit organizations for a total of 189 hours. One organization serves the NY metro area and provides foster care for developmentally disabled children who are also considered LMI. A bank employee serves on the Board of Directors of the organization and provides budgeting, fundraising, and other financial expertise to facilitate its operations. The second organization focuses on affordable housing for low- and moderate-income entertainment professionals, primarily in the New York boroughs, including Manhattan. A bank employee provides fundraising assistance for this organization. The activities are not innovative. However, the service to LMI entertainment professionals is responsive in an extremely high-cost location that is also one of the entertainment capitals of the world.

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

CNB did not have any limited scope review areas for the State of New York during the evaluation period.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): 10/01/2005 to 12/31/2008 Investment and Service Tests and CD Loans: 01/23/2006 to 07/07/2009	
<b>Financial Institution</b>		<b>Products Reviewed</b>
City National Bank (CNB) Los Angeles, CA		Home Mortgage Loans, Community Development Loans and Small loans to Businesses
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
NA	NA	No affiliate products reviewed.
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>State of California</b> Los Angeles AA Oakland AA Oxnard AA Riverside AA San Diego AA San Francisco AA Santa Ana AA Santa Clara County AA  <b>State of Nevada</b> Las Vegas AA Carson City AA Douglas County AA Reno AA  <b>State of New York</b> New York AA	Full Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope  Full Scope Limited Scope Limited Scope Limited Scope  Full Scope	Los Angeles-Long Beach-Glendale MSA Oakland-Fremont-Hayward MSA Oxnard-Thousand Oaks-Ventura MSA Riverside-San Bernardino-Ontario MSA San Diego-Carlsbad-San Marcos MSA San Francisco and San Mateo Counties Orange County Santa Clara County  Las Vegas-Paradise MSA Carson City MSA Douglas County Reno County  New York County

## Appendix B: Summary of State Ratings

RATINGS City National Bank				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
City National Bank	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
State:				
California	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Nevada	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
New York	Low Satisfactory	Outstanding	Needs To Improve	Satisfactory

(\*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

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

### State of California

### Los Angeles-Long Beach-Glendale MSA (Los Angeles)

Demographic Information for Full-Scope Area: Los Angeles						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2,054	8.71	28.29	27.99	34.23	0.78
Population by Geography	9,519,338	8.00	29.44	30.88	31.58	0.10
Owner-Occupied Housing by Geography	1,499,694	1.91	15.46	31.30	51.33	0.00
Businesses by Geography	869,503	7.94	21.05	26.58	43.63	0.80
Farms by Geography	6,632	3.97	15.59	31.60	48.40	0.44
Family Distribution by Income Level	2,154,311	23.87	16.49	17.40	42.24	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	869,463	13.65	41.46	28.95	15.94	0.00
Median Family Income		Median Housing Value=				240,248
HUD Adjusted Median Family Income for 2008	= \$46,509	Unemployment Rate=				3.72%
Households Below the Poverty Level	= \$59,800 = 15%					

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

Source: 2000 U.S. Census, and 2008 HUD updated MFI.

The Los Angeles-Long Beach-Glendale MSA is the bank's largest assessment area and is comprised of Los Angeles County. It includes 2,054 census tracts (CTs). 179 CTs (8.71%) of the total are designated as low-income tracts. 581 CTs (28.29%) are designated moderate-income tracts. The updated median family income for 2008 is \$59,800. However, 311 thousand families (15%) out of 2.2 million families living in the County have an income below the poverty level. The updated median family income is for 2009 is \$62,100. Because of the high cost of real estate in Los Angeles County, less than 2% of the housing in low-income census tracts is owner occupied. Less than 16.5% of the housing in moderate-income census tracts is owner occupied. The County is currently experiencing the affect of the current world-wide recession. The economic impact and related unemployment has driven housing prices down. In 2009 real estate prices were down from their 2007 peak by more than 45%, which spurred a 70% jump in housing sales in the County.

Los Angeles County is located in southern California and borders 70 miles of coast on the Pacific Ocean. The county holds most of the principal cities encompassing the Greater Los Angeles Area, and is the most important of the five counties that make up that area. There are 88 incorporated cities in Los Angeles County and many unincorporated areas. The northern half of the county is lesser populated desert inland; however the southern half of the County is

heavily urbanized. The most populous cities are Los Angeles (4,065,585), Long Beach (492,682), and Glendale (207,303), according to the California Department of Finance 2008 Population Estimate.

Los Angeles County is by far the most populous county in the United States. The California State government's population bureau lists a January 1, 2009 estimate of 10,393,185 persons living in the County. The County's population is larger than the individual populations of 42 states considered separately and is home to over a quarter of all California residents. According to the United States Conference of Mayors, if Los Angeles County were a nation, it would boast a GDP among the twenty largest countries in the world.

The County has an extensive freeway network of legendary size and complexity. It also has a vast urban and suburban street network, most of which is maintained by city governments. Extensive Intercity Metro Bus lines connect 34 cities and 11 unincorporated LA County communities. In addition to Metro Bus service, numerous cities within the county operate their own bus companies and shuttle lines. Light rail lines and subway (heavy rail) public transportation systems are operated by Amtrak, Los Angeles Metro Rail and Metrolink. The Metrolink commuter rail serves the greater Los Angeles Area. The County's light rail system forms a single operating line extending from East Los Angeles into the San Gabriel Valley. See *wikipedia.org* and *metro.net*.

The major industries of Los Angeles County are international trade, supported by the Port of Los Angeles and the Port of Long Beach, motion picture and television program production, music recording and production, aerospace, and professional services such as law and medicine. The County is commonly associated with the entertainment industry. Most of the major studios, including Paramount Pictures, 20<sup>th</sup> Century Fox, Sony, Warner Bros., and Walt Disney Studios, are all located within the boundaries of the county, in the cities of Los Angeles, Culver City, Burbank and Glendale. Universal Pictures is located in the unincorporated portion of Los Angeles County at Universal City. State and local governments are also major employers.

The top five employers in Los Angeles County are (1) University of California Los Angeles, (2) Kaiser Permanente, (3) Northrop Grumman Corporation, (4) Bank of America Corporation, and (5) The Boeing Company. Generally, however, employment opportunities have lessened as Los Angeles has been pushed into a growing recession resulting from weakening domestic and international demand for manufactured goods and falling trade levels. Container traffic at the combined ports of Long Beach and Los Angeles declined in 2008 for the third consecutive year. Over 20,000 transportation and warehousing jobs are projected to be lost from their peak in 2006 through the end of 2010 as a result of the downturn. Los Angeles County 2009 Gross metro product is projected to decline 3.1% compared to 2008. The April 2009 unemployment rate in the County was 11.7%, an increase of 4.2 percentage points over the 2008 rate of 7.5%.

Los Angeles County nevertheless remains the top U.S. manufacturing metro area in terms of employment. Over 3.9 million persons are employed in the area and, according to *Moody's Economy.com & BLS, 2008*, employment in the County is slightly less volatile than in the U.S. generally. Recovery in the County's trade-related industries hinges on global economic rebound, which is expected to begin in 2010. The County's population growth will improve as a sustained recovery takes hold. 2008 marked the first year of population growth since 2005.

Increased housing affordability and improvement in labor market conditions will help to temporarily end out-migration of residents. Beyond 2012, however, the Gross metro product is expected to stabilize favorably and unemployment is expected to return to 2004 levels near 6.5%. High housing costs relative to other Southern California metro areas and neighboring states will once again spur out-migration of residents.

City National Bank enjoys the eighth largest market share of deposits in the Los Angeles-Long Beach-Santa Ana, CA market area, which includes both Los Angeles County and Orange County. The Bank is one of 180 institutions that serve this market area and has 38 of the total 2,481 banking offices in this area. However, its market share of the total deposits held in financial institutions in the area is only 3.83%. Its five largest competitors in this southern California market maintain 1,069 of the banking offices and hold 52% of the deposits. They are, in order of market share held, Bank of America NA, Washington Mutual Bank, Wells Fargo Bank NA, Union Bank, NA, and Citibank National Association.

## State of Nevada

### Las Vegas – Paradise MSA (Las Vegas)

Demographic Information for Full-Scope Area: Las Vegas						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	345	2.03	22.61	42.61	31.59	1.16
Population by Geography	1,375,765	2.05	27.84	41.73	28.38	0.00
Owner-Occupied Housing by Geography	302,842	0.39	16.32	44.57	38.72	0.00
Businesses by Geography	134,364	4.51	20.59	37.65	36.84	0.41
Farms by Geography	1,776	2.48	16.50	42.23	38.80	0.00
Family Distribution by Income Level	342,405	18.69	18.74	23.47	39.10	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	128,150	3.04	40.22	40.59	16.15	0.00
Median Family Income HUD Adjusted Median Family Income for 2008 Households Below the Poverty Level	= \$50,504 = \$63,900 = 10%	Median Housing Value= Unemployment Rate=			127,982 3.25%	

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

Source: 2000 U.S. Census, and 2008 HUD updated MFI.

The Las Vegas – Paradise MSA is the bank's largest assessment area (AA) in the State of Nevada and is comprised of the city of Las Vegas and the unincorporated town of Paradise. Both are located in Clark County, NV and together are typically referred to as "Las Vegas." The "Strip," a 4.5 mile stretch of Las Vegas Boulevard, is mostly outside the Las Vegas city limits in the town of Paradise. Las Vegas is a major vacation, shopping, entertainment, and gambling location. The city of Las Vegas is the most populous city in the MSA and in the state of Nevada. In 2008, there were 9.5 million persons residing in the MSA, including 869 thousand "Low and Moderate Income" families.

The Las Vegas – Paradise MSA includes 345 census tracts (CTs). Seven (7) CTs (2.03%) of the total are designated low-income tracts. 78 CTs (22.61%) are designated moderate-income tracts. The updated median family income for 2008 is \$63,900. However, 27 thousand families (7.85%) out of 342 thousand families living in the AA have an income below the poverty level. The updated median family income for 2009 is \$65,400. Unemployment rose from 6.6% in 2008 to 10.4 % in April 2009. Because of the growing cost of real estate in Las Vegas-Paradise AA prior to the recession, less than 10% (9.22%) of the housing in low-income census tracts is owner occupied. Less than 32% (31.57%) of the housing in moderate-income census tracts is owner occupied.

The Las Vegas area is supported by an extensive and well maintained highway system. In addition there is a Citizen Area Transit (CAT) Las Vegas public transportation system. Buses run between the Downtown Transportation Center (DTC) and the South Strip, 24 hours a day, leaving every 10 – 15 minutes. There are numerous stops. CAT also offers express runs between the DTC and the Southern Transfer Center with fewer stops. In addition, primarily to service tourists, there are monorail trains connecting several of the hotels on the Strip and there is a bus/trolley service that runs up and down the 4.5 mile Strip from 9:30 am to midnight daily, and comes around every 20 minutes.

Las Vegas, as well as the rest of the State of Nevada, has experienced the worst recession since the 1930s and, according to Mark Zandi, chief economist for Moody's *economy.com*, it is not over. Las Vegas will lag the nation's recovery because it depends upon the rest of the country for tourists; and through 2010 people across the country will have limited disposable income. In addition, the affects of the "housing bust" that made Southern Nevada's recession deeper than elsewhere still have to play out. The economic impact, especially foreclosures, and related unemployment has driven housing prices down. The median housing value in 2008 was \$127,982.

The major industries of the Las Vegas – Paradise MSA are Leisure & Hospitality services, Professional & Business services, Government/Military service, Construction, and Educational & Health services. Unfortunately, except for employment in "Educational & Health services," which grew 3.8% in the past year, the FDIC reports employment in each of the other industries declined in the past 12 months. Employment in the Construction industry declined the most, 13.7%, followed by employment in the "Professional & Business services" field, which declined 7.1%. Nevertheless, the five largest employers in Clark County continue to be the Clark County School District, Clark County, Bellagio Hotel & Casino, MGM Grand Hotel & Casino, and the Mandalay Bay Resort & Casino.

According to data developed in March 2009 by the UNLV *Center for Business and Economic Research* and reported in the *Las Vegas Sun*, key economic indicators for the Las Vegas economy are beginning to turn positive. The national recession could be over by the fourth quarter of 2009 or the first quarter of 2010. Although the problems are not over, especially regarding home foreclosures and unemployment, the worst appears to be in the past. As the national recovery takes hold in the end of 2009, consumer spending may improve, including vacations to Las Vegas.

City National Bank only has a nominal presence in the Las Vegas – Paradise market area. It is ranked nineteenth in largest market share of deposits in the MSA. According to the FDIC *Deposit Market Share Report* June 30, 2008, the bank is one of 55 institutions that serve this market; it has six of the total 419 banking offices in this area. However, its market share of the total deposits held in all financial institutions in the area is only 0.11%. Its five largest competitors in this Nevada market maintain 244 of the banking offices and hold 92% of the deposits. They are, in order of market share held, Citibank National Association, Washington Mutual Bank, Wells Fargo Bank NA, Bank of America NA, and Nevada State Bank.

## State of New York

### New York County (New York)

Demographic Information for Full-Scope Area: New York						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	296	20.27	19.93	8.11	48.65	3.04
Population by Geography	1,537,195	18.74	24.07	7.59	49.51	0.10
Owner-Occupied Housing by Geography	148,695	2.61	8.59	4.78	84.02	0.00
Businesses by Geography	279,782	6.05	7.53	7.64	76.73	2.04
Farms by Geography	693	5.05	6.35	7.36	80.95	0.29
Family Distribution by Income Level	306,220	29.16	13.29	12.67	44.88	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	129,981	37.53	39.68	6.19	16.60	0.00
Median Family Income HUD Adjusted Median Family Income for 2008 Households Below the Poverty Level	= \$49,461 = \$63,000 = 17%	Median Housing Value= Unemployment Rate=				345,099 4.63%

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census, and 2008 HUD updated MFI.

The Bank's only assessment area (AA) in New York State is New York County, which is located within the New York-White Plains-Wayne, NY-NJ Metropolitan District. New York County is one of 62 counties in the State. It is better known as Manhattan Borough (Manhattan Island), one of the five boroughs of New York City. The U.S. Census Bureau estimates the population of Manhattan Island on July 1, 2008 was 1.635 million persons. The population density based upon this estimate is 70,595 people per square mile, the highest population density of any county in the United States. Manhattan Island is a major commercial, financial, and cultural center of both the United States and the world.

The New York County AA of Manhattan Island includes 296 census tracts (CTs). Sixty (60) CTs (20.27%) of the total are designated low-income tracts. 59 CTs (19.93%) are designated moderate-income tracts. The updated median family income in the broader New York-White Plains-Wayne, NY-NJ MSA for 2008 was \$63,000. The updated median family income for 2009 in this broader MSA is \$64,800. However, 54 thousand families (17.57%) out of 306 thousand families living in the New York County AA, have an income below the poverty level. The New York City unemployment rate rose from 5.4% in 2008 to 8.8% in April 2009. According to U.S. Census Bureau information, in 2008 only 19% of Manhattan residents lived in owner occupied units, 74% of Manhattan residents live in rental properties; and 96% of these Manhattan residents live in multifamily units.

Manhattan is unique for intense use of public transportation and lack of private car ownership; mass transit is the dominant form of travel, with 72% of borough residents using public transportation and only 18% driving to work. The *New York City Subway*, the largest subway system in the world by track mileage and the largest by number of stations, is the primary means of travel within the city, linking every borough except Staten Island. A second subway, the *Port Authority Trans-Hudson (PATH)* system, connects Manhattan to northern New Jersey.

Commuter rail services operating to and from Manhattan are the *Long Island Rail Road* (which connects Manhattan and other New York City boroughs to Long Island), the *Metro-North Railroad* (which connects Manhattan to Westchester County and Southwestern Connecticut) and *New Jersey Transit* trains to various points in New Jersey. The *MTA New York City Bus* offers a wide variety of local buses within Manhattan. The bus systems served 740 million passengers in 2004, the highest in the nation. Finally, New York's yellow cabs number 13,087 city-wide and are ubiquitous in the borough. Manhattan Island also has tens of thousands of bicycle commuters.

New York City is home to a diversified mix of businesses. Many national and international corporations are headquartered in the city. Historically, the downtown area has been dominated by the financial services industry. Industries operating in the midtown area include advertising, publishing, and garment production. Most major radio, television, and telecommunications companies in the United States are based in Manhattan, as well as many news, magazine, book, and other media publishers. The retail sector is a major employer with several large department stores and many small businesses operating throughout the assessment area.

According to *Moody's Economy.com*, New York City's economy is in recession and economic conditions have deteriorated rapidly in 2009. After coming to a head in September 2008, layoffs in the metro division's finance industry are growing larger with each passing month, and the loss of income both within and outside the area is taking most other industries down with it. Losses in consumer driven industries such as retail and leisure/hospitality have been particularly severe. Mortgage delinquencies picked up in the second half of 2008 and both single-family and condo prices are now falling. Recovery is expected to begin in 2010; however growth will be slower because of decreased productivity and profitability in the financial sector. Employment growth during the recovery is also expected to lag behind the national average.

City National Bank has only a nominal presence in the New York-Northern New Jersey-Long Island market area. It has just one New York City branch that was established to serve California clients who do business on both coasts and prospective clients in Manhattan. The New York branch is ranked 110<sup>th</sup> in market share of New York deposits. According to the *FDIC Deposit Market Share Report* June 30, 2008, the bank is one of 243 institutions that serve this market; it has just one of the total 5,772 banking offices in the area. Its market share of the total deposits held in all financial institutions in the area is only 0.04%. The New York-Northern New Jersey-Long Island market area is dominated by JPMorgan Chase Bank NA, which holds 29.8% of the total deposits, followed by Bank of America NA, Citibank National Association, HSBC Bank USA National Association, and Wells Fargo Bank NA, which acquired all of the Wachovia Bank NA assets and deposits in the New York market. These five large banks control 56% of the deposits in the New York market area.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated

and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

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

## Tables of Performance Data

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**State of California**

**State of Nevada**

**State of New York**

## CALIFORNIA

Table 1. Lending Volume

LENDING VOLUME		Geography: CALIFORNIA						Evaluation Period: October 1, 2005 to December 31, 2008				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Los Angeles-Long Beach-Glendale MSA	64.09	786	991,333	5,713	1,406,603	0	0	115	534,620	6,614	2,932,556	68.37
<b>Limited Review:</b>												
Oakland-Fremont-Hayward MSA	3.67	33	23,468	320	102,963	0	0	16	41,475	369	167,906	4.59
Oxnard-Thousand Oaks-Ventura MSA	5.56	59	57,537	492	132,811	2	900	23	63,279	576	254,527	2.33
Riverside-San Bernardino-Ontario MSA	6.36	77	59,425	410	147,257	0	0	22	84,175	509	290,857	2.66
San Diego-Carlsbad-San Marcos MSA	4.92	57	83,886	336	110,063	0	0	16	31,377	409	225,326	1.75
San Francisco-San Mateo Counties	4.96	33	33,442	437	144,439	0	0	19	49,236	489	227,117	4.77
Santa Ana-Anaheim-Irvine MSA	9.14	92	93,296	692	230,394	0	0	29	94,735	813	418,425	15.3
Santa Clara County	0.89	2	218	65	25,265	0	0	5	15,431	72	40,914	0.23
<b>Broader Statewide Area</b>												
With potential to benefit AA*								1	17,840	1	17,840	
With no potential to benefit AA								1	706	1	706	

\* Loan Data as of December 31, 2008. Rated area refers to state rating area.

\*\* The evaluation period for Community Development Loans is January 23, 2006 to July 7, 2009.

\*\*\* Deposit Data as of June 1<sup>st</sup> 2008. Rated Area refers to state.

**CALIFORNIA**

**Table 1. Other Products**

LENDING VOLUME		Geography: CALIFORNIA		Evaluation Period: October 1, 2005 TO December 31, 2008	
MA/Assessment Area:	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>					
Los Angeles-Long Beach- Glendale MSA	0	0	1	87	
<b>Limited Review:</b>					
Oakland-Fremont- Hayward MSA	0	0	0	0	
Oxnard-Thousand Oaks - Ventura MSA	0	0	0	0	
Riverside-San Bernardino- Ontario MSA	0	0	0	0	
San Diego-Carlsbad- San Marcos MSA	0	0	0	0	
San Francisco- San Mateo Counties	0	0	0	0	
Santa Ana-Anaheim- Irvine MSA	0	0	0	0	
Santa Clara County	0	0	0	0	

\* The evaluation period for Optional Product Line(s) is from October 01, 2005 to December 31, 2008.

**CALIFORNIA**

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

Geographic Distribution: HOME PURCHASE			Geography: CALIFORNIA						Evaluation Period: October 1 <sup>st</sup> , 2005 to December 31, 2008						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Los Angeles-Long Beach-Glendale MSA	391	71.48	1.91	0.26	15.46	1.28	31.30	9.21	51.33	89.26	0.10	0.00	0.01	0.03	0.18
<b>Limited Review:</b>															
Oakland-Fremont-Hayward MSA	12	2.19	3.49	0.00	13.07	0.00	43.58	16.67	39.86	83.33	0.01	0.00	0.00	0.01	0.02
Oxnard-Thousand Oaks-Ventura MSA	26	4.75	1.20	0.00	15.46	0.00	46.06	30.77	37.29	69.23	0.05	0.00	0.00	0.03	0.11
Riverside-San Bernardino-Ontario MSA	46	8.41	1.49	0.00	21.74	8.70	43.33	23.91	33.44	67.39	0.02	0.00	0.01	0.01	0.04
San Diego-Carlsbad-San Marcos MSA	16	2.93	2.30	0.00	14.03	12.50	41.01	12.50	42.66	75.00	0.01	0.00	0.00	0.00	0.01
San Francisco-San Mateo Counties	14	2.56	1.52	7.14	15.01	14.29	46.49	7.14	36.98	71.43	0.01	0.00	0.03	0.01	0.01
Santa Ana-Anaheim-Irvine MSA	42	7.68	1.25	0.00	19.56	4.76	33.56	26.19	45.63	69.05	0.03	0.00	0.00	0.02	0.05
Santa Clara County	0	0.00	1.17	0.00	14.81	0.00	48.40	0.00	35.63	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

**CALIFORNIA**

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

Geographic Distribution: HOME IMPROVEMENT												Geography: CALIFORNIA				Evaluation Period: October 1, 2005 to December 31,2008				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography									
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Los Angeles-Long Beach-Glendale MSA	75	67.57	1.91	0.00	15.46	1.33	31.30	5.33	51.33	93.33	0.05	0.00	0.00	0.01	0.12					
<b>Limited Review:</b>																				
Oakland-Fremont-Hayward MSA	5	4.50	3.49	0.00	13.07	0.00	43.58	40.00	39.86	60.00	0.03	0.00	0.00	0.02	0.07					
Oxnard-Thousand Oaks- Ventura MSA	5	4.50	1.20	0.00	15.46	0.00	46.06	20.00	37.29	80.00	0.04	0.00	0.00	0.00	0.12					
Riverside-San Bernardino-Ontario MSA	6	5.41	1.49	0.00	21.74	0.00	43.33	50.00	33.44	50.00	0.02	0.00	0.00	0.02	0.03					
San Diego-Carlsbad-San Marcos MSA	8	7.21	2.30	0.00	14.03	0.00	41.01	12.50	42.66	87.50	0.04	0.00	0.00	0.00	0.11					
San Francisco-San Mateo Counties	5	4.50	1.52	0.00	15.01	0.00	46.49	0.00	36.98	100.00	0.09	0.00	0.00	0.00	0.32					
Santa Ana-Anaheim-Irvine MSA	7	6.31	1.25	0.00	19.56	0.00	33.56	14.29	45.63	85.71	0.04	0.00	0.00	0.00	0.10					
Santa Clara County	0	0.00	1.17	0.00	14.81	0.00	48.40	0.00	35.63	0.00	0.00	0.00	0.00	0.00	0.00					

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

**CALIFORNIA**

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: CALIFORNIA						Evaluation Period: October 1 <sup>st</sup> 2005 to December 31, 2008						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Los Angeles-Long Beach-Glendale MSA	316	66.95	1.91	0.00	15.46	2.22	31.30	7.28	51.33	90.51	0.04	0.00	0.00	0.01	0.08
<b>Limited Review:</b>															
Oakland-Fremont-Hayward MSA	16	3.39	3.49	0.00	13.07	0.00	43.58	12.50	39.86	87.50	0.01	0.00	0.00	0.00	0.02
Oxnard-Thousand Oaks-Ventura MSA	28	5.93	1.20	0.00	15.46	7.14	46.06	39.29	37.29	53.57	0.02	0.00	0.02	0.01	0.05
Riverside-San Bernardino-Ontario MSA	25	5.30	1.49	4.00	21.74	4.00	43.33	16.00	33.44	76.00	0.01	0.00	0.00	0.00	0.01
San Diego-Carlsbad-San Marcos MSA	28	5.93	2.30	0.00	14.03	7.14	41.01	25.00	42.66	67.86	0.02	0.00	0.02	0.01	0.03
San Francisco-San Mateo Counties	14	2.97	1.52	0.00	15.01	0.00	46.49	21.43	36.98	78.57	0.01	0.00	0.00	0.01	0.03
Santa Ana-Anaheim-Irvine MSA	43	9.11	1.25	0.00	19.56	2.33	33.56	9.30	45.63	88.37	0.01	0.00	0.00	0.00	0.03
Santa Clara County	2	0.42	1.17	0.00	14.81	0.00	48.40	100.00	35.63	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

**CALIFORNIA**

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY			Geography: CALIFORNIA						Evaluation Period: October 1, 2005 to December 31, 2008						
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Los Angeles-Long Beach-Glendale MSA	3	37.50	12.96	0.00	31.74	33.33	28.34	33.33	26.96	33.33	0.01	0.00	0.00	0.05	0.00
<b>Limited Review:</b>															
Oakland-Fremont-Hayward MSA	0	0.00	13.31	0.00	27.95	0.00	45.36	0.00	13.38	0.00	0.00	0.00	0.00	0.00	0.00
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	3.57	0.00	34.60	0.00	47.43	0.00	14.41	0.00	0.00	0.00	0.00	0.00	0.00
Riverside-San Bernardino-Ontario MSA	0	0.00	7.73	0.00	38.68	0.00	37.84	0.00	15.76	0.00	0.00	0.00	0.00	0.00	0.00
San Diego-Carlsbad-San Marcos MSA	5	62.50	11.77	20.00	32.61	40.00	37.33	20.00	18.29	20.00	0.00	0.00	0.00	0.00	0.00
San Francisco-San Mateo Counties	0	0.00	20.81	0.00	25.25	0.00	30.49	0.00	23.45	0.00	0.00	0.00	0.00	0.00	0.00
Santa Ana-Anaheim-Irvine MSA	0	0.00	6.27	0.00	41.07	0.00	33.61	0.00	19.05	0.00	0.00	0.00	0.00	0.00	0.00
Santa Clara County	0	0.00	6.98	0.00	25.75	0.00	53.88	0.00	13.39	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data: Western Region.

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

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**CALIFORNIA**

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

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: CALIFORNIA						Evaluation Period: October 1, 2005 to December 31, 2008						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Los Angeles-Long Beach-Glendale	5,618	67.19	7.94	5.43	21.05	13.51	26.58	21.08	43.63	59.99	0.26	0.25	0.19	0.20	0.31
<b>Limited Review:</b>															
Oakland-Fremont-Hayward MSA	320	3.83	10.67	17.81	16.77	19.38	38.98	39.06	33.46	23.75	0.06	0.19	0.10	0.06	0.04
Oxnard-Thousand Oaks-Ventura MSA	492	5.88	3.85	6.10	18.57	25.41	50.22	49.80	27.36	18.70	0.27	0.86	0.49	0.28	0.14
Riverside-San Bernardino-Ontario MSA	410	4.90	3.80	4.63	28.85	37.56	41.00	37.32	26.29	20.49	0.06	0.17	0.13	0.06	0.03
San Diego-Carlsbad-San Marcos MSA	336	4.02	4.95	6.25	21.53	10.12	37.07	33.93	36.42	49.70	0.06	0.09	0.03	0.06	0.07
San Francisco-San Mateo Counties	437	5.23	17.97	41.42	21.35	18.31	33.27	20.59	27.30	19.68	0.11	0.36	0.10	0.06	0.08
Santa Ana-Anaheim-Irvine MSA	683	8.17	3.13	3.95	29.05	29.43	35.25	35.29	31.76	31.33	0.09	0.19	0.10	0.10	0.07
Santa Clara County	65	0.78	3.00	9.23	23.04	27.69	43.67	26.15	30.30	36.92	0.02	0.03	0.02	0.01	0.02

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2008

**CALIFORNIA**

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: CALIFORNIA						Evaluation Period: October 1, 2005 to December 31, 2008						
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms** *	% BANK Loans	% of Farms** *	% BANK Loans	% of Farms** *	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Los Angeles-Long Beach-Glendale MSA	0	0.00	3.97	0.00	15.59	0.00	31.60	0.00	48.40	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Oakland-Fremont-Hayward MSA	0	0.00	6.40	0.00	16.63	0.00	37.64	0.00	39.33	0.00	0.00	0.00	0.00	0.00	0.00
Oxnard-Thousand Oaks-Ventura MSA	2	100.00	3.83	0.00	22.07	0.00	54.29	100.00	19.82	0.00	0.30	0.00	0.00	0.59	0.00
Riverside-San Bernardino-Ontario MSA	0	0.00	2.32	0.00	26.90	0.00	41.58	0.00	29.20	0.00	0.00	0.00	0.00	0.00	0.00
San Diego-Carlsbad-San Marcos MSA	0	0.00	3.53	0.00	19.33	0.00	40.34	0.00	36.77	0.00	0.00	0.00	0.00	0.00	0.00
San Francisco-San Mateo Counties	0	0.00	7.39	0.00	21.70	0.00	39.18	0.00	31.73	0.00	0.00	0.00	0.00	0.00	0.00
Santa Ana-Anaheim-Irvine MSA	0	0.00	3.39	0.00	26.49	0.00	34.87	0.00	34.99	0.00	0.00	0.00	0.00	0.00	0.00
Santa Clara County	0	0.00	2.89	0.00	26.32	0.00	44.22	0.00	26.57	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2008.

## CALIFORNIA

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: CALIFORNIA						Evaluation Period: October 1, 2005 to December 31, 2008						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Los Angeles-Long Beach-Glendale MSA	391	71.48	23.87	0.33	16.49	0.00	17.40	0.65	42.24	99.02	0.09	0.50	0.00	0.00	0.09
<b>Limited Review:</b>															
Oakland-Fremont-Hayward MSA	12	2.19	20.97	0.00	17.47	0.00	21.18	0.00	40.38	100.00	0.01	0.00	0.00	0.00	0.01
Oxnard-Thousand Oaks-Ventura MSA	26	4.75	19.55	0.00	18.43	0.00	22.09	0.00	39.92	100.00	0.05	0.00	0.00	0.00	0.07
Riverside-San Bernardino-Ontario MSA	46	8.41	21.73	0.00	17.48	0.00	20.23	2.22	40.56	97.78	0.02	0.00	0.00	0.01	0.02
San Diego-Carlsbad-San Marcos MSA	16	2.93	21.02	0.00	17.91	0.00	20.09	0.00	40.98	100.00	0.01	0.00	0.00	0.00	0.01
San Francisco-San Mateo Counties	14	2.56	22.20	0.00	17.98	0.00	20.36	9.09	39.47	90.91	0.01	0.00	0.00	0.00	0.01
Santa Ana-Anaheim-Irvine MSA	42	7.68	20.69	0.00	17.97	0.00	20.68	2.70	40.65	97.30	0.04	0.00	0.00	0.00	0.04
Santa Clara County	0	0.00	20.21	0.00	17.95	0.00	21.63	0.00	40.21	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 17.9% of loans originated and purchased by Bank.

**CALIFORNIA**

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

Borrower Distribution: HOME IMPROVEMENT			Geography: CALIFORNIA						Evaluation Period: October 1, 2005 to December 31, 2008						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Los Angeles-Long Beach-Glendale MSA	75	67.57	23.87	0.00	16.49	0.00	17.40	0.00	42.24	100.00	0.05	0.00	0.00	0.00	0.07
<b>Limited Review:</b>															
Oakland-Fremont-Hayward MSA	5	4.50	20.97	0.00	17.47	25.00	21.18	0.00	40.38	75.00	0.02	0.00	0.00	0.00	0.04
Oxnard-Thousand Oaks-Ventura MSA	5	4.50	19.55	0.00	18.43	0.00	22.09	0.00	39.92	100.00	0.04	0.00	0.00	0.00	0.07
Riverside-San Bernardino-Ontario MSA	6	5.41	21.73	0.00	17.48	0.00	20.23	0.00	40.56	100.00	0.02	0.00	0.00	0.00	0.03
San Diego-Carlsbad-San Marcos MSA	8	7.21	21.02	0.00	17.91	0.00	20.09	0.00	40.98	100.00	0.05	0.00	0.00	0.00	0.07
San Francisco-San Mateo Counties	5	4.50	22.20	0.00	17.98	0.00	20.36	0.00	39.47	100.00	0.03	0.00	0.00	0.00	0.05
Santa Ana-Anaheim-Irvine MSA	7	6.31	20.69	0.00	17.97	0.00	20.68	0.00	40.65	100.00	0.03	0.00	0.00	0.00	0.05
Santa Clara County	0	0.00	20.21	0.00	17.95	0.00	21.63	0.00	40.21	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 17.1% of loans originated and purchased by Bank.

**CALIFORNIA**

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

Borrower Distribution: HOME MORTGAGE REFINANCE																
Geography: CALIFORNIA																
Evaluation Period: October 1, 2005 to December 31, 2008																
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share					
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid
<b>Full Review:</b>																
Los Angeles-Long Beach-Glendale MSA	317	67.02	23.87	0.00	16.49	0.36	17.40	1.45	42.24	98.19	0.04	0.00	0.01	0.00	0.04	
<b>Limited Review:</b>																
Oakland-Fremont-Hayward MSA	16	3.38	20.97	0.00	17.47	0.00	21.18	0.00	40.38	100.00	0.01	0.00	0.00	0.00	0.01	
Oxnard-Thousand Oaks-Ventura MSA	28	5.92	19.55	0.00	18.43	0.00	22.09	4.55	39.92	95.45	0.02	0.00	0.00	0.00	0.03	
Riverside-San Bernardino-Ontario MSA	25	5.29	21.73	0.00	17.48	4.55	20.23	4.55	40.56	90.91	0.01	0.00	0.01	0.00	0.01	
San Diego-Carlsbad-San Marcos MSA	28	5.92	21.02	3.70	17.91	0.00	20.09	0.00	40.98	96.30	0.02	0.08	0.00	0.00	0.03	
San Francisco-San Mateo Counties	14	2.96	22.20	0.00	17.98	8.33	20.36	0.00	39.47	91.67	0.01	0.00	0.00	0.00	0.02	
Santa Ana-Anaheim-Irvine MSA	43	9.09	20.69	0.00	17.97	2.56	20.68	2.56	40.65	94.87	0.02	0.00	0.00	0.00	0.02	
Santa Clara County	2	0.42	20.21	0.00	17.95	0.00	21.63	100.00	40.21	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 12.9% of loans originated and purchased by Bank.

## CALIFORNIA

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: CALIFORNIA		Evaluation Period: October 1, 2005 to December 31, 2008		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Los Angeles-Long Beach-Glendale MSA	5,713	67.49	67.99	34.03	45.14	24.77	30.09	0.26	0.22
<b>Limited Review:</b>									
Oakland-Fremont-Hayward MSA	320	3.78	67.68	32.19	31.56	27.19	41.25	0.06	0.05
Oxnard-Thousand Oaks-Ventura MSA	492	5.81	68.50	30.49	42.68	26.22	31.10	0.27	0.22
Riverside-San Bernardino-Ontario MSA	410	4.84	67.96	27.32	31.71	16.59	51.71	0.06	0.04
San Diego-Carlsbad-San Marcos MSA	336	3.97	68.02	27.38	37.20	19.05	43.75	0.06	0.04
San Francisco-San Mateo Counties	437	5.16	66.58	27.46	27.69	27.69	44.62	0.11	0.06
Santa Ana-Anaheim-Irvine MSA	692	8.17	67.66	25.29	30.64	25.29	44.08	0.09	0.05
Santa Clara County	65	0.77	66.04	13.85	29.23	21.54	49.23	0.02	0.00

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&amp;B - 2008).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 5.34 % of small loans to businesses originated and purchased by the Bank.

**CALIFORNIA**

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS				Geography: CALIFORNIA		Evaluation Period: October 1, 2005 to December 31, 2008			
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Los Angeles-Long Beach-Glendale MSA	0	0.00	94.32	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
Oakland-Fremont-Hayward MSA	0	0.00	94.09	0.00	0.00	0.00	0.00	0.00	0.00
Oxnard-Thousand Oaks-Ventura MSA	2	100.00	88.81	100.00	0.00	0.00	100.00	0.30	0.47
Riverside-San Bernardino-Ontario MSA	0	0.00	92.26	0.00	0.00	0.00	0.00	0.00	0.00
San Diego-Carlsbad-San Marcos MSA	0	0.00	93.90	0.00	0.00	0.00	0.00	0.00	0.00
San Francisco-San Mateo Counties	0	0.00	93.60	0.00	0.00	0.00	0.00	0.00	0.00
Santa Ana-Anaheim-Irvine MSA	0	0.00	91.99	0.00	0.00	0.00	0.00	0.00	0.00
Santa Clara County	0	0.00	92.77	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B -2008).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.0% of small loans to farms originated and purchased by Bank.

**CALIFORNIA**  
**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: CALIFORNIA									
Evaluation Period: January 26, 2006 to July 7, 2009									
MA/Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Los Angeles –Long Beach-Glendale MSA	40	53,893	924	33,382	964	87,275	58.67	7	531
<b>Limited Review:</b>									
Oakland-Fremont-Hayward MSA	18	6,891	98	6,128	116	13,019	8.75	2	68
Oxnard-Thousand Oaks-Ventura MSA	12	2,002	91	4,839	103	6,841	4.60	2	299
Riverside-San Bernardino-Ontario MSA	23	6,732	47	2,220	70	8,952	6.02	2	270
San Diego-Carlsbad-San Marcos MSA	20	3,855	91	650	111	4,505	3.03	2	30
San Francisco-San Mateo Counties	16	3,301	83	2,125	99	5,426	3.65	1	10
Santa Ana-Anaheim-Irvine MSA	10	2,451	99	2,298	109	4,749	3.19	1	94
Santa Clara County	14	3,672	17	296	31	3,968	2.67	3	96
<b>Broader Statewide Area</b>									
With no potential to benefit AA	21	11,011	3	2,952	24	13,963	9.42	2	256

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

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

## CALIFORNIA

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: CALIFORNIA																	
Evaluation Period: January 26, 2006 to July 7, 2009																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Los Angeles-Long Beach-Glendale MSA*	68.37	30	55.55	13.33	3.33	13.33	66.67	1*	2	-1	0	0	-1	8.00	29.44	30.88	31.58
<b>Limited Review:</b>																	
Oakland-Fremont-Hayward MSA	4.59	4	7.41	25.00	25.00	50.00	0.00	0	0	0	0	0	0	8.54	20.25	41.14	30.04
Oxnard-Thousand Oaks-Ventura MSA	2.33	4	7.41	0.00	0.00	75.00	25.00	0	0	0	0	0	0	3.86	23.98	44.41	27.75
Riverside-San Bernardino-Ontario MSA	2.66	2	3.70	0.00	0.00	100.00	0.00	0	0	0	0	0	0	3.53	28.54	41.16	26.73
San Diego-Carlsbad-San Marcos MSA	1.75	3	5.56	0.00	0.00	0.00	100.00	1	1	0	-1	0	1	7.78	24.46	37.46	30.01
San Francisco-San Mateo Counties	4.77	3	5.56	66.67	0.00	0.00	33.33	1	0	1	0	0	0	7.46	24.42	42.59	25.53
Santa Ana-Anaheim-Irvine MSA*	15.30	7	12.96	0.00	28.57	28.57	28.57	0	0	0	0	0	0	4.95	30.96	31.84	32.26
Santa Clara County	0.23	1	1.85	0.00	0.00	0.00	100.00	0	0	0	0	0	0	4.03	22.79	47.69	25.49

\*Location of branches by income of geographies do not add up to 100% in these 2 MSAs because they each have a branch located in an Unknown Income geography (no population; business demographics only): 14.29% of the Santa Ana-Anaheim-Irvine MSA branches and 3.34% of the Los Angeles-Long Beach-Glendale MSA branches are located in Unknown income geographies.

NEVADA

Table 1. Lending Volume

LENDING VOLUME		Geography: NEVADA						Evaluation Period: October 1, 2005 to December 31, 2008				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Las Vegas – Paradise MSA	74.31	11	47,946	337	92,590	0	0	4	9,300	352	149,836	57.91
<b>Limited Review:</b>												
Carson City MSA	8.53	0	0	99	17,201	0	0	0	0	99	17,201	25.21
Douglas County	3.01	1	400	34	5,678	0	0	0	0	35	6,078	9.71
Reno-Washoe County	14.03	3	5,464	57	14,966	0	0	4	7,868	64	28,298	7.17
<b>Broader Statewide Area</b>												
*With potential to benefit AA								1	232	1	232	
With no potential to benefit AA								1	42	1	42	

\* Loan Data as of December 31, 2008. Rated area refers to state rating area.

\*\* The evaluation period for Community Development Loans is January 23, 2006 to July 7, 2009

\*\*\* Deposit Data as of June 1<sup>st</sup> 2008. Rated Area refers to state.

NEVADA

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: NEVADA						Evaluation Period: October 1 <sup>st</sup> , 2005 to December 31, 2008							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Las Vegas –Paradise MSA	7	70.00	0.39	0.00	16.32	0.00	44.57	0.00	38.72	100.00	0.01	0.00	0.00	0.00	0.02
<b>Limited Review:</b>															
Carson City MSA	0	0.00	0.00	0.00	6.70	0.00	68.56	0.00	24.74	0.00	0.00	0.00	0.00	0.00	0.00
Douglas County	1	10.00	0.00	0.00	6.46	0.00	40.82	0.00	52.72	100.00	0.09	0.00	0.00	0.00	0.17
Reno-Washoe County	2	20.00	0.99	0.00	16.60	0.00	43.47	50.00	38.95	50.00	0.01	0.00	0.00	0.02	0.00

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

NEVADA

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT												Geography: NEVADA				Evaluation Period: October 1, 2005 to December 31,2008				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography									
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Las Vegas – Paradise MSA	0.00	0.00	0.39	0.00	16.32	0.00	44.57	0.00	38.72	0.00	0.00	0.00	0.00	0.00	0.00					
<b>Limited Review:</b>																				
Carson City MSA	0	0.00	0.00	0.00	6.70	0.00	68.56	0.00	24.74	0.00	0.00	0.00	0.00	0.00	0.00					
Douglas County	0	0.00	0.00	0.00	6.46	0.00	40.82	0.00	52.72	0.00	0.00	0.00	0.00	0.00	0.00					
Reno-Washoe County	0	0.00	0.99	0.00	16.60	0.00	43.47	0.00	38.95	0.00	0.00	0.00	0.00	0.00	0.00					

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

NEVADA

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE												Geography: NEVADA				Evaluation Period: October 1, 2005 to December 31, 2008				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography									
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Las Vegas-Paradise MSA	1	50.00	0.39	0.00	16.32	0.00	44.57	0.00	38.72	100.00	0.00	0.00	0.00	0.00	0.00					
<b>Limited Review:</b>																				
Carson City MSA	0	0.00	0.00	0.00	6.70	0.00	68.56	0.00	24.74	0.00	0.00	0.00	0.00	0.00	0.00					
Douglas County	0	0.00	0.00	0.00	6.46	0.00	40.82	0.00	52.72	0.00	0.00	0.00	0.00	0.00	0.00					
Reno-Washoe County	1	50.00	0.99	0.00	16.60	0.00	43.47	0.00	38.95	100.00	0.00	0.00	0.00	0.00	0.00					

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

NEVADA

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: NEVADA						Evaluation Period: October 1, 2005 to December 31, 2008							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Las Vegas-Paradise MSA	3	100.00	5.44	0.00	45.33	33.33	37.71	66.67	11.53	0.00	1.38	0.00	1.47	1.96	0.00
<b>Limited Review:</b>															
Carson City MSA	0	0.00	0.00	0.00	0.00	23.09	63.04	0.00	13.87	0.00	0.00	0.00	0.00	0.00	0.00
Douglas County	0	0.00	0.00	0.00	0.00	0.00	52.96	0.00	47.04	0.00	0.00	0.00	0.00	0.00	0.00
Reno-Washoe County	0	0.00	11.65	0.00	53.61	0.00	24.69	0.00	10.05	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data: Western Region.

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

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

NEVADA

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES				Geography: NEVADA				Evaluation Period: October 1, 2005 to December 31, 2008				Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans						
<b>Full Review:</b>																
Las Vegas-Paradise MSA	337	63.95	4.51	6.23	20.59	16.62	37.65	32.05	36.84	45.10	0.16	0.57	0.28	0.14	0.14	
<b>Limited Review:</b>																
Carson City MSA	99	18.79	0.00	0.00	15.20	4.04	75.89	75.76	8.91	20.20	1.02	0.00	0.44	1.10	1.23	
Douglas County	34	6.45	0.00	0.00	2.73	5.88	45.60	50.00	51.67	44.12	0.30	0.00	0.56	0.31	0.36	
Reno-Washoe County	57	10.82	3.38	3.51	44.14	38.60	27.55	15.79	24.93	42.11	0.12	0.17	0.16	0.09	0.11	

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2008

**NEVADA**

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: NEVADA				Evaluation Period: October 1, 2005 to December 31, 2008					Market Share (%) by Geography				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Las Vegas-Paradise MSA	0	0.00	2.48	0.00	16.50	0.00	42.23	0.00	38.80	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Carson City MSA	0	0.00	0.00	0.00	10.78	0.00	71.86	0.00	17.37	0.00	0.00	0.00	0.00	0.00	0.00	
Douglas County	0	0.00	0.00	0.00	5.78	0.00	37.57	0.00	56.65	0.00	0.00	0.00	0.00	0.00	0.00	
Reno-Washoe County	0	0.00	2.07	0.00	28.10	0.00	36.55	0.00	33.28	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2008.

NEVADA

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: NEVADA						Evaluation Period: October 1, 2005 to December 31, 2008							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Las Vegas-Paradise MSA	7	70.00	18.69	0.00	18.74	0.00	23.47	0.00	39.10	100.00	0.01	0.00	0.00	0.00	0.01
<b>Limited Review:</b>															
Carson City MSA	0	0.00	18.53	0.00	18.74	0.00	22.28	0.00	40.45	0.00	0.00	0.00	0.00	0.00	0.00
Douglas County	1	10.00	13.34	0.00	14.63	0.00	24.49	0.00	47.54	0.00	0.00	0.00	0.00	0.00	0.00
Reno-Washoe County	2	20.00	19.17	0.00	18.84	0.00	23.06	0.00	38.94	100.00	0.01	0.00	0.00	0.00	0.02

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 20.0% of loans originated and purchased by Bank.

NEVADA

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: NEVADA				Evaluation Period: October 1, 2005 to December 31, 2008					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****						
<b>Full Review:</b>																
Las Vegas-Paradise MSA	0	0.00	18.69	0.00	18.74	0.00	23.47	0.00	39.10	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Carson City MSA	0	0.00	18.53	0.00	18.74	0.00	22.28	0.00	40.45	0.00	0.00	0.00	0.00	0.00	0.00	
Douglas County	0	0.00	13.34	0.00	14.63	0.00	24.49	0.00	47.54	0.00	0.00	0.00	0.00	0.00	0.00	
Reno-Washoe County	0	0.00	19.17	0.00	18.84	0.00	23.06	0.00	38.94	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

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

NEVADA

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE															
Geography: NEVADA Evaluation Period: October 1, 2005 to December 31, 2008															
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Las Vegas-Paradise MSA	1	50.00	18.69	0.00	18.74	0.00	23.47	100.00	39.10	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Carson City MSA	0	0.00	18.53	0.00	18.74	0.00	22.28	0.00	40.45	0.00	0.00	0.00	0.00	0.00	0.00
Douglas County	0	0.00	13.34	0.00	14.63	0.00	24.49	0.00	47.54	0.00	0.00	0.00	0.00	0.00	0.00
Reno-Washoe County	1	50.00	19.17	0.00	18.84	0.00	23.06	0.00	38.94	100.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data: Western Region.

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

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

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

NEVADA

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: NEVADA		Evaluation Period: October 1, 2005 to December 31, 2008		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Las Vegas-Paradise MSA	337	63.95	62.26	37.09	41.84	25.82	32.34	0.16	0.12
<b>Limited Review:</b>									
Carson City MSA	99	18.79	55.47	33.33	52.53	26.26	21.21	1.02	0.98
Douglas County	34	6.45	70.95	29.41	55.88	23.53	20.59	0.30	0.24
Reno-Washoe County	57	10.82	63.32	36.84	45.61	24.56	29.82	0.12	0.10

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2008).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 4.55 % of small loans to businesses originated and purchased by the Bank.

NEVADA

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS					Geography: NEVADA		Evaluation Period: October 1, 2005 to December 31, 2008		
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Las Vegas-Paradise MSA	0	0.00	94.31	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
Carson City MSA	0	0.00	97.60	0.00	0.00	0.00	0.00	0.00	0.00
Douglas County	0	0.00	95.95	0.00	0.00	0.00	0.00	0.00	0.00
Reno-Washoe County	0	0.00	93.28	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B -2008).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.0% of small loans to farms originated and purchased by Bank.

**NEVADA**  
**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: NEVADA									
Evaluation Period: January 26, 2006 to July 7, 2009									
MA/Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Las Vegas-Paradise MSA	0	0	*30	*6,803	*30	*6,803	77.26	1	105
<b>Limited Review:</b>									
Carson City MSA	0	0	7	10	7	10	0.11	0	0
Douglas County	0	0	12	9	12	9	0.10	0	0
Reno-Washoe County	0	0	2	2,002	2	2,002	22.74	0	0

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

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

NEVADA

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														Geography: NEVADA			
Evaluation Period: January 26, 2006 to July 7, 2009																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Las Vegas-Paradise MSA	57.91	5	62.50	0.00	40.00	0.00	60.00	2	1	0	1	-1	1	2.05	27.84	41.73	28.38
<b>Limited Review:</b>																	
Carson City MSA	25.21	1	12.50	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	11.55	66.93	21.52
Douglas County	9.71	1	12.50	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	5.16	47.63	47.21
Reno-Washoe County	7.17	1	12.50	0.00	0.00	0.00	100.00	0	0	0	0	0	0	3.65	29.63	39.48	27.25

**NEW YORK**

**Table 1. Lending Volume**

LENDING VOLUME		Geography: NEW YORK						Evaluation Period: October 1, 2005 to December 31, 2008				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
New York County	99.22	106	156,072	307	89,970	0	0	1	250	414	246,292	100
<b>Limited Review:</b>												
None												
<b>Broader Statewide I Area:</b>												
With potential to benefit AA								1	1,928	1	1,928	
With no potential to benefit AA								1	688	1	688	

\* Loan Data as of December 31,2008. Rated area refers to state rating area.

\*\* The evaluation period for Community Development Loans is January 23, 2006 to July 7, 2009.

\*\*\* Deposit Data as of June 1<sup>st</sup> 2008. Rated Area refers to state.

**NEW YORK**

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

Geographic Distribution: HOME PURCHASE		Geography: NEW YORK						Evaluation Period: October 1 <sup>st</sup> , 2005 to December 31, 2008							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
New York County	69	100.00	2.61	0.00	8.59	1.45	4.78	4.35	84.02	94.20	0.11	0.00	0.00	0.07	0.13
<b>Limited Review:</b>															
None															

\* Based on 2007 Peer Mortgage Data: Eastern Region.

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

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

**NEW YORK**

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

Geographic Distribution: HOME IMPROVEMENT			Geography: NEW YORK						Evaluation Period: October 1, 2005 to December 31,2008						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
New York County	3	100.00	2.61	0.00	8.59	0.00	4.78	0.00	84.02	100.00	0.16	0.00	0.00	0.00	0.21
<b>Limited Review:</b>															
None															

\* Based on 2007 Peer Mortgage Data: Eastern Region.

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

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

**NEW YORK**

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

Geographic Distribution: HOME MORTGAGE REFINANCE				Geography: NEW YORK				Evaluation Period: October 1, 2005 to December 31, 2008							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
New York County	31	100.00	2.61	0.00	8.59	6.45	4.78	3.23	84.02	90.32	0.19	0.00	0.00	0.00	0.24
<b>Limited Review:</b>															
None															

\* Based on 2007 Peer Mortgage Data: Eastern Region.

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

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

NEW YORK

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: NEW YORK				Evaluation Period: October 1, 2005 to December 31, 2008					Market Share (%) by Geography				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
New York County	0	0.00	13.35	0.00	18.79	0.00	8.09	0.00	59.76	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
None																

\* Based on 2007 Peer Mortgage Data: Eastern Region.

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

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

**NEW YORK**

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

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: NEW YORK						Evaluation Period: October 1, 2005 to December 31, 2008								
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*						
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
New York County	299	100.00	6.05	1.00	7.53	5.35	7.64	3.01	76.73	90.64	0.05	0.01	0.02	0.02	0.06		
<b>Limited Review:</b>																	
None																	

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2008

**NEW YORK**

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS				Geography: NEW YORK				Evaluation Period: October 1, 2005 to December 31, 2008							
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms** *	% BANK Loans	% of Farms** *	% BANK Loans	% of Farms** *	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
New York County	0	0.00	5.05	0.00	6.35	0.00	7.36	0.00	80.95	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
None															

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2008.

**NEW YORK**

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

Borrower Distribution: HOME PURCHASE		Geography: NEW YORK						Evaluation Period: October 1, 2005 to December 31, 2008							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
New York County	71	100.00	29.16	0.00	13.29	1.52	12.67	0.00	44.88	98.48	0.11	0.00	1.00	0.00	0.11
<b>Limited Review:</b>															
None															

\* Based on 2007 Peer Mortgage Data: Eastern Region.

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 7.0% of loans originated and purchased by Bank.

**NEW YORK**

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

Borrower Distribution: HOME IMPROVEMENT			Geography: NEW YORK				Evaluation Period: October 1, 2005 to December 31, 2008					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****						
<b>Full Review:</b>																
New York County	3	100.00	29.16	0.00	13.29	0.00	12.67	0.00	44.88	100.00	0.16	0.00	0.00	0.00	0.19	
<b>Limited Review:</b>																
None																

\* Based on 2007 Peer Mortgage Data: Eastern Region.

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

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

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

**NEW YORK**

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

Borrower Distribution: HOME MORTGAGE REFINANCE															
Geography: NEW YORK Evaluation Period: October 1, 2005 to December 31, 2008															
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
New York County	32	100.00	29.16	0.00	13.29	0.00	12.67	0.00	44.88	100.00	0.23	0.00	0.00	0.00	0.25
<b>Limited Review:</b>															
None															

\* Based on 2007 Peer Mortgage Data: Eastern Region.

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

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

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

**NEW YORK**

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

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: NEW YORK		Evaluation Period: October 1, 2005 to December 31, 2008		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
New York County	307	100.00	64.18	35.83	40.72	25.41	33.88	0.05	0.08
<b>Limited Review:</b>									
None									

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2008).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 7.82 % of small loans to businesses originated and purchased by the Bank.

**NEW YORK**

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS				Geography: NEW YORK		Evaluation Period: October 1, 2005 to December 31, 2008			
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
New York County	0	0.00	92.64	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
None									

\* Based on 2007 Peer Small Business Data: US.

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B -2008).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.0% of small loans to farms originated and purchased by Bank.

**NEW YORK**  
**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
				Geography: NEW YORK		Evaluation Period: January 26, 2006 to July 7, 2009			
MA/Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
New York County	0	0	41	4,153	41	4,153	52.23	0	
<b>Limited Review:</b>									
None									
<b>Broader Statewide Area</b>									
With potential to benefit AA	0	0	0	0	0	0	0	1	242
With no potential to benefit AA	1	721	1	3,079	2	3,800	47.77	0	0

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

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

**NEW YORK**

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: NEW YORK Evaluation Period: January 26, 2006 to July 7, 2009																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
New York County	100.00	1	100.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	18.74	24.07	7.59	49.51
<b>Limited Review:</b>																	
None																	