

LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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Community Reinvestment Act Performance Evaluation

California National Bank
Charter Number: 23543

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Office of the Comptroller of the Currency

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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 **California National Bank** (“CNB” or the “bank”) with respect to the Lending, Investment, and Service Tests:

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

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

The major factors that support this rating include:

- The bank achieved an adequate level of lending activity within its assessment areas, given its strategic focus, financial resources, and size.
- The bank achieved an excellent distribution of home mortgage loans including multifamily loans in geographies of different income levels throughout the assessment areas.
- The bank’s distribution of applicable loans based on borrower income is adequate.
- The bank originated or purchased an excellent level of community development loans that primarily finance affordable housing for low- and moderate-income persons.
- The bank invested an excellent level of funds into the assessment areas through its purchases of qualified investments and grants to organizations that support community development. These investments and donations exhibit good responsiveness to the credit and community development needs of the assessment area.
- The bank has an adequate distribution of branches that are reasonably accessible to geographies and individuals of different income levels. Additionally, the bank provides a good level of community development services that are responsive and supportive to the community’s 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 Metropolitan Area/assessment area.

Block Numbering Area (BNA): A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

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 areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

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

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

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

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

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

Geography: A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan 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, and the disposition of the application (e.g., approved, denied, and withdrawn).

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

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 10 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 primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial 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 thousand or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

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

Description of Institution

California National Bank is a full-service intrastate banking company headquartered in Los Angeles, California. CNB is a wholly owned subsidiary of the FBOP Corporation (FBOP), which is headquartered in Oak Park, Illinois. In early 1990, First Bank of Oak Park, with \$120 million in total assets, was the only financial institution owned by FBOP. Today, FBOP is a multi-bank holding company with over \$10 billion in assets and operates nine financial institutions in Illinois, Texas, and California. The bank requested that we consider affiliate lending of Fidelity Federal Bank, FSB for the first two quarters of 2002.

FBOP's presence in California has grown rapidly since July 1996, when FBOP subsidiary Regency Savings Bank ("Regency"), located in Naperville, Illinois, acquired Torrance Bank in Los Angeles. In November 1996, Regency acquired Topa Savings and Topa Thrift and Loan, both based in Los Angeles. With these acquisitions, Regency operated six branches in the Los Angeles area and began originating single-family residential mortgage loans. Upon FBOP's acquisition of a national bank charter for CNB, Regency sold its six branches and related assets and liabilities to CNB. CNB opened on January 2, 1998, with \$689 million in total assets, total loans of \$511 million, and deposits of \$632 million.

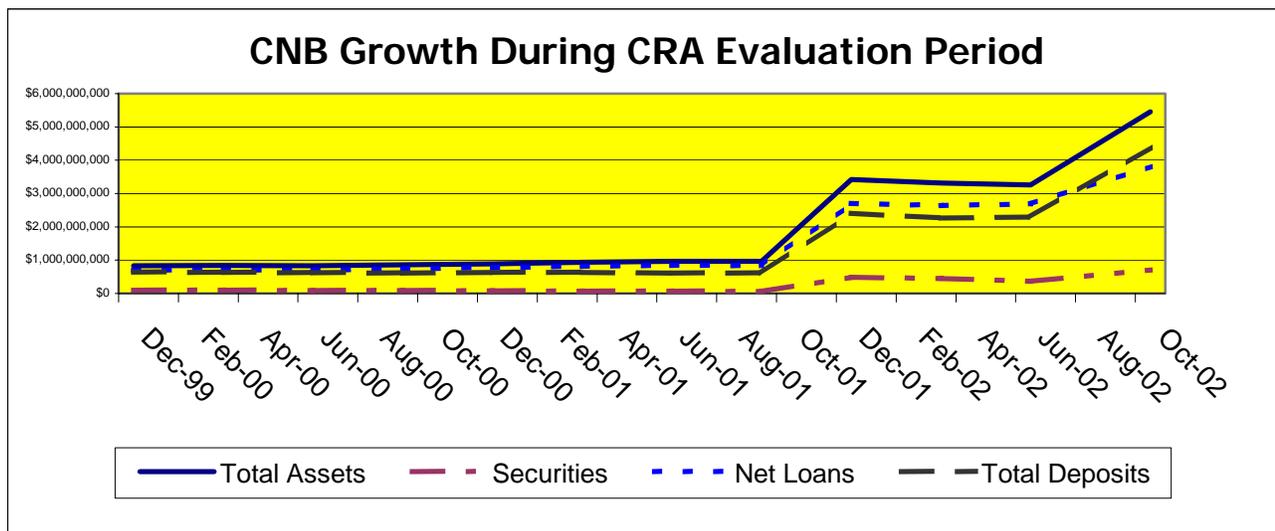
Since CNB's last CRA examination, as of November 29, 1999, the bank has grown from approximately \$830 million in assets with six branches to over \$5 billion in assets with 59 branches. CNB has grown largely through mergers with People's Bank of California ("Peoples") and Fidelity Federal Bank ("Fidelity"); both former troubled federal savings banks. In May 2001, FBOP acquired Peoples and merged it into CNB in November 2001. In December 2001, FBOP acquired Fidelity and merged it into CNB in October 2002. Lending activity by either Peoples or Fidelity before FBOP acquired them is excluded from consideration in this CRA evaluation. After FBOP acquired these institutions and until they were merged into CNB, lending and community development activities were considered as affiliate activity. Please refer to the "*Scope of the Evaluation*" section for further information regarding affiliate lending activity. As of the bank's June 30, 2002 Consolidated Report of Income and Condition, it reported net Tier 1 Capital of \$310.7 million, up from \$86 million reported a year earlier. The net Tier 1 Capital includes approximately \$39 million in deferred tax assets and other intangible assets such as acquisition costs and goodwill. The Tier 1 Capital represents 11.04 percent of the bank's risk-weighted assets.

These acquisitions increased CNB's market presence in Los Angeles County and expanded the bank's service area to Orange County and Ventura County. CNB's assessment areas include the Los Angeles-Long Beach Metropolitan Statistical Area (MSA), Orange County MSA, and Ventura County MSA. The assessment areas are highly competitive with numerous banks and other financial service providers competing for business. The largest banks offering business and retail products in the market area are Bank of America, Washington Mutual Bank, Wells Fargo Bank, and Union Bank of California. There are also several smaller mid-sized banks including Bank of the West, California Bank and Trust, and City National Bank.

CNB's main branch is located in downtown Los Angeles. In addition to the main branch, CNB operates 58 branches in the three assessment areas. The bank has automated teller machines (ATM) at 60 locations, including 58 branches and 2 non-branch locations. Please refer to Table 15 in Appendix C-3 for the distribution of branches.

The business focus of the acquired institutions was residential mortgage lending, including multifamily real estate. As of June 30, 2002, CNB’s loan portfolio primarily included multifamily and commercial real estate loans (60 percent), one-to-four family real estate mortgages (20 percent), construction and development loans (13 percent), and consumer loans (5 percent). As of June 30, 2002, Fidelity’s loan portfolio primarily included multifamily real estate loans (36 percent), commercial and industrial loans (13 percent), and one-to-four family real estate mortgages (11 percent).

The bank’s growth in assets, loans, deposits, and investment securities is shown in the chart below:



From December 1999 through August 2001, CNB’s assets and deposits remained stable at approximately \$1 billion. However, by October 31, 2002, CNB’s total asset size increased to over \$5 billion, while its total deposits rose to \$4.3 billion.

In late 1999, the Office of Thrift Supervision (OTS) placed restrictions on Peoples’ lending that affected Peoples’ overall lending volume and prohibited Peoples from any further commercial and business lending activities. While the OTS restricted Peoples’ lending activities, it did not preclude Peoples from making single-family mortgages or engaging in CRA-related fixed-rate lending to organizations such as Neighborhood Housing Services, Community Development Financial Institutions, etc. The overall effect of these lending restrictions on the bank’s CRA performance is a lower volume of loans contributed by Peoples upon its acquisition by FBOP in May 2001.

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

This is CNB’s first CRA review under the large bank evaluation criteria. At the last CRA examination of CNB, the OCC evaluated CNB as a small institution and assigned it a rating of “Satisfactory.” In the prior CRA examination of Peoples, dated July 24, 2000, the OTS rated Peoples “Satisfactory.” Peoples was evaluated as a large institution. In the prior CRA examination of Fidelity, dated September 5, 2000, the OTS rated Fidelity “Needs to Improve.” Fidelity was also evaluated as a large institution.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This performance evaluation presents information on CNB's home mortgage and small business lending activities from October 1, 1999, through June 30, 2002. This evaluation also considers six months of Fidelity's home mortgage and small business lending from January 1, 2002, through June 30, 2002. During that time, Fidelity operated as a separate affiliate of the bank until it was merged into the bank in October 2002. Unless otherwise stated, references to loans mean exclusively these types of loans. The bank did not originate or purchase any small loans to farms during the evaluation period. We also evaluated the bank's community development lending activities, investments, and services from the previous performance evaluation through the current performance evaluation, dated November 4, 2002.

Data Integrity

To determine the accuracy of the bank's home mortgage and small business loan data that we used in our analyses, we performed a separate data integrity examination on May 20, 2002. We also reviewed the bank's community development loans, investments, and services to ensure that each activity has community development as its primary purpose. Based on our testing and internal reviews conducted by management, we determined that home mortgage and small business loan data reported for the year 2000 contained numerous errors and was not useable for purposes of accurately evaluating the bank's CRA performance. As a result, bank management corrected the errors and resubmitted the home mortgage and small business lending data with the Federal Reserve Bank for that year. Lending data for other years within the evaluation period was substantially accurate.

Selection of Areas for Full-Scope Reviews

We selected two of the bank's three assessment areas for full-scope reviews: Los Angeles-Long Beach MSA and Orange County MSA. We selected these two areas for full-scope reviews primarily because they are significant to the bank's overall operations and are representative of the bank's overall performance. As of June 30, 2002, approximately 80 percent of the bank's loans were within Los Angeles County, and 18 percent of the loans were within Orange County. Deposit data as of June 30, 2001, shows that approximately 81 percent of the bank's deposits were in Los Angeles County and 12 percent in Orange County. In addition, these two assessment areas are home to approximately 11.3 million persons, representing approximately 94 percent of the population of the three combined assessment areas. We performed a limited-scope review of the Ventura County MSA. The volumes of loans and deposits in the Ventura County MSA are nominal. Please refer to Appendix B for complete descriptions of these full-scope assessment areas.

Ratings

The bank's overall rating is based primarily on those areas that received full-scope reviews. In arriving at the bank's overall record of performance, we evaluated activities under the Lending, Investment, and Service Tests in each of the areas receiving full-scope reviews. The rating method is structured such

that the Lending Test weighs most heavily of the three evaluation tests. Within the loan products, we weighted the performance in multifamily lending most heavily, followed by home mortgage purchase lending, home improvement lending, home refinance lending, and small business lending. This weighting is primarily based on the bank's volume of lending in each product coupled with its business and strategic focus. The performance in the Los Angeles-Long Beach MSA weighed more heavily than the performance in the Orange County MSA assessment area because of its deposit, lending, and branch distribution.

Other

We reviewed contacts with 11 local community development organizations in the full-scope assessment areas. The contacts included five small business development organizations, three community development and social service organizations, and three affordable housing organizations. These contacts identified the areas' major credit needs as affordable housing lending and small business lending. The contacts also identified a need for more financial service delivery systems in low-income areas.

Fair Lending Review

During the evaluation period, an analysis of public comments and consumer complaint information was performed according to the OCC's risk based fair lending approach. Based on the analysis of information, no fair lending issues were identified.

During the examination, the Department of Justice announced a settlement agreement with Fidelity Federal Bank, FSB. The settlement agreement resolved allegations that Fidelity violated provisions of the Equal Credit Opportunity Act. The allegations predated the acquisition of Fidelity by FBOP Corporation. However, at the time of the announcement, Fidelity was a subsidiary of FBOP Corporation. The issue was considered in this performance evaluation and it did not cause the CRA rating to be adjusted.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test is rated "**Low Satisfactory.**" Based on full-scope reviews, the bank's performance in the Los Angeles-Long Beach MSA is adequate and its performance in the Orange County MSA is adequate.

- The bank achieved an adequate level of lending activity within its assessment areas, given its strategic focus, financial resources, and size.
- The geographic distribution of HMDA loans throughout the assessment areas is excellent.
- The distribution of loans based on borrower income is adequate.
- The bank originated an excellent level of community development loans to finance affordable housing for low- and moderate-income persons within the assessment areas.

Lending Activity

(Refer to Tables 1 Lending Volume and 1 Other in Appendix C for the facts and data used to evaluate the bank's lending activity.)

Overall, lending activity is adequate. Our conclusion considers the bank's lending performance relative to its deposit market share for 2001 and other important contextual information regarding the bank's rapid growth through acquisitions during the evaluation period. Additionally, within the three assessment areas, the bank purchased 326 home purchase loans, representing 77 percent of its total home purchase loans. Purchases of other loan products include: 430 refinance loans (58 percent), 303 multifamily loans (97 percent), and 40 small business loans (30 percent). Purchases of home improvement loans were nominal. The significant volume of loans purchased late in the evaluation period had an impact on the Lending Test rating, since these loans were purchased in the final two quarters of the twelve-quarter evaluation period.

It is important to consider that in 2001, the bank acquired Peoples, a troubled thrift, which effectively doubled the bank's asset size. Management's resources were focused on pressing issues related to this acquisition. To put this in perspective, in the first two quarters of 2002, the newly combined institution originated or purchased 80 percent of the total home mortgage, small business, and community development loans for the entire evaluation period. The annualized volume of home mortgage loans for the Los Angeles-Long Beach MSA in 2002 would translate into a lending market share of 0.31 percent based on the aggregate number of loans reported in the market in 2001, and a rank of 64. By loan product, the annualized market share compared to the 2001 market data would be: multifamily 5.14 percent and rank of 6, home purchase 0.27 percent share and rank of 68, refinance 0.26 percent share

and rank of 68, and home improvement 0.27 percent share and rank of 35. The annualized results of the 2002 performance in the Orange County MSA are similar to that of the Los Angeles-Long Beach MSA.

Lending activity within the full-scope assessment areas primarily consist of multifamily, home purchase, home refinance, and small business lending. Because the vast majority of bank deposits are in the Los Angeles-Long Beach MSA, performance in this full-scope assessment area is more heavily weighted.

Based on a comparison between the bank's lending market share, by major product, to the bank's deposit market share for both the Los Angeles-Long Beach MSA and Orange County MSA, and considering the performance context, lending activity is adequate. Deposit market share information from the Federal Deposit Insurance Corporation (FDIC) as of June 30, 2001, shows the combined deposit market share of CNB and Peoples at 1.11 percent within the Los Angeles-Long Beach MSA, and 0.61 percent within the Orange County MSA. This market share ranks the combined institutions 15th among 381 depository institutions in the Los Angeles-Long Beach MSA, and 22nd among 147 depository institutions in the Orange County MSA. Fidelity's deposits were not considered in the calculation of the bank's deposit market share and ranking in 2001, as this was prior to their affiliation.

Home Mortgage Loans

In the Los Angeles-Long Beach MSA, the bank's lending market share for all home mortgage products is 0.04 percent and market rank is 198. The market share and rank for the individual products is: multifamily 0.43 percent share and rank of 32, home purchase 0.02 percent share and rank of 225, refinance 0.03 percent share and rank of 200, and home improvement 0.27 percent share and rank of 35.

Small Loans to Businesses

Small business lending data shows that the bank's market share of small loans to businesses relative to its deposit market share is also low. CNB achieved a market share of 0.03 percent in the Los Angeles-Long Beach MSA, by originating or purchasing 69 small loans to businesses. This market share ranks the bank 61 out of 251 small business lenders.

Small business lending data in the Orange County MSA also reflects low activity, relative to the bank's deposit market share. In this full-scope assessment area, the bank's small business lending market share was 0.03 percent, ranking it 51 out of 189 small business lenders.

Contextual issues dealing with the effects of bank acquisitions, strategic focus, and market competition are more fully discussed in the "*Description of Institution*" section and "*Market Profiles*" in Appendix B. The bank's strategic focus through its retail and commercial franchise has been on acquiring portfolios of seasoned consumer, commercial, and multifamily real estate loans, residential mortgage lending for sale to the secondary market, and limited commercial lending to small and medium-sized businesses. Before the merger of CNB and Peoples, CNB operated much like a community bank and lacked the infrastructure and expertise to efficiently compete in the residential mortgage lending market.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

(Refer to Tables 2, 3, 4 and 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.)

Home mortgage lending by income level of geography is excellent. This is reflected by the excellent distribution of multifamily, home purchase, and home refinance loans in low- and moderate-income geographies.

Multifamily Loans

The geographic distribution of loans for multifamily properties within each full-scope assessment area is excellent. As Table 5 shows, the bank's percentage of multifamily lending in low-income tracts in the Los Angeles-Long Beach MSA exceeds the percentage of multifamily units in those geographies. In moderate-income tracts, multifamily lending also exceeds demographics. As Table 5 depicts, the bank's market share is low. This is because market share data is based on loan originations and purchases from 2001, while approximately 79 percent of the bank's multifamily loans were originated or purchased in 2002. For this reason, the market share data is not an accurate representation of the bank's lending.

More than 85 percent of the bank's multifamily loans in the Los Angeles-Long Beach MSA finance properties in low- and moderate-income geographies. These properties also provide affordable housing to low- and moderate-income persons (see "*Community Development Lending*" for discussion of multifamily lending).

Home Purchase Loans

The geographic distribution of home purchase loans in low- and moderate-income tracts in each full-scope assessment area is excellent as Table 2 shows. The distribution of the bank's home mortgage purchase loans in low- and moderate-income tracts exceeds the percentages of owner-occupied housing units in those tracts.

Home Refinance Loans

As Table 4 shows, the percentage of the bank's volume of home mortgage refinance loans to applicants in low- and moderate-income census tracts in each full-scope assessment area exceeds or equals the percentage of owner-occupied housing units in those areas, indicating excellent performance. A comparison of a bank's lending relative to the percentage of owner-occupied housing units in the area is typically a good indicator of lending opportunities and credit need. Because the number of the bank's home mortgage refinance loans is low compared to the number of home mortgage refinance loans originated or purchased by all lenders in the assessment area, the bank's market share is low. While market share information gives insight into how well a bank is meeting the needs of low- and moderate-income geographies relative to the other lenders within the assessment area, it is generally for a specific year and may not necessarily provide a complete picture of a bank's performance over an entire evaluation period.

Home Improvement Loans

We did not perform a geographic distribution of home improvement loans given the overall low number of home improvement loans originated or purchased in the assessment areas. During the evaluation period, the bank originated or purchased 75 home improvement loans in the Los Angeles-Long Beach MSA and Orange County MSA combined.

Small Loans to Businesses

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

The geographic distribution of small loans to businesses is adequate. The percentage of loans to small businesses in low- and moderate-income geographies is below the demographics in the Los Angeles-Long Beach MSA, and exceeds the demographics in the Orange County MSA. However, because the number and dollar volume of small loans to businesses is low, performance is not weighted heavily in the overall conclusion.

Lending Gap Analysis

Examiners noted no conspicuous gaps in lending or areas with abnormally low loan penetration that could not be adequately explained. The bank's percentages of home mortgage loans in geographies of different income levels are generally consistent with the percentages of owner-occupied units in geographies of different income levels. The distribution is similar for other home mortgage loan products such as home mortgage refinance, home improvement, and multifamily loans. Tracts with little or no loan penetration are those tracts containing few owner-occupied housing units, tracts not near a branch, or tracts located in outlying areas of the assessment areas that are served by other financial institutions.

Inside/Outside Ratio

The bank originated or purchased a substantial majority of its home mortgage loans within its three assessment areas. However, the inside/outside ratio for small loans to businesses is poor. During the evaluation period, the bank originated or purchased 2,035 home mortgage and small business loans totaling \$647.7 million. Of the total loans originated or purchased, approximately 82 percent by number and 66 percent by dollar volume were to borrowers within the three assessment areas. The bank's origination of home purchase, home refinance, home improvement, and multifamily loans within the assessment areas by numbers were 95.4 percent, 97.1 percent, 96.2 percent, and 71.6 percent, respectively. Only 39.7 percent of the bank's small loans to businesses were to businesses within the three assessment areas. The low percentage of small loans to businesses within the assessment areas is attributed to the high percentage (71 percent) of loans purchased from financial institutions outside the assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

(Refer to Tables 8, 9, and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.)

The distribution of home mortgage loans by the income level of the borrower is not weighted heavily under this characteristic. Because the bank purchased a significant percentage of their home purchase loans (80 percent) and borrower income information is not available, an accurate analysis could not be performed of home purchase loans. Income information is available for the majority of home improvement loans and about 40 percent of home refinance loans. However, the number of these loans with available income information is low, and therefore, the distribution of these loans by borrower income is not heavily weighted.

Home Refinance Loans

The distribution of home refinance loans to borrowers of different incomes is adequate, considering performance context issues. In the Los Angeles-Long Beach MSA, the percentages of home refinance loans to low- and moderate-income families are below the percentage of families in each income category. In contrast, the bank's 2001 market share of home refinance loans in low-income geographies exceeds their overall market share, and equals the overall market share in moderate-income geographies. Similar correlations to the demographics and market share exist in the Orange County MSA assessment area. The high cost of housing in both full-scope assessment areas limits the opportunities to underwrite home refinance loans.

Home Improvement Loans

The distribution of home improvement loans to borrowers of different incomes is also adequate, considering the same performance context issues for home refinance loans. In the Los Angeles-Long Beach MSA, the percentages of loans to low- and moderate-income families are below the percentage of families in each income category. In contrast, the bank's 2001 market share of home improvement loans in low-income geographies exceeds their overall market share, but is below the overall market share in moderate-income geographies. The same correlation to the demographics and market share exists in the Orange County MSA assessment area.

Small Loans to Businesses

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

The bank's lending to businesses of different sizes is adequate. The percentage of loans to small businesses is less than the performance reflected by the demographic data. In contrast, the 2001 market share of loans to businesses with revenues of \$1 million or less is the same as the bank's overall market share. Small business loans within the bank's full-scope assessment areas represent just 6 percent of the total CRA reportable loans for the period. Therefore, the income distribution of small loans to businesses is not weighted heavily in this conclusion.

Community Development Lending

(Refer to Table 1 Lending Volume in Appendix C 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 originated an excellent level of community development loans, which have a positive impact on the Lending Test. The majority of community development lending consists of multifamily real estate loans. The bank purchased portfolios of seasoned multifamily real estate loans during late 2001 and early 2002. Many of the multifamily properties provide affordable housing to low- and moderate-income households. These loans were reported as HMDA loans and are considered in the evaluation of lending activity and geographic distribution. Based on our sampling of these multifamily loans, 204 loans totaling \$65 million qualified for consideration. These multifamily loans and \$795 thousand in other community development loans described below total \$66 million. In the Los Angeles-Long Beach MSA, the bank originated or purchased 242 community development loans totaling \$60 million. In the Orange County MSA, the bank originated or purchased 19 community development loans totaling \$5.3 million.

The bank participated in three loan pools funded by a consortium of local banks in the Los Angeles-Long Beach MSA and Orange County MSA. The consortiums are state certified Community Development Financial Institutions (CDFI) established to provide loans for small businesses and affordable housing. Each member bank funds a pro rata share of each loan originated.

- Orange County Clearinghouse CDFI: The bank funded \$514 thousand in 11 loans to borrowers in the Los Angeles-Long Beach MSA and \$71 thousand in 3 loans to borrowers in the Orange County MSA. The Clearinghouse CDFI uses flexible underwriting criteria to fund affordable housing projects and provide loans to small businesses that are declined by financial institutions. The bank has made a \$2 million loan commitment toward the pool.
- Inglewood Neighborhood Housing Services (INHS): The bank funded \$176 thousand in 24 loans in the INHS's "Second Trust Deed Family Fund" program in the Los Angeles-Long Beach MSA. The program provides up to 100 percent loan-to-value financing for first time homebuyers, secured by second trust deeds. All loans are to borrowers in low- and moderate-income geographies. The maximum loan amount is \$40 thousand. INHS is a community development organization that primarily provides affordable home ownership opportunities for low- and moderate-income persons.
- Neighborhood Partnership of Montclair (NPM): The bank funded \$105 thousand in 21 loans in the NPM's "Second Trust Deed Family Fund" program, which provides up to 100 percent loan-to-value financing for first time homebuyers in the Los Angeles-Long Beach MSA. Loans are predominately made to low- and moderate-income borrowers in low- and moderate-income geographies. The maximum loan amount under this program is \$40 thousand. Additionally, lenders participating in the fund also provide financing for first trust deeds on a rotating basis. NPM is a private, non-profit, community-based organization formed to revitalize Monclair's single-family neighborhoods and increase the supply of affordable quality housing for low- and moderate-income persons.

One measure of a bank's performance in community development lending is the percentage of community development loans to the bank's Tier 1 Capital. In the Los Angeles-Long Beach MSA, the bank's \$60 million in community development loans represent 23.9 percent of the allocated Tier 1 Capital. In the Orange County MSA, the \$5.3 million in community development loans represent 14.3 percent of the Tier 1 Capital. These high levels of community development lending indicate excellent performance.

Product Innovation and Flexibility

This part of the evaluation considers the bank’s use of innovative or flexible lending practices to address the credit needs of low- and moderate-income individuals or geographies. The bank’s flexible lending programs include its participation with local CDFIs to make loans for affordable housing projects and other unmet credit needs. The bank also participates with local non-profit corporations that provide financial assistance and education to potential homeowners in low- and moderate-income neighborhoods. These flexible programs, which positively affect the Lending Test rating, are more fully discussed under “*Community Development Lending*” in this section.

Conclusions for Area Receiving Limited-Scope Review

Based on a limited-scope review, the bank’s performance under the Lending Test in the Ventura County MSA is not inconsistent with the bank’s overall “Low Satisfactory” performance under the Lending Test. Refer to Tables 1 through 13 in Appendix C 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 is rated "**Outstanding.**" Based on full-scope reviews, the bank's performance in the Los Angeles-Long Beach MSA and Orange County MSA is excellent.

- The bank deployed an excellent level of funds into the assessment areas through its purchases of qualified investments and grants to organizations that support community development.
- The bank's investments and grants exhibit good responsiveness to the credit and community development needs of the assessment area, including low- and moderate-income geographies and persons.

(Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.)

Dollar amount of qualified investments

The bank has a high level of qualified investments relative to the bank's Tier 1 Capital level. We allocated Tier 1 Capital based on the pro rata share of the bank's deposits within each assessment area as described under "*Selection of Areas for Full-Scope Review.*" There are numerous opportunities for investment in community development within these assessment areas, most notably in affordable housing projects.

The level of qualified investments within the Los Angeles-Long Beach MSA relative to the bank's capital is excellent, totaling \$15.9 million. The bank made 9 investments and 17 grants/donations toward programs that provide affordable housing, promote economic development, and help fund essential services targeted to low- and moderate-income persons. The community development investments represent 6.31 percent of the Tier 1 Capital allocated to the Los Angeles-Long Beach MSA assessment area.

In the Orange County MSA, the level of qualified investments is also excellent. Total qualified investments of \$7 million included three investments and seven grants/donations to projects supporting affordable housing and economic development. Community development investments within this assessment area represent 30 percent of the total investment dollars. These investments represent 18.63 percent of Tier 1 Capital allocated to the Orange County MSA assessment area.

The bank made most of these investments during the current evaluation period. Three investments totaling \$6.7 million to finance affordable housing were purchased in the prior evaluation period and are still outstanding. These prior period investments have a continuing impact on the community as they provide financing for 177 affordable housing units for low- and moderate-income persons. Although the bank does not have any outstanding commitments to invest, the pattern of investments indicates ongoing support of community development projects and a willingness and capacity to invest in the communities it serves.

Responsiveness of qualified investments to credit and community development needs

The types of investments made and grants given to local community organizations exhibit good responsiveness to the credit and community development needs of the assessment area, particularly the needs for affordable housing. A total of \$22.5 million, or 98 percent of the invested dollars, are for programs that provide affordable housing. The bulk of these investments are in mortgage-backed securities (MBS) that fund home ownership and rental housing for low- and moderate-income households. The balance of the investments and donations are for the purposes of economic development and community service. None of the investments is considered innovative or complex.

Examples of some of the investments that the bank has made are shown below:

- During a prior evaluation period, the bank purchased three MBS for \$6.9 million that financed three multifamily housing projects in the Los Angeles-Long Beach MSA. As a result, 177 affordable housing units were created with rent restrictions. The current book balance of these investments as of the evaluation date is \$6.7 million. In June 2002, the bank invested \$8 million in three additional MBS. Fifty single-family residences purchased by low- and moderate-income families secure these investments.
- The bank has contributed many dollars toward California State certified CDFIs, which provide loans and other financial services for affordable housing. Investments in the Los Angeles-Long Beach MSA include \$178 thousand in equity and \$37 thousand in operating expense assessments. Additionally, the bank provided \$217 thousand in funding to the down payment assistance fund for first-time homebuyers.
- The bank forfeited all interest payments on deposits due from the Federal Home Loan Bank of San Francisco. The funds were reinvested in the Federal Home Loan Bank's Affordable Housing Program (AHP). Since 1990, the AHP has provided subsidies to help create over 55,000 units of housing for low- and moderate-income individuals and families. The foregone interest payments allocated to the Los Angeles-Long Beach MSA assessment area totals approximately \$424 thousand.
- The bank invested \$295 thousand in certificates of deposit in three minority-owned financial institutions in the Los Angeles-Long Beach MSA. These financial institutions are located in underserved low- and moderate-income areas and primarily lend to low- and moderate-income persons.
- In the Orange County MSA assessment area, \$7 million (100 percent) of the total investment dollars support affordable housing. These investments are largely the same as those described above. The MBS investments provide 44 single-family housing units to low- and moderate-income families and total \$6.8 million. The bank contributed \$60 thousand to area CDFIs to provide equity, fund matching down payment grants, and support home ownership education. The bank also forfeited \$64 thousand in interest earned on deposits with the Federal Home Loan Bank of San Francisco. The forfeited funds were reinvested in the AHP.

Conclusions for Area Receiving Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Investment Test in the Ventura County MSA is weaker than the bank's overall performance. The bank has one qualified investment in the assessment area, which represents \$37 thousand in forfeited interest on deposits with the Federal Home Loan Bank of San Francisco. This one investment is zero percent of the Tier 1 Capital allocated to the Ventura County MSA. The weaker performance in the Ventura County MSA assessment area has no impact on the overall Investment Test conclusion. The bank added the Ventura County MSA as an assessment area when the bank acquired Peoples. The bank has two branches in this assessment area and loan and deposit volume is nominal. Refer to Table 14 in Appendix C 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 is rated "**Low Satisfactory.**" Based on full-scope reviews, the bank's performance in the Los Angeles-Long Beach MSA and Orange County MSA is adequate.

- The bank has an adequate distribution of branches. The branches are reasonably accessible to geographies and individuals of different income levels.
- The bank provides a good level of community development services that are responsive and supportive to the community's needs.

Retail Banking Services

(Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.)

CNB has obtained its growth through acquisitions of existing financial institutions. Therefore, the geographic distribution of branches is a product of combining the markets served by the acquired institutions.

Los Angeles-Long Beach MSA

The distribution of branches among geographies of different income levels within the Los Angeles-Long Beach MSA is adequate. Of the 40 branches in this assessment area, four are located in moderate-income census tracts. The bank currently has no branches in low-income census tracts. In July 2002, CNB purchased the Hope Banking Center in Maywood, Los Angeles County from Operation Hope. The bank plans to open its first branch in a low-income area at this location in January 2003. The purchase allowed Operation Hope to convert its real estate holding into cash while retaining free space to provide its "soft" financial services such as credit and home mortgage counseling and computer/career training to low- and moderate-income individuals. In addition to standard banking services, this branch will also offer first-time homebuyer counseling and other services directed at low- and moderate-income individuals.

The bank's retail services and alternative delivery systems are responsive to the community's needs. The bank offers various traditional and nontraditional products and services. The Direct Checking account has no service charges, minimum balance requirements, or per check fees. This account is tailored to low- and moderate-income persons.

The bank's record of opening and closing branches has not adversely affected low- and moderate-income individuals or geographies. The bank has opened four new branches: two in upper-income geographies, one in a middle-income geography, and one in a moderate-income geography. The bank relocated three branches within their same census tracts. The census tracts were upper-income tracts.

The bank operates at least one ATM at each branch location, with one exception. All of the ATMs take deposits and dispense cash. Additionally, the bank operates two non-proprietary, cash dispensing ATMs located off bank premises. One is located in a moderate-income census tract. All of the ATMs offer a Spanish language option.

Branch hours are reasonable. The branches have similar operating hours and products. With limited exceptions, branches are open from 9:00 a.m. to 5:00 p.m. Monday thru Thursday, 9:00 a.m. to 6:00 p.m. on Friday, and 9:00 a.m. to 1:00 p.m. on Saturday. Four locations offer drive-up banking services. Extended operating hours offered Friday and Saturday provide additional accessibility to customers, including low- and moderate-income persons.

Orange County MSA

The distribution of branches among geographies of different income levels within the Orange County MSA is adequate. All branches operate under the same business plan therefore, services and hours of operations provided in the Orange County MSA are identical to those offered in the Los Angeles-Long Beach MSA. Within the Orange County MSA, the bank operates 17 full service branches. Four branches are located in moderate-income geographies, six in middle-income geographies, six in upper-income geographies, and one in a non-designated geography. The bank has not closed any branches within the Orange County MSA. One new branch was opened in an upper-income geography.

At least one deposit taking ATM is located at each branch. Five branches have an additional ATM on premises.

Community Development Services

CNB provides a good level of community development services that are responsive and supportive to its assessment area. Officers and employees have done a good job in providing technical assistance and financial services to a variety of community organizations. In the Los Angeles-Long Beach MSA assessment area, bank officers provide ongoing technical assistance in six organizations that are involved in affordable housing projects. Services provided in the Orange County MSA are substantially similar. The time devoted to qualified services during this examination period varied between 15 and 25 hours per month. Services include loan committee memberships in various CDFIs, fundraising activities, and affordable housing workshops. The following are examples of significant community development services by bank officers and employees:

- The bank's Corporate Banking Officer serves as a board and committee member of a large CDFI in the Orange County MSA. The focus of the organization is to facilitate affordable housing for low- and moderate-income persons. Services include permanent financing, homebuyer and homeowner educational services, and affordable housing development projects. The officer is a voting member of the Loan Committee and provides his expertise to the Asset Review Committee and board members.
- The CRA Officer serves as a member on several committees of two non-profit affordable housing organizations. The purpose of the organizations is to provide affordable housing within the Los Angeles-Long Beach MSA and Orange County MSA. She provides technical assistance to the lending committees and educational services both within the organization and to the communities it serves.

- The bank is an active supporter of a Los Angeles based organization whose primary mission is to meet the needs of disadvantaged or at-risk youth in the community. With management's support, the bank employees led a successful fundraiser, which resulted in a sizeable contribution to the organization.

Conclusions for Area Receiving Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Service Test in the Ventura County MSA is not inconsistent with the bank's overall "Low Satisfactory" performance under the Service Test. Refer to Table 15 in Appendix C for the facts and data that support these conclusions.

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”).

Time Period Reviewed	Lending Test (excludes CD Loans): October 1, 1999 to June 30, 2002 CD Loans: November 29, 1999 to November 4, 2002 Investment and Service Tests: November 29, 1999 to November 4, 2002	
Financial Institution	Products Reviewed	
California National Bank Los Angeles, California	Home Mortgage Purchase Loans, Home Mortgage Refinance Loans, Home Improvement Loans, Multifamily Loans, Small Business Loans, CD Loans, CD Investments, Retail Banking Services, and CD Services.	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Fidelity Federal Bank, FSB	Acquired by the holding company (FBOP) in December 2001.	Reviewed and considered home mortgage, small loans to businesses, and community development activities for the two quarters ending June 2002.
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Los Angeles-Long Beach MSA Orange County MSA Ventura County MSA	Full-Scope Full-Scope Limited-Scope	N/A

Appendix B: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

Los Angeles-Long Beach MSA.....B-2

Orange County MSA.....B-3

Los Angeles-Long Beach MSA

Demographic Information for Full Scope Area: Los Angeles-Long Beach MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1,652	8.90	22.82	32.93	34.20	1.15
Population by Geography	8,863,164	9.02	26.69	33.93	30.17	0.19
Owner-Occupied Housing by Geography	1,440,864	2.34	14.25	34.73	48.68	0.00
Business by Geography	608,916	8.60	17.31	31.99	41.83	0.27
Farms by Geography	4,552	2.92	11.97	36.36	48.66	0.09
Family Distribution by Income Level	2,036,104	22.82	16.85	19.70	40.63	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	807,690	15.16	37.51	32.47	14.86	0.00
Median Family Income		39,035	Median Housing Value		246,159	
HUD Adjusted Median Family Income for 2002		55,100	Unemployment Rate (1990 US Census)		3.77%	
Households Below Poverty Level		11.87%				

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

Source: 1990 US Census and 2002 HUD updated MFI

The bank's largest assessment area is the Los Angeles-Long Beach MSA, which is the location of the bank's main office and a majority of its customer base.

The Los Angeles-Long Beach MSA is a complex, highly diverse urban area that includes 88 cities. Unincorporated communities comprise more than 65 percent of the area of Los Angeles County. Los Angeles County is the nation's most populous county and one of the nation's largest counties in area, encompassing 4,081 square miles. Approximately 28 percent of California's residents live in Los Angeles County, with a total population of 9.6 million. The City of Los Angeles, with a 2001 population of 3.8 million is the largest city in Los Angeles County and the second largest city in the United States.

Census data for 2000 shows that the median value of owner-occupied, one-family housing units in Los Angeles County declined to \$209 thousand, based on 1990 values adjusted for inflation. Only 48 percent of the housing units are owner-occupied. According to the California Association of Realtors, the Housing Affordability Indexes (HAI) for Los Angeles County and the State of California are low. The HAI is a conservative index that measures the percentage of households that can afford to purchase a median-priced home by qualifying for a 30-year fixed rate loan. As of August 2002, only 31 percent of the households in Los Angeles County could afford a median-priced home, while the national average is 56 percent. The HAI for the State of California is 28 percent. One primary reason for the affordability gap between the local and state HAI and the national average is the gap between the state's long-term housing needs and housing production. Each year, California adds approximately 250,000 new households, but only produces about 150,000 new housing units, resulting in an annual shortfall in housing of about 100,000 units. This ongoing shortfall in housing puts pressure on market prices and will continue to contribute to the affordability gap between Los Angeles County, State of California, and the nation.

Los Angeles's largest industries are: entertainment, defense and aerospace, retail and international trade, travel and tourism, real estate, and financial services. According to figures from the Bureau of Labor Statistics in 2001, the motion picture production and services segment is the largest employer with 130,000 employees. Miscellaneous business services are the next largest segment with 104,000

employees, and private household workers accounting for 80,000 employees. Dun and Bradstreet data for 2001 shows that businesses and farms with sales under \$1 million represented 84 percent of total businesses. Revenue information was not available for approximately 6 percent of the businesses and farms.

The economy of the Los Angeles-Long Beach MSA has largely recovered from structural changes, natural disasters, and major civil disturbances that occurred in the late eighties and early nineties. The local economy has now rebounded from 1992-1994 levels and the rate of unemployment has declined. However, Los Angeles County continues to lag the nation and the state in unemployment rates. According to the Bureau of Labor Statistics, as of June 30, 2002, the unemployment rate for Los Angeles County was 6.8 percent, while California was at 6.3 percent and the U.S. was at 5.7 percent.

Within the Los Angeles-Long Beach MSA, numerous opportunities exist for community development lending, investments, and services. Community organizations identified affordable housing and small business lending as the primary credit needs of the assessment area.

Orange County MSA

Demographic Information for Full Scope Area: Orange County MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	484	2.89	24.38	44.01	27.48	1.24
Population by Geography	2,410,556	3.61	26.73	42.01	27.64	0.00
Owner-Occupied Housing by Geography	496,824	0.77	17.19	45.08	36.96	0.00
Business by Geography	226,123	3.65	24.87	37.42	28.64	5.41
Farms by Geography	2,351	2.68	23.01	42.45	30.41	1.45
Family Distribution by Income Level	590,490	18.65	19.00	23.57	38.77	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	222,346	5.61	37.24	41.92	15.24	0.00
Median Family Income		51,269	Median Housing Value		257,224	
HUD Adjusted Median Family Income for 2002		75,600	Unemployment Rate (1990 US Census)		2.71%	
Households Below Poverty Level		6.08%				

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

Source: 1990 US Census and 2002 HUD updated MFI

The Orange County MSA is the bank's second largest assessment area. It includes 16 cities and various unincorporated areas. HUD data for 1995 indicated that at 2.4 million, Orange County was the fifth most populous county in the United States. The bank competes with 91 institutions for area deposits and 526 lenders for loans.

Census data as of 2000 showed that the median value of owner-occupied, one-family housing units in Orange County increased to \$270 thousand, based on 1990 values adjusted for inflation. Sixty-one percent of housing units were owner occupied. The HUD adjusted median family income for 2002 was approximately \$76 thousand, which is 124 percent of the California median family income and 139 percent of the U.S. median family income. According to the California Association of Realtors, the HAI for Orange County, like Los Angeles County and the State of California, is low at 23 percent, compared with the national average of 56 percent.

The county's economy declined during the early 1990's for multiple reasons including the recession and a county bankruptcy. Downsizing in the aerospace and defense industries has caused job losses and a decline in real estate values. The economy has largely recovered from the recession. According to the Bureau of Labor Statistics, as of June 30, 2002, the unemployment rate for Orange County was 5.8 percent, while California was 6.3 percent and the U.S. was 5.7 percent.

Major industries are services, retail trade, finance, insurance, and real estate. Dun and Bradstreet data for 2001 shows that businesses and farms with sales under \$1 million represented 84 percent of total businesses. Revenue information was not available for approximately 6 percent of the businesses and farms.

Within the Orange County MSA, many opportunities exist for community development lending, investments, and services. Community organizations identified affordable housing and small business lending as the primary credit needs of the assessment area.

Appendix C: Tables of Performance Data

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: 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. Tables without data are not included in this PE.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- 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 thousand) 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 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank’s financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank’s assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such

investments. When such investments exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Qualified Investments” column.

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.

Table 1. Lending Volume

LENDING VOLUME		Geography: CALIFORNIA				Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002						
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA**
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
Full Review:												
Los Angeles-Long Beach MSA	79.94	1,155	319,150	86	22,248	0	0	242	60,051	1,483	401,449	80.94
Orange County MSA	18.15	363	74,995	34	10,778	0	0	19	5,280	416	91,053	11.91
Limited Review:												
Ventura County MSA	1.90	55	6,018	13	2,859	0	0	2	652	70	9,529	7.15

* Loan Data as of June 30, 2002. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is From November 29, 1999 to November 04, 2002.

*** Deposit Data as of June 30, 2001. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: CALIFORNIA				Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002									
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach MSA	320	76.01	2.34	2.50	14.25	18.44	34.73	28.44	48.68	50.63	0.02	0.02	0.02	0.02	0.02
Orange County MSA	97	23.04	0.77	1.03	17.19	46.39	45.08	32.99	36.96	18.56	0.01	0.00	0.02	0.00	0.01
Limited Review:															
Ventura County MSA	4	0.95	0.85	0.00	20.59	0.00	48.04	0.00	30.51	100.00	0.01	0.00	0.00	0.00	0.03

* Based on 2001 Peer Mortgage Data: Western Region 2.

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

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT															Geography: CALIFORNIA					Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002				
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	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Los Angeles-Long Beach MSA	54	53.47	2.34	0.00	14.25	7.41	34.73	16.67	48.68	75.93	0.27	0.00	0.06	0.14	0.41									
Orange County MSA	21	20.79	0.77	4.76	17.19	19.05	45.08	38.10	36.96	38.10	0.21	0.00	0.16	0.22	0.21									
Limited Review:																								
Ventura County MSA	26	25.74	0.85	0.00	20.59	3.85	48.04	53.85	30.51	42.31	0.90	0.00	0.29	0.83	1.38									

* Based on 2001 Peer Mortgage Data: Western Region 2.

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: CALIFORNIA					Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Los Angeles-Long Beach MSA	494	66.94	2.34	2.23	14.25	19.03	34.73	25.91	48.68	52.83	0.03	0.02	0.02	0.02	0.04									
Orange County MSA	220	29.81	0.77	1.36	17.19	25.45	45.08	41.36	36.96	31.82	0.04	0.00	0.03	0.04	0.04									
Limited Review:																								
Ventura County MSA	24	3.25	0.85	0.00	20.59	4.17	48.04	62.50	30.51	33.33	0.04	0.00	0.01	0.06	0.04									

* Based on 2001 Peer Mortgage Data: Western Region 2.

** Home mortgage refinance loans originated and purchased in the MA/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 1990 Census information.

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: CALIFORNIA				Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002										
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	Overall	Low	Mod	Mid	Upp	
Full Review:																
Los Angeles-Long Beach MSA	287	91.69	13.57	20.56	26.09	64.46	36.99	12.20	23.33	2.79	0.43	0.84	0.32	0.43	0.30	
Orange County MSA	25	7.99	5.59	16.00	38.16	72.00	41.33	8.00	14.92	4.00	0.68	1.47	0.34	0.50	5.00	
Limited Review:																
Ventura County MSA	1	0.32	4.83	100.00	42.96	0.00	43.23	0.00	8.97	0.00	0.87	10.00	0.00	0.00	0.00	

* Based on 2001 Peer Mortgage Data: Western Region 2.

** Multifamily loans originated and purchased in the MA/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 1990 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: CALIFORNIA				Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002										
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	
Full Review:																
Los Angeles-Long Beach MSA	86	64.66	8.60	5.81	17.31	10.47	31.99	40.70	41.83	43.02	0.03	0.02	0.02	0.04	0.04	
Orange County MSA	34	25.56	3.65	9.38	24.87	25.00	37.42	40.63	28.64	25.00	0.03	0.03	0.04	0.03	0.02	
Limited Review:																
Ventura County MSA	13	9.77	3.78	0.00	27.57	7.69	44.88	76.92	23.78	15.38	0.07	0.00	0.02	0.11	0.05	

* Based on 2001 Peer Small Business Data: US&PR.

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

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

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS															Geography: CALIFORNIA					Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002				
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									
Full Review:																								
Los Angeles-Long Beach MSA	0	0.00	2.92	0.00	11.97	0.00	36.36	0.00	48.66	0.00	0.00	0.00	0.00	0.00	0.00									
Orange County MSA	0	0.00	2.68	0.00	23.01	0.00	42.45	0.00	30.41	0.00	0.00	0.00	0.00	0.00	0.00									
Limited Review:																								
Ventura County MSA	0	0.00	1.84	0.00	33.97	0.00	47.68	0.00	16.51	0.00	0.00	0.00	0.00	0.00	0.00									

* Based on 2001 Peer Small Business Data: US&PR.

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

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

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE															Geography: CALIFORNIA					Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002				
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****	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Los Angeles-Long Beach MSA	320	76.01	22.82	2.70	16.85	13.51	19.70	14.86	40.63	68.92	0.03	0.00	0.04	0.02	0.03									
Orange County MSA	97	23.04	18.65	12.50	19.00	0.00	23.57	25.00	38.77	62.50	0.01	0.04	0.00	0.01	0.01									
Limited Review:																								
Ventura County MSA	4	0.95	18.41	0.00	18.90	25.00	25.19	25.00	37.50	50.00	0.01	0.00	0.03	0.00	0.01									

* Based on 2001 Peer Mortgage Data: Western Region 2.

** As a percentage of loans with borrower income information available. No information was available for 79.57% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

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

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: CALIFORNIA				Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002									
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****	Overall	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach MSA	54	53.47	22.82	7.84	16.85	1.96	19.70	21.57	40.63	68.63	0.26	0.33	0.08	0.15	0.33
Orange County MSA	21	20.79	18.65	10.53	19.00	5.26	23.57	15.79	38.77	68.42	0.22	0.34	0.15	0.17	0.25
Limited Review:															
Ventura County MSA	26	25.74	18.41	12.00	18.90	12.00	25.19	20.00	37.50	56.00	0.95	1.09	0.37	0.99	1.11

* Based on 2001 Peer Mortgage Data: Western Region 2.

** As a percentage of loans with borrower income information available. No information was available for 5.94% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: CALIFORNIA				Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002									
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 Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach MSA	494	66.94	22.82	3.37	16.85	12.92	19.70	18.54	40.63	65.17	0.03	0.04	0.03	0.03	0.04
Orange County MSA	220	29.81	18.65	6.45	19.00	15.05	23.57	34.41	38.77	44.09	0.04	0.04	0.03	0.07	0.03
Limited Review:															
Ventura County MSA	24	3.25	18.41	8.70	18.90	30.43	25.19	47.83	37.50	13.04	0.05	0.00	0.08	0.10	0.01

* Based on 2001 Peer Mortgage Data: Western Region 2.

** As a percentage of loans with borrower income information available. No information was available for 60.16% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: CALIFORNIA			Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002				
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
Full Review:									
Los Angeles-Long Beach MSA	86	64.66	65.69	47.67	41.86	22.09	36.05	0.03	0.03
Orange County MSA	34	25.56	65.44	50.00	38.24	8.82	52.94	0.03	0.03
Limited Review:									
Ventura County MSA	13	9.77	71.65	46.15	38.46	38.46	23.08	0.07	0.07

* Based on 2001 Peer Small Business Data: US&PR.

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

** 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.

**** 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 28.57% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: CALIFORNIA			Evaluation Period: OCTOBER 1, 1999 TO JUNE 30, 2002				
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 \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Los Angeles-Long Beach MSA	0	0.00	88.77	0.00	0.00	0.00	0.00	0.00	0.00
Orange County MSA	0	0.00	86.30	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:									
Ventura County MSA	0	0.00	80.77	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Small Business Data: US&PR.

** Small loans to farms originated and purchased in the MA/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 - 2002).

**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
		Geography: CALIFORNIA		Evaluation Period: NOVEMBER 29, 1999 TO NOVEMBER 4, 2002					
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Los Angeles-Long Beach MSA	3	6,669	24	9,192	27	15,861	69.12	0	0
Orange County MSA	0	0	10	7,048	10	7,048	30.72	0	0
Limited Review:									
Ventura County MSA	0	0	1	37	1	37	0.16	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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
				Geography: CALIFORNIA				Evaluation Period: NOVEMBER 29, 1999 TO NOVEMBER 4, 2002									
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
Full Review:																	
Los Angeles-Long Beach MSA	80.94	40	68	0.00	10.00	33.00	56.00	7	3	0	+1	+1	+2	9.02	26.69	33.93	30.17
Orange County MSA	11.91	17	29	0.00	23.00	35.00	35.00	1	0	0	0	0	+1	3.61	26.73	42.01	27.64
Limited Review:																	
Ventura County MSA	7.15	2	3	0.00	50.00	50.00	0.00	0	0	0	0	0	0	2.58	29.32	45.01	23.10

