



PUBLIC DISCLOSURE

June 5, 2017

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Washington Federal, National Bank
Charter Number 25073
425 Pike Street
Seattle WA
98101

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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 Washington Federal, National Association with respect to the Lending, Investment, and Service Tests:

Performance Levels	Washington Federal, National Association Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	x	x	x
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- The bank’s lending activity is good, with a significant majority of loans originated in the bank’s AAs.
- The overall geographic distribution of loans is good.
- The overall borrower distribution of loans is adequate.
- The level of CD lending throughout the AAs is good. CD loans are responsive to identified AA needs. CD Lending had a positive impact on the lending test.
- The level of CD investments throughout the AAs is good.
- The bank’s branches are readily accessible to people and geographies of different incomes. There is a good level of CD services throughout the AAs.

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 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 Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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 conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn, 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

Washington Federal Bank, National Association (WF) is a federal chartered national bank headquartered in Seattle, Washington. WF is a subsidiary of the Washington Federal, Incorporated holding company. As of March 31, 2017 WF had a total of \$14.97 billion in total assets. WF focuses their activity on four business lines: retail banking, commercial real estate, business banking, and insurance. As of December 31, 2016, the bank's tier 1 capital totaled \$1.66 billion. WF switched charters from a thrift to a national bank in July 2013.

WF is a multistate financial institution, and as of December 31, 2016 had 237 full-service retail branches stretching across eight western states (Arizona, Idaho, Nevada, New Mexico, Oregon, Texas, Utah, and Washington) and one multistate metropolitan area (Portland-Vancouver-Hillsboro Oregon/Washington). Within those nine rating areas, WF operates branches in 43 AAs. The following are the bank's AAs: Portland-Vancouver-Hillsboro Oregon-Washington MMA (Portland OR-WA AA), Arizona non-MSA (Non-MSA Arizona), Phoenix-Mesa-Scottsdale MSA (Phoenix MSA), Prescott MSA, Sierra-Douglass MSA, Tucson MSA, Yuma MSA, Boise City MSA, Idaho Falls MSA, Idaho non-MSA (Non-MSA Idaho), Pocatello MSA, Las Vegas-Henderson-Paradise MSA (Las Vegas MSA), Nevada non-MSA (Non-MSA Nevada), Albuquerque MSA, Farmington MSA, Las Cruces MSA, New Mexico non-MSA (Non-MSA New Mexico), Santa Fe MSA, Albany MSA, Bend-Redmond MSA (Bend MSA), Corvallis MSA, Grants Pass MSA, Eugene MSA, Oregon non-MSA (Non-MSA Oregon), Medford MSA, Salem MSA, Dallas-Plano-Irving MD (Dallas MD), Logan MSA, Ogden MSA, Salt Lake City MSA. Utah non-MSA (Non-MSA Utah), Bellingham MSA, Bremerton MSA, Lewiston ID-WA MSA, Mount Vernon-Anacortes MSA (Mount Vernon MSA), Olympia-Tumwater MSA (Olympia MSA), Seattle-Bellevue-Everett MD (Seattle MD), Tacoma-Lakewood MD, Walla Walla MSA, Spokane-Spokane Valley MSA (Spokane MSA), Wenatchee MSA, Yakima MSA, and Washington non-MSA (non-MSA Washington). WF made two purchases (2013 and 2014) to expand their current branch footprint. The transactions included purchasing 74 branches, totaling \$1.90 billion in deposits. During this evaluation period, there have not been any merger or acquisitions of whole banks.

As of December 31, 2016 the bank reported \$10.25 billion in loans. The majority of WF's loan portfolio are real estate secured lending. The breakdown of the WF loan portfolio is as follows: Real estate loans at 89.60 percent, commercial loans at 6.32 percent, consumer loans at 1.23 percent, agriculture loans at 0.03 percent, and other loans at 2.82 percent. The bank's purchase of branches in 2013 and 2014 was part of WF's strategy to move away from the traditional thrift deposit structure that consists of primarily certificates of deposit. As of December 31, 2016 the bank had total deposits of \$10.56 billion.

There are no known legal, financial, or other factors impeding WF from meeting the credit needs of their designated AAs. WF was rated "Satisfactory" as a result of the prior CRA evaluation dated September 9, 2013.

Scope of the Evaluation

Evaluation Period/Products Evaluated

For the lending test, we analyzed home purchase, home refinance, multifamily, and home improvement loans as reported under the Home Mortgage Disclosure Act (HMDA). We analyzed small business and small farm loans under the Community Reinvestment Act (CRA). Our analysis of these products was for the time period January 1, 2013 through December 31, 2016. We only analyzed products in a certain AA if they were considered primary loan products. Primary loans products are those that have at least 20 loans originated in a particular AA, throughout the evaluation period. We reviewed CD loans, qualified investments, and CD services for the period beginning September 9, 2013 through April 30, 2017.

Data Integrity

As part of our ongoing supervision of the bank, we tested the accuracy of the bank's HMDA and CRA reporting processes. We also reviewed the appropriateness of CD activities presented for our review. This included testing CD loans, investments, and services to ensure they qualified for credit under CRA guidelines. We verified the accuracy of HMDA data and small business lending data. We also reviewed CD loan, investment, and service information provided for our consideration.

Selection of Areas for Full-Scope Review

In each state and multistate metropolitan area where the bank has an office, a sample of assessment areas within that state/multistate metropolitan area was selected for full-scope review. Refer to the "Scope" section under each State and Multistate Metropolitan Area Rating section (as applicable) for details regarding how the areas were selected.

Ratings

The bank's overall rating is a blend of the multistate metropolitan area rating(s) and state ratings. We gave the most weight to the state of Washington in our evaluation of the bank's CRA performance. This is due to the fact that Washington has the largest percentage of statewide deposits with 48.76 percent of all deposits. Additionally, just over 50 percent of WF's HMDA lending and almost 32 percent of WF's small business lending originated in Washington during the evaluation period. The state of Washington also has the largest retail branch footprint, with 31.18 percent of WF branches located in Washington.

Inside/Outside Ratio

The inside/outside ratio is a bank-wide calculation based on number of loans in 2014 through 2016 and is not calculated by individual rating area or AA. Analysis is limited to bank origination and purchases and does not include any affiliate data. The bank exhibited a very good inside/outside ratio. Home purchase lending was 95.53 percent inside WFs combined AAs, small business lending was 98.23 percent inside, and small farm lending was 90.51 percent inside.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

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

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

Multistate Metropolitan Area Rating

Portland-Vancouver-Hillsboro OR-WA Multistate Metropolitan Area (MMA)

CRA rating for the Portland-Vancouver-Hillsboro OR-WA MMA¹:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	Outstanding
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- The overall lending activity is adequate.
- The geographic distribution of loans is adequate, based upon adequate home mortgage lending performance.
- The overall distribution of loans by income level of the borrower is adequate, based upon adequate home mortgage lending performance.
- CD lending had a significantly positive impact on the lending test.
- The overall investment test performance was outstanding. The bank's CD investments were responsive to identified community needs.
- WF CD services were provided at a good level. Branches are readily accessible to various geographies and individuals of different income levels.

Description of Institution's Operations in Portland-Vancouver-Hillsboro OR-WA MMA

WF operates eight branch offices in the Portland OR-WA AA. The primary focus is on mortgage lending. WF offers its full range of products and services within the AA. As of June 30, 2016 WF had \$387.5 million or 3.65 percent of total bank deposits in the Portland OR-WA AA. The bank has a 0.84 percent deposit market share ranking 12th among the 37 financial institutions within the Portland OR-WA AA. Competition for banking services in this AA is strong. The top five banks in terms of deposits are: U.S. Bank, Bank of America, Wells Fargo Bank, JPMorgan Chase Bank, and KeyBank. Total CRA reportable loans within the AA total 3.45 percent of total CRA reportable loan originations for WF.

Refer to the market profiles for the Portland OR-WA AA in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

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

Scope of Evaluation in the Portland-Vancouver-Hillsboro OR-WA MMA

WF has one AA in this rating area. As a result we performed a full-scope analysis of the Portland OR-WA AA. Our ratings are based solely on the bank's performance in the full-scope AA. We analyzed home mortgage loans and small loans to businesses. The bank did not originate any small loans to farms during the evaluation period.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE PORTLAND-VANCOUVER-HILLSBORO OR-WA MMA

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in the Portland OR-WA AA is rated High Satisfactory. Based on full-scope review, the bank's performance in the Portland OR-WA AA is good when considering community development lending. We placed greater weight on the bank's home purchase loans as these represented the majority of the bank's CRA reportable loans.

Lending Activity

Refer to Tables 1 Lending Volume in the Portland OR-WA AA section of appendix D for the facts and data used to evaluate the bank's lending activity.

WF's overall lending activity in the Portland OR-WA AA is adequate. As of June 30, 2016, WF had \$387.50 million in deposits with a market share of 0.84 percent and ranked 12th in total deposits out of 37 banks. WF originated 557 home mortgage loans and 27 small business loans throughout the evaluation period. The evaluation of lending performance in the Portland OR-WA AA emphasized home purchase loans as those represent 61.64 percent of reportable activity. The remainder of bank loans originated were in multifamily (18.32 percent), home refinance (11.30 percent), small business (4.62 percent), and home improvement (4.11 percent).

According to 2015 peer mortgage data, WF ranked 90th out of 437 lenders originating home purchase loans. WF has a 0.11 percent market share of home purchase mortgage lending originations. WF's market share of home purchase origination is less than its overall deposit market share; however, the bank's rank is in the top 21 percent of total lenders. There is strong competition for home mortgage and small business loans from large national banks, regional business banks, small business banks, and finance companies. WF is ranked third out of 67 lenders originating multifamily loans and has a 5.73 percent market share of multifamily lending originations. The bank is ranked 192nd out of 440 lenders with a market share of 0.03 percent and 73rd out of 177 lenders with a market share of 0.11 percent market share for home refinance and home improvement loan originations, respectively. All of the top five lenders ranked ahead of WF for home purchase, home refinance, and home improvement loans have a lower average loan size.

According to 2015 peer small business data, WF is ranked 42nd out of 114 lenders originating small business loans. WF has a 0.02 percent market share of originations. The top five lenders has a combined market share of 73.40 percent. Many of the top lenders in the Portland OR-WA AA are nationwide lenders with large business credit card portfolios. The top five lenders for small business loan originations, have a smaller average loan size. WF has a 0.25 percent small business loan market share by dollar volume, with an average loan size of \$444 thousand. WF deposit market share of 0.84 percent is greater than its market share of small business loans.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans is adequate. The geographic distribution of home loans is adequate. The geographic distribution of small business loans is good.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is adequate.

Refer to Tables 2, 3, 4, and 5 in the Portland OR-WA AA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home purchase loans is adequate. The percentage of loans made in low-income geographies is lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies exceeds the overall market share. The bank's market share of loans in moderate-income geographies is lower than the overall market share.

The geographic distribution of home improvement loans is good. The percentage of loans made in low-income geographies significantly exceeds the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies significantly exceeds the overall market share. The bank's market share of loans in moderate-income geographies is lower than the overall market share.

The geographic distribution of home mortgage refinance loans is good. The percentage of loans made in low-income geographies exceeds the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies is below the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

The geographic distribution of multifamily loans is excellent. The percentages of loans made in low- and moderate-income geographies exceed the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies significantly

exceeds the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

Small Loans to Businesses

The overall geographic distribution of small loans to businesses is good. This is based on the full-scope review in the Portland OR-WA AA.

Refer to Table 6 in the Portland OR-WA AA 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.

The percentage of small loans to businesses made in low-income geographies significantly exceeds the percentage of businesses in those geographies. The percentage of small loans to businesses made in moderate-income geographies is lower than the percentage of businesses in those geographies. The bank's market share in low-income geographies exceeds its overall market share for small loans to businesses. The bank's market share in moderate-income geographies meets the overall market share for small loans to businesses.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed WF's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall distribution of lending by income level of borrower is adequate. The distribution of home mortgage loans to borrowers of different income levels is adequate. The distribution of reported loans to small businesses is poor.

Home Mortgage Loans

The overall distribution of home mortgage loans is adequate. In performing our analysis of home mortgage lending, we considered the general affordability of housing to low- and moderate-income borrowers. The relatively high housing costs compared to low- and moderate-income family income levels somewhat impacts the ability of these individuals to purchase homes in this AA. Refer to appendix C for additional details.

Refer to Tables 8, 9, and 10 in the Portland OR-WA AA 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 borrower distribution of home purchase mortgage loans is poor. The percentages of loans to low- and moderate-income borrowers are significantly lower than the percentages of low- and moderate-income families in the AA. The bank's market share of home purchase loans to low-income borrowers meets the overall market share of home purchase loans in the AA. The bank's market share of home purchase loans to moderate-income borrowers is lower than the overall market share of home purchase loans in the AA.

The borrower distribution of home improvement loans is very poor. The percentages of loans to low- and moderate-income borrowers are significantly lower than the percentages of low- and moderate-income families in the AA. The bank's market shares of home improvement loans to low- and moderate-income borrowers is significantly lower than the overall market share of home improvement loans in the AA.

The borrower distribution of home mortgage refinance loans is good. The percentage of loans to low-income borrowers is near the percentage of low-income families. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeds the overall market share of home mortgage refinance loans. The bank's market share of loans to moderate-income borrowers meets the overall market share of home mortgage refinance loans.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is poor. This is based on the full-scope review in the Portland OR-WA AA.

Refer to Table 11 in the Portland OR-WA AA 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 businesses.

The distribution of the bank's small loans to small businesses is poor. The bank's lending to small businesses (businesses with revenues of \$1 million or less) is significantly lower than the percentage of small businesses in the AA. The distribution by size of the loans shows that a minority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million is below the market share of lending to small businesses in the AA.

Community Development Lending

WF's level of CD lending has a significantly positive impact on the overall evaluation of its lending performance within the AA, and elevates overall adequate performance to good.

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

The volume of CD lending was excellent, and had a significantly positive impact on the overall lending performance in the Portland OR-WA AA. During the evaluation period, the bank originated 17 CD loans totaling \$23.42 million, or 38.32 percent of tier 1 capital allocated to the AA. A substantial majority of the loans were multifamily loans responsive to the need of affordable housing for low- and moderate-income individuals.

Examples of the CD loans originated during this evaluation period include two loans for affordable housing for low- and moderate-income individuals via a loan consortium. One loan provides apartment units targeted to low-income seniors, while another loan provides apartment units and low-cost dental and medical services for the community.

Product Innovation and Flexibility

The bank does not have any products we consider innovative or flexible. This had a neutral impact on the bank's lending performance.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance in the investment test in the Portland OR-WA AA is rated Outstanding.

Refer to Table 14 in the Portland OR-WA AA section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, WF made 26 investments and donations in the Portland OR-WA AA totaling \$12.54 million or 19.75 percent of allocated tier 1 capital. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. WF made four investments in prior evaluation periods that totaled \$8.67 million and were still outstanding at the end of the current evaluation period. In aggregate, current and prior period investments totaled \$21.21 million or 33.41 percent of allocated tier 1 capital. This level is considered excellent, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 99.80 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in two low-income housing tax credits (LIHTC) and donating \$4 thousand to an organization that rehabilitates housing for low- and moderate-income households. In addition, WF met some of the AAs community service and economic development needs through 22 additional donations totaling \$25 thousand.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test is rated High Satisfactory. Performance in the Portland OR-WA AA is good.

Retail Banking Services

Refer to Table 15 in the Portland OR-WA AA 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.

WF's branch distribution in the Portland OR-WA AA is excellent. Branches are readily accessible to all geographies and individuals of different income levels. We focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income geographies that are immediately adjacent to low- and moderate-income geographies or within a one-half mile proximity of low- and moderate-income geographies. The bank had one branch in a low-income tract in the AA, and three branches in moderate-income tracts in the AA. The percentage of WF's branches in low-income and moderate-income geographies exceeded the percentage of population living in these geographies.

Branch openings and closings have not adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank did not open or close any branches in the AA during the evaluation period.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, various account requirements to avoid monthly fees or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Community Development Services

The bank's record of providing CD services is good, with adequate responsiveness to meeting community needs. The bank provided limited hours of affordable housing services and economic development services. They provided close to 190 hours of community services and over 400 hours of financial literacy services. Community service hours included serving as board members for various qualifying organizations. Financial services primarily involved providing financial literacy classes through Junior Achievement at Title 1 schools.

State Rating

State of Arizona

CRA Rating for Arizona:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	Low Satisfactory

The major factors that support this rating:

- The overall lending activity is adequate.
- The geographic distribution of loans is adequate.
- The overall distribution of loans by income level of the borrower is adequate.
- CD lending had a significantly positive impact on the lending test and elevated adequate performance to good.
- Overall good investment test performance in Arizona, with excellent performance in the Phoenix MSA. CD investments were responsive to the needs of the AAs.
- WF provided adequate service levels to the AAs within Arizona. The level of CD services was adequate.

Description of Institution's Operations in Arizona

WF operates 31 branches within the State of Arizona. WF's AAs in Arizona include the following six AAs: Phoenix-Mesa-Scottsdale MSA, Tucson MSA, Prescott MSA, Sierra Vista-Douglas MSA, Yuma MSA, and the Arizona non-MSA. WF offers a full range of products and services at retail locations. WF has a total of \$1,187.40 million in deposits in Arizona. Arizona deposits equal 11.20 percent of bank-wide deposits. The bank's emphasis is on home mortgage lending, as 92.96 percent of all HMDA and CRA reportable lending was home mortgage related.

Refer to the community profiles for the state of Arizona in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Arizona

In the state of Arizona we conducted a full-scope review of the Phoenix MSA and the Tucson MSA. We conducted a limited-scope review of the Prescott MSA. We conducted a limited-scope review of the Sierra Vista-Douglas MSA, Yuma MSA, and the Arizona non-MSA from 2014 through 2016. However, the volume of lending in the Yuma MSA and the Sierra Vista MSA was not significant. The volume of home improvement loans and small business loans in

the Tucson MSA, Prescott MSA, and the Arizona non-MSA during the evaluation period was not significant. The volume of home purchase loans in the Arizona non-MSA was not significant. The volume of home mortgage refinance loans in the Prescott MSA was not significant. The volume of multifamily loans in the Prescott MSA, and the Arizona non-MSA was not significant. Therefore, an analysis of these loans is not meaningful. During the evaluation period, the bank did not originate any small farm loans in this state.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ARIZONA

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Arizona is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Phoenix MSA and Tucson MSA is good. In performing our analysis, we placed greater weight on the bank's home purchase loan performance, as it represented the majority of the bank's reportable lending activity. In addition, performance in the Phoenix MSA was given more weight given more significant deposit and lending volumes.

Lending Activity

Overall lending activity in the state of Arizona is adequate.

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

Phoenix MSA

WF's overall lending activity in the Phoenix MSA is adequate. As of June 30, 2016, WF had \$435 million in deposits with a market share of 0.51 percent and ranked 17th in total deposits out of 58 banks in the Phoenix MSA. WF originated 1,044 home mortgage loans and 111 small business loans throughout the evaluation period. The evaluation of lending performance in the Phoenix MSA emphasized home purchase loans as those represent 62.86 percent of CRA reportable activity. The remainder of bank loans originated were in home refinance (19.56 percent), small business (9.61 percent), multifamily (6.23 percent), and home improvement (1.74 percent). There is strong competition for home mortgage and small business loans from large national banks, regional business banks, small business banks, and finance companies.

According to 2015 peer mortgage data, WF ranked in the top 14 percent of lenders, 94th out of 656 lenders, originating home purchase loans in the Phoenix MSA. Albeit, WF's market share of 0.16 percent of home purchase originations is less than its overall deposit market share of 0.51 percent. WF is ranked 162nd out of 580 lenders originating home refinance loans with a market share of 0.06 percent. The bank is ranked eight out of 68 lenders with a market share of 4.02 percent and 98th out of 225 lenders with a market share of 0.09 percent market share for multifamily and home improvement loan originations, respectively. The top five lenders for home purchase, home refinance, and home improvement have a smaller average loan size.

According to 2015 peer small business data, WF is ranked 48th out of 179 lenders originating small business loans. WF has a 0.03 percent market share of originations. The top five lenders has a combined market share of 69.51 percent. Many of the top lenders in the Phoenix AA are nationwide lenders with large business credit card portfolios. All of the top five lenders ranked ahead of WF for small loans to businesses originations have a lower average loan size. WF has a 0.30 percent small loans to businesses market share by dollar volume with an average loan size of \$326 thousand. WF deposit market share of 0.51 percent is greater than its market share of small business loans.

Tucson AA

WF's overall lending activity in the Tucson MSA is good. As of June 30, 2016, WF had \$397 million in deposits with a market share of 2.71 percent and ranked 8th in total deposits out of 18 banks. WF originated 699 home mortgage loans and 9 small business loans throughout the evaluation period. The evaluation of lending performance in the Tucson MSA emphasized home purchase loans as those represent 79.66 percent of reportable activity. The remainder of bank loans originated were in home refinance (14.12 percent), multifamily (2.82 percent), home improvement (2.12 percent), and small business (1.27 percent).

According to 2015 peer mortgage data, WF ranked in the top 10 percent of lenders, 31st out of 310 lenders, originating home purchase loans. Although, WF's market share of 0.53 percent of home purchase originations is less than its overall deposit market share. WF is ranked 115th out of 304 lenders originating home refinance loans with a market share of 0.07 percent. The bank is ranked 4th out of 32 lenders with a market share of 8.64 percent for multifamily loan originations.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is adequate. The geographic distribution of home mortgage loans is adequate. The geographic distribution of small business loans is excellent.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is adequate.

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

Phoenix MSA

The geographic distribution of home purchase loans is adequate. The percentage of loans made in low-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies exceeds the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies is lower than the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

The geographic distribution of home improvement loans is good. The percentage of loans made in low-income geographies significantly exceeds the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies significantly exceeds the overall market share. The bank's market share of loans in moderate-income geographies is near the overall market share.

The geographic distribution of home mortgage refinance loans is adequate. The percentage of loans made in low-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies exceeds the overall market share. The bank's market share of loans in moderate-income geographies is near the overall market share.

The geographic distribution of multifamily loans is excellent. The percentage of loans made in low- and moderate-income geographies significantly exceeds the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies significantly exceeds the overall market share. The bank's market share of loans in moderate-income geographies is significantly lower than the overall market share.

Tucson MSA

The geographic distribution of home purchase loans is adequate. The percentage of loans made in low-income geographies is lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies exceeds the overall market share. The bank's market share of loans in moderate-income geographies is lower than the overall market share.

The geographic distribution of home mortgage refinance loans is good. The percentage of loans made in low-income geographies exceeds the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies is lower than the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

The geographic distribution of multifamily loans is good. The percentage of loans made in low-income geographies significantly exceeds the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is near the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies exceeds the overall market share. The bank's market share of loans in moderate-income geographies is significantly lower than the overall market share.

Small Loans to Businesses

The overall geographic distribution of small loans to businesses is excellent based on performance in the Phoenix MSA.

Refer to Table 6 in the state of Arizona 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.

Phoenix MSA

The geographic distribution of small loans to businesses is excellent. The percentage of small loans to businesses made in low- and moderate-income geographies significantly exceeds the percentage of businesses in those geographies. The bank's market share in low-income geographies meets its overall market share for small loans to businesses. The bank's market share in moderate-income geographies exceeds the overall market share for small loans to businesses.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed WF's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level of the borrower is adequate. The distribution of home mortgage loans to borrowers of different income levels is adequate. The distribution of reported loans to small businesses is poor.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate. In performing our analysis of home mortgage lending, we considered the general affordability of housing to low- and moderate-income borrowers. The relatively high housing costs compared to low- and moderate-income family income levels somewhat impacts the ability of these individuals to purchase homes in the full-scope AAs in the state of Arizona, as further detailed in appendix C.

Refer to Tables 8, 9 and 10 in the state of Arizona 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.

Phoenix MSA

The borrower distribution of home purchase mortgage loans is adequate. The percentage of loans to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's market share of home purchase loans to low- and moderate-income borrowers is lower than the overall market share of home purchase loans in the AA.

The borrower distribution of home improvement loans is poor. The percentage of loans to low- and moderate-income borrowers is significantly lower than the percentage of low- and moderate-income families in the AA. The bank's market share of home purchase loans to low-

and moderate-income borrowers is lower than the overall market share of home improvement loans in the AA.

The borrower distribution of home mortgage refinance loans is adequate. The percentage of loans to low-income borrowers is significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's market share of loans to low- and moderate-income borrowers is near the overall market share of home mortgage refinance loans.

Tucson MSA

The borrower distribution of home purchase mortgage loans is adequate. The percentage of loans to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's market share of home purchase loans to low-income borrowers significantly exceeds the overall market share of home purchase loans in the AA. The bank's market share of home purchase loans to moderate-income borrowers is near the overall market share of home purchase loans in the AA.

The borrower distribution of home mortgage refinance loans is good. The percentage of loans to low-income borrowers is significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers meets the percentage of moderate-income families in the AA. The bank's market share of loans to low-income borrowers exceeds the overall market share of home mortgage refinance loans. The bank's market share of loans to moderate-income borrowers is near the overall market share of home mortgage refinance loans.

Small Loans to Businesses

The overall distribution of small loans to businesses is poor based on performance in the Phoenix MSA.

Refer to Table 11 in the state of Arizona 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.

Phoenix MSA

The distribution of the bank's small loans to small businesses is poor. The bank's lending to small businesses (businesses with revenues of \$1 million or less) is significantly lower than the percentage of small businesses in the AA. The distribution by size of the loans shows that a minority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million is near the market share of lending to small businesses in the AA.

Community Development Lending

WF's level of CD lending has a significantly positive impact on the overall evaluation of its lending performance within Arizona and elevates the overall adequate performance to good.

Refer to Table 1 Lending Volume in the state of Arizona 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.

Phoenix MSA

The volume of CD lending was excellent, and had a significantly positive impact on the overall lending performance in the Phoenix MSA. During the evaluation period, the bank originated 86 CD loans totaling \$151.43 million, or 220.58 percent of tier 1 capital allocated to the AA. A substantial majority of the loans were multifamily loans responsive to the need of affordable housing for low- and moderate-income individuals.

Examples of the CD loans originated during the evaluation period include:

- Two construction loans totaling over \$10 million in conjunction with SBA 504 loans for projects that will support small business growth, job creation, and job retention for economic stability.
- A construction loan for \$1.7 million in conjunction with an SBA 504 loan for improvements to a commercial building located in a low-income census tract.

Tucson MSA

The volume of CD lending was good, and had a positive impact on the overall lending performance in the Tucson MSA. During the evaluation period, the bank originated 10 CD loans totaling \$18.65 million, or 29.75 percent of tier 1 capital allocated to the AA. These loans were multifamily loans responsive to the critical need of affordable housing for low- and moderate-income individuals.

Product Innovation and Flexibility

The bank does not have any products we consider innovative or flexible. This had a neutral impact on the bank's lending performance.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Arizona non-MSA and the Prescott MSA is weaker than the bank's overall high satisfactory performance under the lending test. The weaker performance is due to weaker geographic and borrower distribution of home mortgage loans and CD lending performance that had a neutral impact on lending performance in the AAs. Performance in the limited-scope areas did not have a material impact on the overall Lending Test rating for the state. Refer to Tables 1 through 13 in the state of Arizona section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance under the investment test in Arizona is rated High Satisfactory considering performance in all AAs in the state. Based on full-scope reviews, performance in the Phoenix MSA is excellent and performance in the Tucson MSA is adequate.

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

Phoenix MSA

During the evaluation period, WF made 20 investments and donations in the Phoenix MSA totaling \$9.51 million or 13.85 percent of allocated tier 1 capital. This level is considered excellent, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 99.82 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in two LIHTCs. In addition, WF met some of the AA's community service needs through 18 donations totaling \$17 thousand.

One investment of note is a \$7 million investment in a LIHTC that funded the construction of an affordable housing project for low- and moderate-income families. Approximately one third of all units were set aside for families with children.

Tucson MSA

During the evaluation period, WF made 10 investments and donations in the Tucson MSA totaling \$2.91 million or 4.64 percent of allocated tier 1 capital. This level is considered adequate, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 99.84 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in one LIHTC and donating \$12 thousand to two organizations that construct and rehabilitate housing for low- and moderate-income households. In addition, WF met some of the AA's community service needs through four additional donations totaling \$5 thousand.

One investment of note is a \$2.89 million investment in a LIHTC that funded the acquisition and redevelopment of an affordable housing project that offers preference to homeless veterans.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Sierra Vista-Douglas MSA is stronger than its overall performance in the state of Arizona, due to the higher level of investments as a percentage of allocated tier 1 capital. Conversely, the bank's performance in the Arizona non-MSA, the Prescott MSA, and the Yuma MSA is weaker

than its overall performance in the state of Arizona, due to the lower level of investments as a percentage of allocated tier 1 capital. These items were considered when assigning the overall rating; however, they did not have a significant impact because there are a limited number of branches in these AAs.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's Service Test performance in Arizona is High Satisfactory. Performance is adequate in the full-scope AAs.

Retail Banking Services

Refer to Table 15 in the state of Arizona 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.

Phoenix MSA

WF's branch distribution in the AA is adequate. Branches are reasonably accessible to essentially all geographies and individuals of different income levels. We focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income geographies that are immediately adjacent to low- and moderate-income geographies or within a one-half mile proximity of low- and moderate-income geographies. The bank has no branches in low-income tracts, where eight percent of the AA's population resides. The bank has four branches in moderate-income tracts, where nearly 25 percent of the population resides. The percentage of branches in moderate-income tracts exceeds the percentage of the population residing in those tracts.

Branch openings and closing have not adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank closed two branches in upper-income tracts in AA. The bank did not open or acquire any new branches during the evaluation period.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. Refer to the Description of Institution section of this document for detail regarding WFs other alternative delivery systems. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to

determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Tucson AA

WF's branch distribution in the AA is excellent. Branches are readily accessible to all geographies and individuals of different income levels. We focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income geographies that are immediately adjacent to low- and moderate-income geographies or within a one-half mile proximity of low- and moderate-income geographies. The bank has one branch in low-income tracts and two branches in moderate-income tracts. The percentage of branches in low-income tracts exceeds the population residing in low-income tracts and branches in moderate-income tracts is near to the percentage of the population residing in moderate-income tracts.

Branch openings and closing have not adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank did not open or close any branches during the evaluation period.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Community Development Services

Phoenix MSA

WF's record of providing CD services is adequate with adequate responsive to meeting community needs. Community contacts identified affordable housing, small business lending, and micro-loan programs as primary needs in the AA. The bank provided over 100 hours of affordable housing services and more than 250 hours of financial literacy services. They also provided close to 100 hours of community services and more than 50 hours of economic development services.

- Several bank employees serve on the family selection committee for a local Habitat for Humanity office that provides affordable housing to low- and moderate-income individuals. They assisted with the homeowner interview and selection process.
- Several bank employees presented financial literacy programs at Title 1 schools.

Tucson MSA

WF's record of providing CD services is poor based on limited responsiveness in meeting community needs. Community contacts identified affordable housing, specifically working with single-parent families; working with small businesses; and working with the under-banked and un-banked population as primary needs in the AA. The bank provided limited hours of affordable housing services, economic development services, and financial literacy services.

Conclusions for Areas Receiving Limited-Scope Reviews

The bank's performance in the limited-scope areas is consistent with the bank's overall performance under the Service Test in Arizona. CD services consisted primarily of financial literacy to low- and moderate-income students. The bank provided 169 hours of CD services in the Arizona non-MSA, no CD service hours in the Prescott MSA, 12 hours in the Sierra Vista MSA, and 39 hours in the Yuma MSA.

State Rating

State of Idaho

CRA Rating for Idaho:	Satisfactory
The lending test is rated:	Low Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	Low Satisfactory

The major factors that support this rating include:

- The overall lending activity is adequate.
- The geographic distribution of loans is adequate.
- The overall distribution of loans by income level of the borrower is adequate.
- The positive impact of CD lending on the lending test enhances overall adequate lending performance.
- The investment test in Idaho reflects good performance. The bank's investments were responsive to identified CD investments needs.
- The bank's services are accessible to different geographies and customers of different income levels. CD services adequately responded to community needs.

Description of Institution's Operations in Idaho

WF operates 24 branch offices within the four AAs in the state of Idaho. The AAs in the state include: Boise City MSA, Idaho Falls MSA, Pocatello MSA, and Idaho non-MSA. As of June 30, 2016 WF had \$799.01 million in deposits in Idaho, which ranks ninth out of 32 deposit taking institutions. The state of Idaho accounts for 7.54 percent of total bank deposits. WF offers their full-range of products and services in Idaho. The bank's focus is on mortgage lending. The five largest deposit taking institutions in the state of Idaho are: Wells Fargo Bank, U.S. Bank, Zions Bank, KeyBank, and Glacier Bank. Total CRA reportable loans in the state of Idaho total 5.62 percent of total CRA reportable loan originations.

Refer to the community profiles for the state of Idaho in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Idaho

In the state of Idaho we conducted a full-scope review of the Boise City MSA. We conducted a full-scope review of the Idaho non-MSA in two separate time periods as a result of OMB geography changes; 2013 was reviewed separately from 2014-2016. We conducted limited-scope reviews in the Idaho Falls MSA and the Pocatello MSA. The volume of home

improvement loans and multifamily loans throughout the AAs during the evaluation period was not significant. The volume of home purchase loans in the Pocatello MSA was not significant. The volume of home mortgage refinance loans and small business loans in the Idaho non-MSA in 2013, the Idaho Falls MSA, and the Pocatello MSA during the evaluation period was not significant. Therefore, an analysis of these loans is not meaningful. The bank did not originate any small farm loans during the evaluation period.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN IDAHO

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Idaho is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Boise City MSA and Idaho non-MSA is adequate. In performing our analysis, we placed greater weight on the bank's home purchase loan performance, as it represented the majority of the bank's reportable lending activity. We also placed greater weight on performance in the Boise City MSA given the larger volume of both loan and deposit volumes. Within the Idaho non-MSA AA, we placed greater weight on the bank's performance in 2014 through 2016.

Lending Activity

Overall lending activity in the state of Idaho is adequate.

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

Boise City MSA

WF's overall lending activity in the Boise City MSA is adequate. As of June 30, 2016, WF had \$490.55 million in deposits with a market share of 5.13 percent and ranked fifth in total deposits out of 20 banks in the Boise City MSA. WF originated 386 home mortgage loans and 58 small business loans throughout the evaluation period. The evaluation of lending performance in the Boise City MSA emphasized home purchase loans as those represent 61.71 percent of reportable activity. The remainder of bank loans originated were in home refinance (18.92 percent), small business (13.07 percent), multifamily (3.38 percent), and home improvement (2.93 percent).

According to 2015 peer mortgage data, WF ranked 60th out of 238 lenders originating home purchase loans. WF has a 0.32 percent market share of lending originations. WF's market share of home purchase origination is less than their overall deposit market share; however, the bank's rank is in the top 25 percent of total lenders. WF is ranked 76th out of 232 lenders originating home refinance loans with a market share of 0.21 percent.

According to 2015 peer small business data, WF is ranked 26th out of 67 lenders originating small business loans. WF has a 0.11 percent market share of small business loan originations. The top five lenders has a combined market share of 66.41 percent. Many of the top lenders in

the Boise City MSA are nationwide lenders with large business credit card portfolios. All of the top five lenders ranked ahead of WF for small loans to businesses originations have a lower average loan size. WF has a 0.65 percent small loans to businesses market share by dollar volume with an average loan size of \$225 thousand. WF deposit market share is significantly greater than their market share of small business loans.

Idaho non-MSA

WF's overall lending activity in the Idaho non-MSA is good. The Idaho non-MSA has 12 branches across 11 counties. As of June 30, 2016, WF had \$247.52 million in deposits with a market share of 5.10 percent and ranked ninth in total deposits out of 23 banks. WF originated 295 home mortgage loans and 22 small business loans throughout the evaluation period. The evaluation of lending performance in the Idaho non-MSA emphasized home purchase loans as those represent 69.74 percent of reportable activity. The remainder of bank loans originated were in home refinance (19.23 percent), small business (5.64 percent), multifamily (0.77 percent), and home improvement (4.62 percent).

According to 2015 peer mortgage data, WF ranked 13th out of 210 lenders originating home purchase loans. WF has a 1.41 percent market share of lending originations. WF's market share of home purchase origination is less than their overall deposit market share; however, the bank's rank is in the top six percent of total lenders. WF is ranked 47th out of 203 lenders originating home refinance loans with a market share of 0.44 percent.

According to 2015 peer small business data, WF is ranked 30th out of 59 lenders originating small business loans. WF has a 0.11 percent market share of small business loan originations. The top five lenders has a combined market share of 67.04 percent. Many of the top lenders in the Idaho non-MSA are nationwide lenders with large business credit card portfolios. All of the top five lenders ranked ahead of WF for small loans to businesses originations have a lower average loan size. WF has a 0.29 percent small loans to businesses market share by dollar volume with an average loan size of \$97 thousand. WF deposit market share is significantly greater than their market share of small business loans.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is adequate. The geographic distribution of home mortgage loans is adequate. The geographic distribution of small business loans is good.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is adequate.

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

Boise City MSA

The geographic distribution of home purchase loans is adequate. The percentage of loans made in low- and moderate-income geographies is lower than the percentage of owner-

occupied units in these geographies. The bank's market share of loans in low-income geographies is lower than the overall market share. The bank's market share of loans in moderate-income geographies is near the overall market share.

The geographic distribution of home mortgage refinance loans is excellent. The percentage of home mortgage refinance loans to low- and moderate-income geographies significantly exceeds the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies significantly exceeds the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

Idaho non-MSA

The geographic distribution of home purchase loans is adequate. During 2014 through 2016 the percentage of loans made in low-income geographies is significantly below the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies exceeds the percentage of owner-occupied units in these geographies. During the same period, the bank's market share of loans in low-income geographies is below the overall market share. The bank's market share of loans in moderate-income geographies is near the overall market share. During 2013 the bank's performance was weaker than the bank's overall adequate performance during 2014 through 2016.

The geographic distribution of home mortgage refinance loans is very poor. During 2014 through 2016 the percentage of home mortgage refinance loans made in low- and moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. During the same period, the bank's market share of loans in low- and moderate-income geographies is below the overall market share.

Small Loans to Businesses

The overall geographic distribution of small loans to businesses is good.

Refer to Table 6 in the state of Idaho 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.

Boise City MSA

The geographic distribution of small loans to businesses is good. The percentage of small loans to businesses made in low-income geographies is lower than the percentage of businesses in those geographies. The percentage of small loans to businesses made in moderate-income geographies exceeds the percentage of businesses in those geographies. The bank's market share in low-income geographies is lower than its overall market share for small loans to businesses. The bank's market share in moderate-income geographies exceeds the overall market share for small loans to businesses.

Idaho non-MSA

The geographic distribution of small loans to businesses is excellent. During 2014 through 2016 the percentage of small loans to businesses made in low- and moderate-income geographies significantly exceeds the percentage of businesses in those geographies. The

bank's market share in low-and moderate-income geographies is higher than its overall market share for small loans to businesses.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed WF's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level of the borrower is adequate. The distribution of home mortgage loans to borrowers of different income levels is adequate. The distribution of CRA reported loans to small businesses is adequate.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate. In performing our analysis of home mortgage lending, we considered the general affordability of housing to low- and moderate-income borrowers in the full-scope AAs. The relatively high housing costs compared to low- and moderate-income family income levels somewhat impacts the ability of these individuals to purchase homes, as further described in appendix C.

Refer to Tables 8, 9 and 10 in the state of Idaho 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.

Boise City MSA

The borrower distribution of home purchase mortgage loans is poor. The percentage of loans to low- and moderate-income borrowers is significantly lower than the percentage of low- and moderate-income families in the AA. The bank's market share of home purchase loans to low-income borrowers is near the overall market share of home purchase loans in the AA. The bank's market share of home purchase loans to moderate-income borrowers is below the overall market share of home purchase loans in the AA.

The borrower distribution of home mortgage refinance loans is excellent. The percentage of loans to low-income borrowers is near the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families. The bank's market share of loans to low- and moderate-income borrowers exceeds the overall market share of home mortgage refinance loans.

Idaho non-MSA

The borrower distribution of home purchase mortgage loans is poor. During 2014 through 2016 the percentage of loans to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's market share of home purchase loans to low-income borrowers is below the overall market share of home purchase loans in the AA. The bank's market share of home purchase loans to moderate-income

borrowers is near the overall market share of home purchase loans in the AA. During 2013 the bank's performance was stronger than the bank's overall poor performance during 2014 through 2016.

The borrower distribution of home mortgage refinance loans is adequate. The percentage of loans to low-income borrowers is significantly lower than the percentage of low-income families. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeds the overall market share of home mortgage refinance loans. The bank's market share of loans to moderate-income borrowers is below the overall market share of home mortgage refinance loans.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is adequate.

Refer to Table 11 in the state of Idaho 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.

Boise City MSA

The distribution of the bank's small loans to small businesses is adequate. The bank's lending to small businesses (businesses with revenues of \$1 million or less) is significantly lower than the percentage of small businesses in the AA. The distribution by size of the loans shows that a majority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million is near the market share of lending to small businesses in the AA.

Idaho non-MSA

The distribution of the bank's small loans to small businesses is good. During 2014 through 2016 the bank's lending to small businesses (businesses with revenues of \$1 million or less) is lower than the percentage of small businesses in the AA. The distribution by size of the loans shows that a majority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million is above the market share of lending to small businesses in the AA.

Community Development Lending

WF's level of CD lending has a positive impact on the overall evaluation of its lending performance within the AAs.

Refer to Table 1 Lending Volume in the state of Idaho 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.

Boise City MSA

The volume of CD lending was good, and had a neutral impact on the overall lending performance in the Boise City MSA. During the evaluation period, the bank originated five CD loans totaling \$2.48 million, or 3.11 percent of tier 1 capital allocated to the AA. These loans were multifamily loans responsive to the critical need of affordable housing for low- and moderate-income individuals. One loan for \$65 thousand provided affordable housing for seniors and qualified for low income housing tax credits.

Idaho non-MSA

The volume of CD lending was good, and had a positive impact on the overall lending performance in the Idaho non-MSA. During the evaluation period, the bank originated one CD loan totaling \$5.50 million, or 14.08 percent of tier 1 capital allocated to the AA.

Product Innovation and Flexibility

The bank does not have any products we consider innovative or flexible. This had a neutral impact on the bank's lending performance.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Idaho Falls MSA is not inconsistent with the bank's overall low satisfactory performance under the lending test in Idaho. Refer to the Tables 1 through 13 in the state of Idaho section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST**Conclusions for Areas Receiving Full-Scope Reviews**

WF's performance under the investment test in Idaho is rated High Satisfactory, considering performance in all AAs. Based on full-scope reviews, performance in the Boise City MSA is good and performance in the Idaho non-MSA is excellent.

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

Boise City MSA

During the evaluation period, WF made 29 investments and donations in the Boise City MSA totaling \$1.55 million. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. WF made two investments in the Boise City MSA in prior evaluation periods that totaled \$3.21 million and were still outstanding at the end of the current evaluation period. In aggregate, current and prior period investments totaled \$4.76 million or 6.15 percent of allocated tier 1 capital. This level is considered good, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 97.42 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in one LIHTC and donating \$10 thousand to two organizations that

construct and rehabilitate housing for low- and moderate-income households. In addition, WF met some of the AA's community service needs through 23 additional donations totaling \$40 thousand.

Idaho non-MSA

During the evaluation period, WF made 17 investments in the Idaho non-MSA totaling \$2.13 million. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. WF made one investment in the Idaho non-MSA in a prior evaluation period that totaled \$2.0 million and was still outstanding at the end of the current evaluation period. In aggregate, current and prior period investments totaled \$4.13 million or 10.56 percent of allocated tier 1 capital. This level is considered excellent, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 99.45 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in one LIHTC and donating \$13 thousand to two organizations that construct and rehabilitate housing for low- and moderate-income households. In addition, WF met some of the AA's community service needs through ten additional donations totaling \$12 thousand.

One investment of note is a \$2.10 million investment in a LIHTC that funded the construction of an affordable housing project for low- and moderate-income seniors.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Idaho Falls MSA and the Pocatello MSA is weaker than the bank's overall performance in the state of Idaho, due to the lower level of investments as a percentage of allocated tier 1 capital. This was considered when assigning the overall rating; however, it did not have a significant impact because there are a limited number of branches in these AAs.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Idaho is rated Low Satisfactory. Performance is adequate in the full-scope AAs. The bank did not open or close any branches in the state. Refer Appendix D - Idaho - Table 15 for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings in Idaho.

Retail Banking Services

Refer to Table 15 in the state of Idaho 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.

Boise City MSA

WF's branch distribution in the AA is good. Branches are accessible to essentially all geographies and individuals of different income levels. The bank has no branches in low-income tracts, where 1 percent of the AA's population resides. The bank has five branches in moderate-income tracts, where nearly 27 percent of the population resides. The percentage of branches in moderate-income tracts exceeds the percentage of the population residing in those tracts. Two of the bank's middle-income branches are within half-a-mile of moderate-income tracts. Greater than 30 percent of the families residing in these middle-income tracts are low- or moderate-income.

Branch openings and closings have not adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank acquired 5 branches, three in moderate-income tracts, one in a middle-income tract, and one in an upper-income tract. Subsequently, three moderate-income branches and one middle-income branch were consolidated but this consolidation did not negatively impact accessibility.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Idaho non-MSA

WF's branch distribution in the AA is very poor. Branches are inaccessible to significant portions of geographies and individuals of different income levels. We focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income geographies that are immediately adjacent to low- and moderate-income geographies or within a one-half mile proximity of low- and moderate-income geographies. The bank has no branches in low- or moderate-income tracts, where 11 percent of the AA's population resides. Two of the bank's middle-income branches are within half-a-mile of moderate-income tracts and one middle-income branch near a low-income tract. Greater than 30 percent of the families residing in these middle-income tracts are low- or moderate-income.

Branch openings and closings have adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. While the bank acquired eight branches, including one in a moderate-income tract, the bank closed its only moderate-income branch.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Community Development Services

Boise City MSA

The bank's record of providing CD services is good with adequate responsiveness to meeting identified community needs. The bank provided close to 300 hours of community services, 335 hours of financial literacy services, and limited hours of affordable housing services and small business services. Employees served on boards and participated as active fundraising participants for community service organizations with a primary focus on low- and moderate-income families. Financial services primarily involved teaching financial literacy at Title 1 schools.

Idaho non-MSA

WF's record of providing CD services is good with adequate responsiveness to meeting AA needs. Community contacts identified entry level loans with low interest rates to low- and moderate-income individuals and small business loans as primary needs in the AA. The bank provided over 60 hours of affordable housing services, 350 hours of community services, over 20 hours of economic development services, and close to 400 hours of financial literacy services. Several bank employees provided over 200 hours of financial literacy training to low- and moderate-income families individuals through the Save@School programs.

Conclusions for Areas Receiving Limited-Scope Reviews

The bank's performance in the limited-scope areas is consistent with the bank's overall performance under the Service Test in Idaho. The bank had four hours of CD services in the Idaho Falls MSA and 44 service hours in the Pocatello MSA.

State Rating

State of Nevada

CRA Rating for Nevada:	Satisfactory
The lending test is rated:	Low Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	Needs to Improve

The major factors that support this rating include:

- The overall lending activity is adequate.
- The geographic distribution of loans is adequate.
- The overall distribution of loans by income level of the borrower is adequate.
- CD lending had a neutral impact on lending performance.
- The bank's investments in Nevada represent a good level. The investments are responsive to community needs identified within the state of Nevada.
- The bank's retail branches are accessible to limited portions of the bank's AAs within Nevada. The bank's level of CD services within Nevada exhibit adequate responsiveness.

Description of Institution's Operations in Nevada

WF operates two AAs within the state of Nevada. One AA consists of the Las Vegas MSA and will be analyzed from January 1, 2013 through December 31, 2016. The bank acquired branches in the Nevada non-MSA in May 2014, and our limited review is based upon data from May 2014 through 2016. As of the December 31, 2016, WF operated six branches in the Las Vegas MSA and five branches in the Nevada non-MSA AA. WF deposits in Nevada total \$343.22 million, which accounts for 3.24 percent of total bank wide deposits. WF offers its full range of products and services in both AAs.

Refer to the community profiles for the state of Nevada in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Nevada

In the state of Nevada we conducted a full-scope review of the Las Vegas MSA. We conducted a limited-scope review of the Nevada non-MSA AA. The ratings in this state will be based predominantly on performance in the full-scope AA. The volume of home improvement loans, multifamily loans, small business loans, and small farm loans made by the bank in the Las Vegas MSA during the evaluation period was not significant. In addition, the volume of lending

for all loan types in the Nevada non-MSA AA was not significant. Therefore, an analysis of these loans is not meaningful

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEVADA

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Nevada is Low Satisfactory. Based on full-scope reviews, the bank's performance in the Las Vegas MSA is adequate. In performing our analysis, we placed greater weight on the bank's home purchase loan performance, as it represented the majority of the bank's reportable lending activity.

Lending Activity

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 lending activity.

WF's overall lending activity in the Las Vegas MSA is adequate. Lending in Nevada was concentrated in the Las Vegas MSA. As of June 30, 2016, WF had \$192.74 million in deposits with a market share of 0.36 percent and ranked fourth in total deposits out of seven banks. WF originated 327 home mortgage loans throughout the evaluation period. Eighty-two percent of bank loans originated were home purchase, with the remainder in home refinance (14.80 percent), home improvement (0.02 percent), and small business (0.12 percent). The bank did not originate any multifamily loans in the rating area.

According to 2015 peer mortgage data, WF ranked 82nd out of 343 lenders originating home purchase loans. WF has a 0.16 percent market share of lending originations. WF's market share of home purchase origination is less than their overall deposit market share of 0.36 percent; however, their 0.31 percent market share of home purchase lending volume is closely comparable with their deposit market share. There is strong competition for home mortgage loans from large national banks, regional business banks, small business banks, and finance companies. WF ranked 130th out of 336 lenders originating home refinance loans. WF has a 0.05 percent market share of home refinance originations and 0.08 percent market share of lending volume. All of the top five lenders ranked ahead of WF for home purchase and home refinance originations have a lower average loan size.

Distribution of Loans by Income Level of the Geography

The geographic distribution of home mortgage loans represents adequate penetration throughout the AA.

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans is adequate.

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 geographic distribution of home purchase loans is adequate. The percentage of loans made in low-income geographies is lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies is lower than the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

The geographic distribution of home mortgage refinance loans is adequate. The percentage of loans made in low-income geographies is lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies is lower than the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed WF's home mortgage lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level of the borrower is adequate.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate. In performing our analysis of home mortgage lending, we considered the level of competition in the AA relative to the bank's limited presence in this market. We also considered the general affordability of housing to low-income borrowers. The relatively high housing costs compared to low-income family income levels somewhat impacts these borrowers' ability to purchase homes in the Las Vegas MSA. Refer to appendix C for additional details.

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 borrower distribution of home purchase mortgage loans is poor. The percentage of loans to both low- and moderate-income borrowers is significantly lower than the percentage of low- and moderate-income families in the AA. The bank's market share of home purchase loans to low- and moderate-income borrowers is lower than the overall market share of home purchase loans in the AA.

The borrower distribution of home mortgage refinance loans is good. The percentage of loans to low-income borrowers is lower than the percentage of low-income families. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeds the overall market share of home mortgage refinance loans. The bank's market share of loans to moderate-income borrowers is lower than the overall market share of home mortgage refinance loans.

Community Development Lending

CD lending had a neutral impact on the Lending Test for the Las Vegas MSA. The bank made no CD loans during the evaluation period in this AA.

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.

Product Innovation and Flexibility

The bank does not have any products we consider innovative or flexible. This had a neutral impact on the bank's lending performance.

Conclusions for Areas Receiving Limited-Scope Reviews

The volume of lending in the Nevada non-MSA was not significant. Therefore, an analysis is not meaningful. Refer to the Tables 1 through 13 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

WF's performance under the investment test in Nevada is rated High Satisfactory, considering performance in all AAs. . Based on a full-scope review, performance in the Las Vegas MSA is excellent. However, based on a limited-scope review, performance in the Nevada non-MSA is weaker than the bank's overall performance in the state of Nevada. Performance in the Nevada non-MSA influenced the statewide rating as this AA comprises 43.84 percent of statewide deposits.

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.

Las Vegas MSA

During the evaluation period, WF made nine investments and donations in the Las Vegas MSA totaling \$5.01 million. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. WF made one investment in the Las Vegas MSA in a prior evaluation period that totaled \$500 thousand and was still outstanding at the end of the current evaluation period. In aggregate, current and prior period investments totaled

\$5.51 million or 18.11 percent of allocated tier 1 capital. This level is considered excellent, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 99.83 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in one LIHTC. In addition, WF met some of the AA's community service needs through eight donations totaling \$9 thousand.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the investment test in the Nevada non-MSA is weaker than the bank's overall performance in the state of Nevada. Although this AA was subject to a limited-scope review, performance impacted the statewide investment rating because deposits in the Nevada non-MSA comprise 43.84 percent of statewide deposits. Similarly, five of the bank's 11 branches in the state of Nevada are located in the Nevada non-MSA.

Refer to the Table 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 Low Satisfactory. Performance in the Las Vegas MSA is adequate.

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

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.

Las Vegas MSA

WF's branch distribution in the AA is poor. Branches are accessible to limited portions of geographies and individuals of different income levels. We focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income geographies that are immediately adjacent to low- and moderate-income geographies or within a one-half mile proximity of low- and moderate-income geographies. The bank has no branches in low-income tracts, where five percent of the AA's population resides. The bank has one branch in a moderate-income tract, where 23 percent of the AA's population resides. One of the bank's middle-income branches are within half-a-mile of a moderate-income tracts. Over 48 percent of the families residing in this middle-income tract are low- or moderate-income.

Branch openings and closings have improved the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank acquired two branches during the evaluation period, including one in a moderate-income tract. The bank closed one upper-income branch and relocated an upper-income branch to another upper-income census tract.

WF's hours and services offered throughout the AA does not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Community Development Services

The bank's record of providing CD services is adequate with adequate responsiveness to meeting identified community needs. The community contacts identified affordable housing and financial counseling assistance as primary needs in the AA. The bank provided 390 hours of financial literacy services, and limited hours of community services and affordable housing services. Financial services primarily involved presented financial literacy classes at Title 1 schools.

Conclusions for Areas Receiving Limited-Scope Reviews

The bank's performance in the Nevada non-MSA is consistent with the bank's overall performance under the service test in Nevada. The bank provided very limited hours of financial literacy services in the Nevada non-MSA.

State Rating

State of New Mexico

CRA Rating for New Mexico:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	Low Satisfactory
The service test is rated:	Low Satisfactory

The major factors that support this rating include:

- The overall lending activity is good.
- The geographic distribution of loans is good.
- The overall distribution of loans by income level of the borrower is adequate.
- The significantly positive impact of CD lending on the lending test enhances overall good lending performance.
- The bank's investment test performance in New Mexico is adequate.
- The bank's retail branch distribution is accessible to limited portions of geographies and individuals of different income levels.

Description of Institution's Operations in New Mexico

WF operates 27 branch offices within the five AAs in the state of New Mexico. The AAs in the state of New Mexico include: Albuquerque MSA, Las Cruces MSA, Santa Fe MSA, Farmington MSA, and New Mexico non-MSA. As of June 30, 2016 WF had \$848.39 million in deposits in New Mexico, which ranks 10th of the 58 deposit-taking institutions. The state of New Mexico accounts for 8.0 percent of total bank deposits. WF offers their full-range of products and services in New Mexico. The bank's focus is on mortgage lending. The five largest deposit taking institutions in the state of New Mexico are: Wells Fargo Bank NA, Bank of America NA, U.S. Bank NA, Bank of the West, and BOKF NA. Total CRA reportable loans in the state of New Mexico total 5.73 percent of total CRA reportable loan originations.

Refer to the market profiles for the state of New Mexico in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in New Mexico

In the state of New Mexico we conducted a full-scope review of the Albuquerque MSA. We conducted a full-scope review of the New Mexico non-MSA based on two time periods; 2013 was assessed separately from 2014-2016 due to OMB geographic changes that affected the AA. We conducted limited-scope reviews in the Farmington MSA, Las Cruces MSA, and the

Santa Fe MSA. The volume of home improvement loans, multifamily loans, and small farm loans throughout the AAs during the evaluation period was not significant. The volume of home mortgage refinance loans in the non-MSA in 2013, the Farmington MSA, and the Santa Fe MSA during the evaluation period was not significant. The volume of small business loans in the Las Cruces MSA during the evaluation period was not significant. Therefore, an analysis of these loans is not meaningful.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW MEXICO

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in New Mexico is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Albuquerque MSA and New Mexico non-MSA is good. In performing our analysis, we placed greater weight on the bank's home purchase loan performance in all AAs, as it represented the majority of the bank's reportable lending activity. Within the non-MSA AA, we placed greater weight on the bank's performance in 2014 through 2016.

Lending Activity

Lending activity in the state of New Mexico is good.

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

Albuquerque MSA

WF's overall lending activity in the Albuquerque MSA is good. As of June 30, 2016, WF had \$140 million in deposits with a market share of 0.96 percent and ranked 10th in total deposits out of 23 banks in the Albuquerque MSA. WF originated 210 home mortgage loans, 54 small business loans, and three small farm loans throughout the evaluation period. The evaluation of lending performance in the Albuquerque MSA emphasized home purchase loans as those represent 56.93 percent of reportable activity. The remainder of bank loans originated were in small business (20.22 percent), home refinance (14.23 percent), multifamily (6.74 percent), small farm (1.12 percent), and home improvement (0.75 percent).

According to 2015 peer mortgage data, WF ranked 58th out of 239 lenders originating home purchase loans. WF has a 0.31 percent market share of lending originations. WF's market share of home purchase origination is less than their overall deposit market share; however, the bank's rank is in the top 24 percent of total lenders. WF is ranked 143rd out of 254 lenders originating home refinance loans with a market share of 0.05 percent.

According to 2015 peer small business data, WF is ranked 33rd out of 82 lenders originating small business loans. WF has a 0.05 percent market share of small business loan originations and is ranked in the top 40 percent of total lenders. The top five lenders are nationwide lenders

with large business credit card portfolios and have a combined market share of 68.29 percent in the Albuquerque MSA. All of the top five lenders ranked ahead of WF for small loans to businesses originations have a lower average loan size. WF has a 0.25 percent small loans to businesses market share by dollar volume with an average loan size of \$176 thousand. WF deposit market share is greater than its market share of small business loans.

New Mexico non-MSA

WF's overall lending activity in the New Mexico non-MSA is adequate. The New Mexico non-MSA has 18 branches across 11 counties encompassing 65 percent of the bank's total deposits in the state. As of June 30, 2016, WF had \$569.87 million in deposits and a deposit market share totaling 7.63 percent, ranking 4th in total deposits out of 34 banks in the New Mexico non-MSA. WF originated 235 home mortgage loans, 102 small business loans, and three small farm loans throughout the evaluation period. The evaluation of lending performance in the New Mexico non-MSA emphasized home purchase loans and small business loans as those represent 38.74 percent and 37.70 percent of reportable activity, respectively. The remainder of bank loans originated were in home refinance (18.59 percent), home improvement (3.92 percent), small farm (0.79 percent), and multifamily (0.26 percent).

According to 2015 peer mortgage data, WF ranked 24th out of 229 lenders originating home purchase loans. WF has a 1.03 percent market share of lending originations. WF's market share of home purchase origination is significantly less than their overall deposit market share; however, the bank's rank is in the top ten percent of total lenders. There is strong competition for home mortgage loans from large national banks, regional business banks, small business banks, and finance companies. WF is ranked 33rd out of 206 lenders originating home refinance loans with a market share of 0.70 percent.

According to 2015 peer small business data, WF is ranked 15th out of 65 lenders originating small business loans. WF has a 0.58 percent market share of small business loan originations. The top five lenders has a combined market share of 64.62 percent. Many of the top lenders in the New Mexico non-MSA are nationwide lenders with large business credit card portfolios. All of the top five lenders ranked ahead of WF for small loans to businesses originations have a lower average loan size. Although WF's deposit market share is significantly greater than their market share of small business loans, WF has a 2.50 percent small loans to businesses market share by dollar volume with an average loan size of \$118 thousand.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is good. The geographic distribution of home mortgage loans is good. The geographic distribution of small business loans is excellent

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is good.

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

Albuquerque MSA

The geographic distribution of home purchase loans is good. The percentage of loans made in low-income geographies significantly exceeds the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is significantly below the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies significantly exceeds the overall market share. The bank's market share of loans in moderate-income geographies is below the overall market share.

The geographic distribution of home mortgage refinance loans is good. The percentage of home mortgage refinance loans to low-income geographies is below the percentage of owner-occupied units in these geographies. The percentage of home mortgage refinance loans to moderate-income geographies is near the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies is below the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

New Mexico non-MSA

The geographic distribution of home purchase loans is good. During 2014 through 2016 the percentage of loans made in low-income geographies exceeds the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. During the same period, the bank's market share of loans in low-income geographies significantly exceeds the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share. During 2013 the bank's performance was weaker than the bank's overall good performance during 2014 through 2016.

The geographic distribution of home mortgage refinance loans is adequate. During 2014 through 2016 the percentage of home mortgage refinance loans made in low-income geographies is lower than the percentage of owner-occupied units in these geographies. The percentage of home mortgage refinance loans made in moderate-income geographies is near the percentage of owner-occupied units in these geographies. During the same period, the bank's market share of loans in low-income geographies is below the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

Small Loans to Businesses

The overall geographic distribution of small loans to businesses is excellent. More weight was placed on performance in the non-MSA AA given greater business lending volumes in comparison to the Albuquerque MSA.

Refer to Table 6 in the state of New Mexico 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.

Albuquerque MSA

The geographic distribution of small loans to businesses is good. The percentage of small loans to businesses made in low-income geographies is lower than the percentage of businesses in those geographies. The percentage of small loans to businesses made in moderate-income geographies significantly exceeds the percentage of businesses in those geographies. The bank's market share in low-income geographies is below its overall market share for small loans to businesses. The bank's market share in moderate-income geographies exceeds the overall market share for small loans to businesses.

New Mexico non-MSA

The geographic distribution of small loans to businesses is excellent. During 2014 through 2016 the percentage of small loans to businesses made in low- and moderate-income geographies significantly exceeds the percentage of businesses in those geographies. The bank's market share in low- and moderate-income geographies is higher than its overall market share for small loans to businesses. During 2013 the bank's performance was not inconsistent with the bank's overall excellent performance during 2014 through 2016.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed WF's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level of the borrower is adequate. The distribution of home mortgage loans to borrowers of different income levels is adequate. The distribution of reported loans to small businesses is adequate.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate. In performing our analysis of home mortgage lending, we considered the general affordability of housing to low-income borrowers in the Albuquerque MSA. The relatively high housing costs compared to low-income family income levels somewhat impacts the ability of these individuals to purchase homes. Refer to appendix C for additional details regarding affordability.

Refer to Tables 8, 9 and 10 in the state of New Mexico 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.

Albuquerque MSA

The borrower distribution of home purchase mortgage loans is poor. The percentage of loans to low-income borrowers is lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers is significantly lower than the percentage of moderate-income families in the AA. The bank's market share of home purchase loans to low- and moderate-income borrowers is below the overall market share of home purchase loans in the AA.

The borrower distribution of home mortgage refinance loans is good. The percentage of loans to low-income borrowers is lower than the percentage of low-income families. The percentage of loans to moderate-income borrowers meets the percentage of moderate-income families. The bank's market share of loans to low- and moderate-income borrowers exceeds the overall market share of home mortgage refinance loans.

New Mexico non-MSA

The borrower distribution of home purchase mortgage loans is adequate. During 2014 through 2016 the percentage of loans to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's market share of home purchase loans to low- income borrowers significantly exceeds the overall market share of home purchase loans in the AA. The bank's market share of home purchase loans to moderate-income borrowers exceeds the overall market share of home purchase loans in the AA. During 2013 the bank's performance was not inconsistent with the bank's overall adequate performance during 2014 through 2016.

The borrower distribution of home mortgage refinance loans is good. The percentage of loans to low-income borrowers is significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families. The bank's market share of loans to low-income borrowers is below the overall market share of home mortgage refinance loans. The bank's market share of loans to moderate-income borrowers significantly exceeds the overall market share of home mortgage refinance loans.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is adequate overall. More weight was placed on performance in the non-MSA given greater business lending volumes in comparison to the Albuquerque MSA.

Refer to Table 11 in the state of New Mexico 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.

Albuquerque MSA

The distribution of the bank's small loans to small businesses is poor. The bank's lending to small businesses (businesses with revenues of \$1 million or less) is significantly below the percentage of small businesses in the AA. The distribution by size of the loans shows that a minority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million is near the market share of lending to small businesses in the AA.

New Mexico non-MSA

The distribution of the bank's small loans to small businesses is adequate. During 2014 through 2016 the bank's lending to small businesses (businesses with revenues of \$1 million or less) is significantly lower than the percentage of small businesses in the AA. The

distribution by size of the loans shows that a majority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million is above the market share of lending to small businesses in the AA. During 2013 the bank's performance was weaker than the bank's overall adequate performance during 2014 through 2016.

Community Development Lending

WF's level of CD lending has a positive impact on the overall evaluation of its lending performance within the New Mexico AAs. We placed greater weight on CD lending in the non-MSA given the larger volume of deposit activity in that AA.

Refer to Table 1 Lending Volume in the state of New Mexico 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.

Albuquerque MSA

The volume of CD lending was excellent, and had a significantly positive impact on the overall lending performance in the Albuquerque MSA. During the evaluation period, the bank originated 13 CD loans totaling \$17.0 million, or 76.9 percent of tier 1 capital allocated to the AA. A majority of the loans were multifamily loans responsive to the critical need of affordable housing for low- and moderate-income individuals.

Examples of the CD loans originated during this evaluation period include:

- Two loans totaling \$2 million that support micro-lending activities and promote economic development through small businesses to individuals with limited means.
- A loan for \$1.1 million to a Community Development Financial Institution (CDFI) to meet the critical needs for an increased supply of early stage financing for affordable housing construction and rehabilitation projects.

New Mexico non-MSA

The volume of CD lending was adequate, and had a neutral impact on the overall lending performance in the New Mexico non-MSA. During the evaluation period, the bank originated three CD loans totaling \$3.8 million, or 4.6 percent of tier 1 capital allocated to the AA. All of the loans were multifamily loans responsive to the need of affordable housing for low- and moderate-income individuals.

Product Innovation and Flexibility

The bank does not have any products we consider innovative or flexible. This had a neutral impact on the bank's lending performance.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Las Cruces MSA and Santa Fe MSA is not inconsistent with the bank's overall high satisfactory performance under the lending test in New Mexico. The bank's performance under the lending test in the Farmington MSA is weaker than the bank's overall high satisfactory performance under the lending test. The weaker performance is due to poor geographic and borrower

distribution of home mortgage loans. The performance in the Farmington MSA had a neutral impact on the overall rating. Refer to the Tables 1 through 13 in the state of New Mexico section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance under the investment test in New Mexico is rated Low Satisfactory, considering performance in all AAs in the state along with the greater statewide area. Based on full-scope reviews, performance in the New Mexico non-MSA is adequate and performance in the Albuquerque MSA is poor. When assigning the statewide rating, we placed greater emphasis on the New Mexico non-MSA because this AA comprises 65.40 percent of AA deposits.

We also considered performance in the limited scope AAs. Performance in the Farmington MSA, the Las Cruces MSA, and the Santa Fe MSA is excellent, and is significant enough to impact the statewide investment rating.

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

Albuquerque MSA

During the evaluation period, WF made 30 donations in the Albuquerque MSA totaling \$55 thousand or 0.25 percent of allocated tier 1 capital. This level is considered poor, given the nearly four-year evaluation period. However, this had a limited impact on the statewide rating as this AA comprises only 17.40 percent of statewide deposits.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 46.52 percent of donations made during this evaluation period were for community services, 33.54 percent were for economic development, and 19.94 percent were for affordable housing.

New Mexico non-MSA

During the evaluation period, WF made 16 investments in the New Mexico non-MSA totaling \$2.62 million or 3.15 percent of allocated tier 1 capital. This level is considered adequate, given the three year evaluation period that is applicable to the majority of AA branches.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 99.63 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in one LIHTC and donating \$8 thousand to an organization that constructs and rehabilitates housing for low- and moderate-income households. In addition, WF met some of the AA's community service needs through 11 additional donations totaling \$10 thousand.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Farmington MSA, the Las Cruces MSA, and the Santa Fe MSA is stronger than the bank's

overall performance in the state of New Mexico, due to the higher level of investments as a percentage of allocated tier 1 capital.

Although these AAs contain a limited number of branches, the level of investments is significant enough to impact the statewide investment rating. In aggregate, WF made 14 investments and donations in the Farmington MSA, the Las Cruces MSA, and the Santa Fe MSA totaling \$12.52 million or 57.27 percent of allocated tier 1 capital. This level is considered excellent, given the nearly four-year evaluation period.

Refer to the Table 14 in the state of New Mexico section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance under the service test in New Mexico is rated Low Satisfactory. Based on the full-scope reviews, the bank's performance in the Albuquerque AA and New Mexico non-MSA is adequate.

Refer to Table 15 in the state of New Mexico 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.

Retail Banking Services

Albuquerque MSA

WF's branch distribution in the AA is poor. Branches are accessible to limited portions of geographies and individuals of different income levels. We focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income geographies that are immediately adjacent to low- and moderate-income geographies or within a one-half mile proximity of low- and moderate-income geographies. The bank has no branches in low-income tracts, where 5 percent of the AA's population resides. The bank has one branch in a moderate-income tract, where 30 percent of the AA's population resides. One of the bank's middle-income branches is within half-a-mile of a moderate-income tract.

Branch openings and closings have adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank closed one moderate-income branch during the evaluation period. The bank did not open any branches in the AA.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

New Mexico non-MSA

WF's branch distribution in the AA is adequate. Branches are accessible to limited portions of geographies and individuals of different income levels. We focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income geographies that are immediately adjacent to low- and moderate-income geographies or within a one-half mile proximity of low- and moderate-income geographies. The bank has no branches in low-income tracts, where 1 percent of the AA's population resides. The bank has one branch in a moderate-income tract, where nearly 25 percent of the AA's population resides. Four of the bank's middle- or upper income branches are within half-a-mile of moderate-income tracts.

Branch openings and closings have improved the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank acquired 11 branches during the evaluation period, including one in a moderate-income tract. The bank closed/consolidated one middle-income branch into an existing branch.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. Refer to the Description of Institution section of this document for detail regarding WF's other alternative delivery systems. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Community Development Services

Albuquerque MSA

WF's record of providing CD services is adequate with an adequate responsiveness to meeting identified community needs. Community contacts identified financial literacy training for teens and adults and micro lending and small business assistance as primary needs in the AA. The bank provided 27 hours of affordable housing services, 49 hours of financial literacy

services and limited hours of community services and small business services. One employee provided financial literacy seminars to several organizations whose primary focus is helping the low- and moderate-income population.

New Mexico non-MSA

WF's record of providing CD services is good. The Community development services demonstrate with an adequate responsiveness to meeting identified community needs. Community contacts identified affordable housing as the primary need in the AA. The bank provided 90 hours of affordable housing services, over 650 hours of financial literacy services, over 20 hours of economic development services, and limited hours of community services. Several employees serve on boards of various affordable housing organizations. Financial services primarily involved financial literacy training to low- and moderate-income individuals through the Save@School programs.

Conclusions for Areas Receiving Limited-Scope Reviews

The bank's performance in the limited-scope areas is consistent with the bank's overall performance under the Service Test in New Mexico. The bank provided eight hours of CD Services in the Farmington MSA, 312 hours in the Las Cruces MSA, and 72 hours in the Santa Fe MSA.

State Rating

State of Oregon

CRA Rating for Oregon²:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	Low Satisfactory
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- The overall lending activity is adequate.
- The geographic distribution of loans is good.
- The overall distribution of loans by income level of the borrower is adequate.
- CD lending had a positive impact on the lending test.
- The bank level of providing CD investments in Oregon is adequate. The CD investments were responsive to community needs in the state of Oregon.
- The bank's performance under the service test is good. Branches are readily accessible to all geographies and individuals of different income levels. CD services were responsive.

Description of Institution's Operations in Oregon

WF operates 42 branch offices within the eight AAs in the state of Oregon. The AAs in the state include: Salem MSA, Corvallis MSA, Eugene MSA, Bend-Redmond MSA, Medford MSA, Albany MSA, Grants Pass MSA, and Oregon non-MSA. As of June 30, 2016 WF had \$1.51 billion in deposits in Oregon, which ranks 9th of the 51 deposit taking institutions. The state of Oregon accounts for 14.23 percent of total bank deposits. WF offers their full-range of products and services in Oregon. The banks focus is on mortgage and small business lending. The five largest deposit taking institutions in the state of Oregon are: U.S. Bank NA, Wells Fargo NA, Bank of America NA, Umpqua Bank, and JPMorgan Chase Bank NA. Total CRA reportable loans in the state of Oregon total 12.38 percent of total CRA reportable loan originations.

Refer to the market profiles for the state of Oregon in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

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

Scope of Evaluation in Oregon

In the state of Oregon we conducted a full-scope review of the Bend-Redmond MSA. We conducted a full-scope review of the Oregon non-MSA based on two time periods; 2013 was assessed separately from 2014-2016 due to OMB geographic changes that affected the AA. We conducted a limited-scope review of the Corvallis MSA, Eugene MSA, Medford MSA, and Salem MSA. We conducted a limited-scope review of the Albany MSA and Grants Pass MSA from 2014-2016 due to OMB changes. The volume of home improvement loans and multifamily loans during the evaluation period was not significant. The volume of home purchase lending in the Grants Pass MSA was not significant. The volume of home mortgage refinance loans was not significant in the Corvallis MSA, Eugene MSA, Medford MSA, Albany MSA, Grants Pass MSA, and the Oregon non-MSA in 2013. The volume of small business loans in the Corvallis MSA, Eugene MSA, Salem MSA, and the Albany MSA was not significant. The volume of small farm loans in the Bend-Redmond MSA, Corvallis MSA, Eugene MSA, Salem MSA, Albany MSA, and the Grants Pass was not significant. Therefore, an analysis of these loans is not meaningful.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN OREGON

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Oregon is rated High Satisfactory. Based on full-scope review, the bank's performance in the Bend MSA and the Oregon non-MSA is good. In performing our analysis, we placed greater weight on the bank's home purchase and small business loan performance, as these loan types represented the majority of the bank's reportable lending activity in Oregon. Additionally, in the Oregon non-MSA we placed greater weight on the bank's performance in 2014 through 2016.

Lending Activity

Overall lending activity in the state of Oregon is adequate.

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

Bend MSA

WF's overall lending activity in the Bend MSA is good. As of June 30, 2016, WF had \$201 million in deposits with a market share of 6.21 percent and ranked 7th in total deposits out of 10 banks. WF originated 308 home mortgage loans, 257 small business loans, and eight small farm loans throughout the evaluation period. The evaluation of lending performance in the Bend MSA emphasized home purchase loans and small business loans as those represent 46.42 percent and 44.85 percent of reportable activity, respectively. The remainder of bank loans originated were in home refinance (4.71 percent), multifamily (2.27 percent), small farm (1.40 percent), and home improvement (0.35 percent).

According to 2015 peer mortgage data, WF ranked 27th out of 216 lenders originating home purchase loans. WF has a 1.15 percent market share of lending originations. WF's market share of home purchase origination is less than their overall deposit market share; however, the bank's rank is in the top 12 percent of total lenders. WF is ranked 64th out of 245 lenders originating home refinance loans with a market share of 0.22 percent.

According to 2015 peer small business data, WF is ranked 13th out of 63 lenders originating small business loans. WF has a 1.26 percent market share of small business loan originations and is ranked in the top 20 percent of total lenders. The top five lenders are nationwide lenders with large business credit card portfolios and have a combined market share of 66.59 percent in the Bend MSA. All of the top five lenders ranked ahead of WF for small loans to businesses originations have a lower average loan size. Although WF deposit market share is greater than their market share of small business loans, WF has an 8.67 percent small loans to businesses market share by dollar volume with an average loan size of \$256 thousand.

Oregon non-MSA

WF's overall lending activity in the Oregon non-MSA is poor. The Oregon non-MSA has 18 branches across 10 counties encompassing 40 percent of the bank's total deposits in the state. As of June 30, 2016, WF had \$600 million in deposits and a deposit market share totaling 12.34 percent, ranking 4th in total deposits out of 14 banks in the Oregon non-MSA. WF originated 270 home mortgage loans, 329 small business loans, and 245 small farm loans throughout the evaluation period. The evaluation of lending performance in the Oregon non-MSA emphasized small business loans and small farm loans as those represent 38.98 percent and 29.02 percent of reportable activity, respectively. The remainder of bank loans originated were in home purchase (23.93 percent), home refinance (6.04 percent), and multifamily (1.42 percent), and home improvement (0.59 percent).

According to 2015 peer small business data, WF is ranked 14th out of 57 lenders originating small business loans. WF has a 1.06 percent market share of small business loan originations. The top five lenders has a combined market share of 65.22 percent. Many of the top lenders in the Oregon non-MSA are nationwide lenders with large business credit card portfolios. All of the top five lenders ranked ahead of WF for small loans to businesses originations have a lower average loan size. Although WF's deposit market share is significantly greater than their market share of small business loans, WF has a 4.55 percent small loans to businesses market share by dollar volume with an average loan size of \$165 thousand. WF is ranked 9th out of 23 lenders originating small farm loans and has a 4.58 percent market share of small farm loan originations. The top five lenders has a combined market share of 65.22 percent. Although WF's deposit market share is significantly greater than their market share of small farm loans, WF has a 1.34 percent market share by dollar volume with an average small farm loan size of \$256 thousand.

According to 2015 peer mortgage data, WF ranked 32nd out of 202 lenders originating home purchase loans with a market share of 0.78 percent market share of lending originations. WF is ranked 65th out of 220 lenders originating home refinance loans with a market share of 0.29 percent.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is good. The geographic distribution of home mortgage loans is poor. The geographic distribution of small business loans is excellent. The geographic distribution of small farm loans is good.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is poor.

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

Bend MSA

The geographic distribution of home purchase loans is poor. The percentage of loans made in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in moderate-income geographies is significantly below the overall market share.

The geographic distribution of home mortgage refinance loans is adequate. The percentage of loans made in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

Oregon non-MSA

The geographic distribution of home purchase loans is very poor. During 2014 through 2016 the percentage of loans made in low-income geographies is lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. During the same period, the bank's market share of loans in low-income geographies is significantly below the overall market share. The bank's market share of loans in moderate-income geographies is below the overall market share. During 2013 the bank's performance was not inconsistent with the bank's overall poor performance during 2014 through 2016.

The geographic distribution of home mortgage refinance loans is good. During 2014 through 2016 the percentage of home mortgage refinance loans made in low-income geographies is lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies exceeds the percentage of owner-occupied units in these geographies. During the same period, the bank's market share of loans in low-income geographies is below the overall market share. The bank's market share of loans in moderate-income geographies significantly exceeds the overall market share.

Small Loans to Businesses

The overall geographic distribution of small loans to businesses is excellent.

Refer to Table 6 in the state of Oregon 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.

Bend MSA

The geographic distribution of small loans to businesses is excellent. The percentage of small loans to businesses made in moderate-income geographies significantly exceeds the percentage of businesses in those geographies. The bank's market share in moderate-income geographies significantly exceeds the overall market share for small loans to businesses.

Oregon non-MSA

The geographic distribution of small loans to businesses is excellent. During 2014 through 2016 the percentage of small loans to businesses made in low- and moderate-income geographies significantly exceeds the percentage of businesses in those geographies. During the same time period, the bank's market share in low- and moderate-income geographies is significantly higher than its overall market share for small loans to businesses. During 2013 the bank's performance was not inconsistent with the bank's overall excellent performance during 2014 through 2016.

Small Loans to Farms

The overall geographic distribution of small loans to farms is good.

Refer to Table 7 in the state of Oregon 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.

Oregon non-MSA

The geographic distribution of small loans to farms is good. During 2014 through 2016 the percentage of small loans to farms made in low-income geographies is lower than the percentage of farms in those geographies. The percentage of small loans to farms made in moderate-income geographies significantly exceeds the percentage of farms in those geographies. During the same time period, the bank's market share in low-income geographies is significantly lower than its overall market share for small loans to farms. The bank's market share in moderate-income geographies is significantly higher than its overall market share for small loans to farms. During 2013 the bank's performance was not inconsistent with the bank's overall good performance during 2014 through 2016.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed WF's home mortgage, small business, and small farm lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Overall, the borrower distribution of the bank's lending is adequate. The borrower distribution of home mortgage loans is adequate. The borrower distribution of reported loans to small businesses is adequate. The borrower distribution of reported loans to small farms is good.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans adequate. In performing our analysis of home mortgage lending, we considered the general affordability of housing to low- and moderate-income borrowers. The relatively high housing costs compared to low- and moderate-income family income levels somewhat impacts the ability of these individuals to purchase homes in the full-scope AAs in the state of Oregon, as further described in appendix C.

Refer to Tables 8, 9 and 10 in the state of Oregon 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.

Bend MSA

The borrower distribution of home purchase mortgage loans is poor. The percentage of loans to low- and moderate-income borrowers is significantly lower than the percentage of low- and moderate-income families in the AA. The bank's market share of home purchase loans to low-income borrowers exceeds the overall market share of home purchase loans in the AA. The bank's market share of home purchase loans to moderate-income borrowers is significantly lower than the overall market share of home purchase loans in the AA.

The borrower distribution of home mortgage refinance loans is adequate. The percentage of loans to low-income borrowers is significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income families. The bank's market share of loans to low-income borrowers is below the overall market share of home mortgage refinance loans. The bank's market share of loans to moderate-income borrowers exceeds the overall market share of home mortgage refinance loans.

Oregon non-MSA

The borrower distribution of home purchase mortgage loans is adequate. During 2014 through 2016 the percentage of loans to low- and moderate-income borrowers is significantly lower than the percentage of low- and moderate-income families in the AA. During the same time period, the bank's market share of home purchase loans to low-income borrowers significantly exceeds the overall market share of home purchase loans in the AA. The bank's market share of home purchase loans to moderate-income borrowers is below the overall market share of home purchase loans in the AA. During 2013 the bank's performance was weaker than the bank's overall adequate performance during 2014 through 2016.

The borrower distribution of home mortgage refinance loans is adequate. The percentage of loans to low-income borrowers is significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers significantly exceeds the percentage

of moderate-income families. The bank's market share of loans to low-income borrowers is below the overall market share of home mortgage refinance loans. The bank's market share of loans to moderate-income borrowers significantly exceeds the overall market share of home mortgage refinance loans.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is adequate.

Refer to Table 11 in the state of Oregon 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.

Bend MSA

The distribution of the bank's small loans to small businesses is poor. The bank's lending to small businesses (businesses with revenues of \$1 million or less) is significantly below the percentage of small businesses in the AA. The distribution by size of the loans shows that a minority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million is lower than the market share of lending to small businesses in the AA.

Oregon non-MSA

The distribution of the bank's small loans to small businesses is good. During 2014 through 2016 the bank's lending to small businesses (businesses with revenues of \$1 million or less) is lower than the percentage of small businesses in the AA. The distribution by size of the loans shows that a majority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million is above the market share of lending to small businesses in the AA. During 2013 the bank's performance was not inconsistent with the bank's overall good performance during 2014 through 2016.

Small Loans to Farms

The overall borrower distribution of small loans to farms is good.

Refer to Table 12 in the state of Oregon 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 businesses.

Oregon non-MSA

The distribution of the bank's small loans to small farms is good. Bank lending 2014 through 2016 to small farms (farms with revenues of \$1 million or less) is near the percentage of small farms in the AA. The distribution by size of the loans shows that 50 percent of the loan originations are for \$100,000 or less. The bank's lending to farms with revenues of \$1 million or less is above the market share of lending to small businesses in the AA. During 2013 the bank's performance was not inconsistent with the bank's overall good performance during 2014 through 2016.

Community Development Lending

WF's level of CD lending had a significantly positive impact on the overall evaluation of its lending performance within the AAs.

Refer to Table 1 Lending Volume in the state of Oregon 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.

Bend MSA

The volume of CD lending was excellent, and had a significantly positive impact on the overall lending performance in the Bend MSA. During the evaluation period, the bank originated nine CD loans totaling \$13.5 million, or 42.6 percent of tier 1 capital allocated to the AA. A majority of the loans were multifamily loans responsive to the critical need of affordable housing for low- and moderate-income individuals.

Examples of the CD loans originated during this evaluation period include:

- A loan for \$2.40 million used for a refunding in full of a city's water revenue bonds. The loan is to a local government which is entirely located in a moderate-income census tract benefiting low- and moderate-income residents and addressing essential community needs including the water sewer line.
- A loan for \$2.10 million for the purchase of a 50 unit low-income senior housing project considered affordable housing.
- A loan for \$1 million to a non-profit working with individuals with developmental disabilities for the purchase multifamily property considered affordable housing.

Oregon non-MSA

The volume of CD lending was excellent, and had a significantly positive impact on the overall lending performance in the Oregon non-MSA. During the evaluation period, the bank originated eight CD loans totaling \$33.2 million, or 35.1 percent of tier 1 capital allocated to the AA. A majority of the loans were multifamily loans responsive to the critical need of affordable housing for low- and moderate-income individuals. One example is a \$14 million loan for capital projects that include assisted living units, health clinic renovation, and medical equipment upgrades to better serve the underserved community.

Product Innovation and Flexibility

The bank does not have any products we consider innovative or flexible. This had a neutral impact on the bank's lending performance.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Eugene MSA, Albany MSA, and the Grants Pass MSA is not inconsistent with the bank's overall high satisfactory performance under the lending test in Oregon. The bank's performance in the Corvallis MSA, Medford MSA, and Salem MSA is weaker than the bank's overall high satisfactory performance under the lending test in Oregon. The weaker performance is generally due to weaker geographic and borrower distribution of home

mortgage purchase loans and CD lending performance that had a neutral impact on lending performance in the AAs

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance under the investment test in Oregon is rated Low Satisfactory, considering performance in all AAs in the state along with the greater statewide area. Based on full-scope reviews, performance in the Oregon non-MSA is adequate and performance in the Bend-Redmond MSA is excellent. When assigning the statewide rating, we placed greater emphasis on the Oregon non-MSA because this AA comprises 39.75 percent of AA deposits. In comparison, the Bend MSA comprises 13.32 percent of statewide deposits.

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

Bend MSA

During the evaluation period, WF made 33 donations in the Bend MSA totaling \$33 thousand or 0.10 percent of allocated tier 1 capital. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA during this evaluation period. WF made three investments in the Bend-Redmond MSA in prior evaluation periods that totaled \$8.50 million and were still outstanding at the end of the current evaluation period. In aggregate, current and prior period investments totaled \$8.53 million or 26.90 percent of allocated tier 1 capital. This level is considered excellent, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 59.11 percent of donations made during this evaluation period were for community services and 40.89 percent were for affordable housing.

Oregon non-MSA

During the evaluation period, WF made 31 investments and donations in the Oregon non-MSA totaling \$2.05 million or 2.16 percent of allocated tier 1 capital. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. WF made two investments in the Oregon non-MSA in prior evaluation periods that totaled \$1.43 million and were still outstanding at the end of the current evaluation period. In aggregate, current and prior period investments totaled \$3.48 million or 3.67 percent of allocated tier 1 capital. This level is considered adequate, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 95.79 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in one LIHTC and donating \$1 thousand to an organization that constructs and rehabilitates housing for low- and moderate-income households. In addition, WF met some of the AA's community service needs through 29 additional donations totaling \$86 thousand.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited scope reviews, the bank's performance under the investment test in the Corvallis MSA is stronger than the bank's overall performance in the state of Oregon, due to the higher level of investments as a percentage of allocated tier 1 capital. Conversely, the bank's performance in the Albany MSA, the Grants Pass MSA, the Eugene MSA, the Medford MSA, and the Salem MSA is weaker than the bank's overall performance in the state of Oregon, due to the lower level of investments as a percentage of allocated tier 1 capital. These items were considered when assigning the overall rating; however, they did not have a significant impact because there are a limited number of branches, deposits, and loans in these AAs.

Refer to Table 14 in the state of Oregon section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance under the service test in Oregon is rated High Satisfactory. Based on the full-scope reviews, the bank's performance in the Bend MSA is excellent and performance in the Oregon non-MSA is adequate.

Refer to Table 15 in the state of Oregon 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.

Retail Banking Services

Bend MSA

WF's branch distribution in the AA is excellent. Branches are readily accessible to all geographies and individuals of different income levels. We focused on branches in low- and moderate-income geographies. The bank has four branches in moderate-income tracts. There are no low-income tracts in the AA. The percentage of branches in moderate-income tracts exceeds the percentage of the population residing in those tracts.

Branch openings and closings have not adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank did not open or close any branches during the evaluation period.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Oregon non-MSA

WF's branch distribution in the AA is adequate. Branches are reasonably accessible to essentially all geographies and individuals of different income levels. The bank has two branches in moderate-income tracts, where approximately 9 percent of the population resides. The percentage of branches in moderate-income tracts exceeds the percentage of the population residing in moderate-income tracts. The bank does not maintain any branches in low-income tracts, where less than 1 percent of the population resides.

Branch openings and closings have generally not adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank closed three branches during the evaluation period, which included one moderate-income branch. The moderate-income branch closure impacts a community that still has four WF branches, including another moderate-income branch. WF opened eight branches during the review period, including one branch in a moderate-income census tract.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance and low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Community Development Services

Bend MSA

The bank's record of providing CD services is poor with adequate responsiveness to meeting community needs. The bank provided more than 50 hours of affordable housing services, over 10 hours of community services, and limited economic development and financial literacy services.

For example, two employees served as finance committee members and served on the Family Selection Committee for Habitat for Humanity.

Oregon non-MSA

The bank's record of providing CD services is adequate with a good responsiveness to meeting identified community needs. Community contacts identified affordable housing and economic development as primary needs in the AA. The bank provided 110 hours of affordable housing services, over 300 hours of community services, close to 100 hours of economic development services, 20 hours of marketing technical assistance, and 295 hours of financial literacy services.

- Employees serve on boards and fundraising committees of various affordable housing organizations.
- Employees provided financial literacy training about obtaining a home mortgage and providing financial literacy classes at Title 1 schools.

Conclusions for Areas Receiving Limited-Scope Reviews

The bank's performance in the limited-scope areas is consistent with the bank's overall performance under the Service Test in the Oregon rating area. CD services consisted primarily of community services and financial literacy to low- and moderate-income students. The bank provided nine hours of CD services in the Albany AA, 66 hours in the Corvallis AA, 12 hours in the Eugene AA, 160 hours in the Grants Pass AA, 285 hours in the Medford AA, and 89 hours in the Salem AA.

State Rating

State of Texas

CRA Rating for Texas:	Satisfactory
The lending test is rated:	Low Satisfactory
The investment test is rated:	Outstanding
The service test is rated:	Needs to Improve

The major factors that support this rating include:

- The overall lending activity is adequate.
- The geographic distribution of loans is adequate.
- The overall distribution of loans by income level of the borrower is adequate.
- CD lending had a positive impact on the lending test. CD loans were responsive to community needs.
- The bank's investment test performance in Texas exhibits an excellent level of CD investments. Investments in Texas are responsive to identified community needs.
- The bank retail branch services are accessible to a limited portion of the bank's AAs.

Description of Institution's Operations in Texas

WF operates five branch offices in Texas all located in the Dallas MD. As of June 30, 2016 WF had \$92.98 million or 0.88 percent of total bank deposits. This ranks 383rd of the 541 deposit taking institutions in the state. Competition for banking services in this AA is strong. WF offers their full-range of products and services in Texas. The banks focus is on mortgage lending. The top five banks in terms of deposits are: JP Morgan Chase Bank NA, Bank of America NA, Wells Fargo Bank NA, USAA Federal Savings Bank, and Compass Bank. Total CRA reportable loans within the state total 1.90 percent of total CRA reportable loan originations.

Refer to the market profiles for the state of Texas in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Texas

We conducted a full-scope analysis on the Dallas MD for this review. The Dallas MD is the only AA in the state, thus we will rely on the Dallas MD performance to arrive at our state of Texas ratings. Because of OMB geographic adjustments that impacted the AA, we analyzed 2013 performance separately from 2014 through 2016. The volume of home improvement loans, multifamily loans, small business loans, and small farm loans made by the bank during the evaluation period was not significant. In addition, the volume of home mortgage refinance loans during 2013 was not significant. Therefore, an analysis of these loans is not meaningful.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Texas is rated Low Satisfactory. Based on full-scope review, the bank's performance in the Dallas MD is adequate. In performing our analysis, we placed greater weight on the bank's home purchase loan performance, as it represented the majority of the bank's reportable lending activity. Additionally, we placed greater weight on the bank's performance in 2014 through 2016.

Lending Activity

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

Dallas MD

WF's overall lending activity in the Dallas MD is adequate. As of June 30, 2016, WF had \$201 million in deposits with a market share of 0.04 percent and ranked 101th in total deposits out of 158 banks. WF originated 313 home mortgage loans and eight small business loans throughout the evaluation period. The evaluation of lending performance in the Dallas MD emphasized home purchase loans as those represent 88.18 percent of reportable activity. The remainder of bank loans originated were in home refinance (9.97 percent), small business (2.49 percent), multifamily (2.18 percent), and home improvement (2.18 percent).

According to 2015 peer mortgage data, WF ranked 205th out of 754 lenders originating home purchase loans. WF has a 0.04 percent market share of lending originations. WF's market share of home purchase origination is equal to their overall deposit market share and is ranked in the top 27 percent of total lenders. WF is ranked 298th out of 638 lenders originating home refinance loans with a market share of 0.01 percent.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of loans is adequate throughout the AA.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is adequate.

Refer to Tables 2, 3, 4, and 5 in the state of Texas 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 geographic distribution of home purchase loans is poor. During 2014 through 2016 the percentage of loans made in low- and moderate-income geographies is significantly lower than

the percentage of owner-occupied units in these geographies. During the same period, the bank's market share of loans in low-income geographies exceeds the overall market share. The bank's market share of loans in moderate-income geographies is below the overall market share. During 2013 the bank's performance was not inconsistent with the bank's overall adequate performance during 2014 through 2016.

The geographic distribution of home mortgage refinance loans is very poor. During 2014 through 2016 the percentage of home mortgage refinance loans to low- and moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. During the same period, the bank's market share of loans in low- and moderate-income geographies is near the overall market share.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed WF's home mortgage lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level of the borrower is adequate.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate. In performing our analysis of home mortgage lending, we considered the general affordability of housing to low- and moderate-income borrowers. The relatively high housing costs compared to low- and moderate-income family income levels somewhat impacts these borrowers' ability to purchase homes in the Dallas MD, as further described in appendix C.

Refer to Tables 8, 9 and 10 in the state of Texas 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 borrower distribution of home purchase loans is adequate. During 2014 through 2016 the percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans made to moderate-income borrowers was lower than the percentage of moderate-income families. The bank's market share of home purchase loans to low-income borrowers exceeds the overall market share of home purchase loans in the AA. The bank's market share of home purchase loans to moderate-income borrowers was near the overall market share of home purchase loans in the AA. During 2013 the bank's performance was weaker than the bank's overall adequate performance during 2014 through 2016.

The borrower distribution of home mortgage refinance loans is poor. During 2014 through 2016 the percentage of loans to low- and moderate-income borrowers was significantly below the percentage of low-income families. The bank's market share of loans to both low-income and

moderate-income borrowers was near the overall market share of home mortgage refinance loans.

Community Development Lending

WF's level of CD lending has a positive impact on the overall evaluation of its lending performance within the AA.

Refer to Table 1 Lending Volume in the state of Texas 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.

The volume of CD lending was good, and had a positive impact on the overall lending performance in the Dallas MD. During the evaluation period, the bank originated two CD loans totaling \$1.08 million, or 7.4 percent of tier 1 capital allocated to the AA. In addition, the bank originated six CD loans totaling \$14 million outside its AA. These loans were multifamily loans responsive to the critical need of affordable housing for low- and moderate-income individuals.

Product Innovation and Flexibility

The bank does not have any products we consider innovative or flexible. This had a neutral impact on the bank's lending performance.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance under the investment test in Texas is rated Outstanding. Based on a full-scope review, performance in the Dallas MD is excellent. There are no other AAs in this state, and the bank reported no statewide investments.

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

Dallas MD

During the evaluation period, WF made ten investments and donations in the Dallas MD totaling \$2.01 million or 13.69 percent of allocated tier 1 capital. This level is considered excellent, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 99.60 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in one LIHTC and donating \$1 thousand to an organization that constructs and rehabilitates housing for low- and moderate-income households. In addition, WF met some of the AA's community service needs through eight additional donations totaling \$8 thousand.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance under the service test in Texas is rated Needs to Improve. Based on the full-scope reviews, the bank's performance in the Dallas MD is poor.

Retail Banking Services

Refer to Table 15 in the state of Texas 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.

WF's branch distribution in the AA is poor. Branches are accessible to limited portions of geographies and individuals of different income levels. We focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income geographies that are immediately adjacent to low- and moderate-income geographies or within a one-half mile proximity of low- and moderate-income geographies. The bank has no branches in low- or moderate-income tracts, where 36 percent of the AA's population resides. One of the bank's middle-income branches is within half-a-mile of a moderate-income tract.

Branch openings and closings have generally not adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank opened two branches in middle-income tracts and closed a middle-income branch.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Community Development Services

Dallas MD

The bank's record of providing CD services is good with a good responsiveness to meeting identified community needs. The community contact identified post-purchase housing assistance and small business and micro loan funding as primary needs in the AA. The bank provided 60 hours of affordable housing services, 80 hours of community services, and 67 hours of financial literacy services.

For example, four bank employees provide CD services to a local Habitat for Humanity office, which provides affordable housing to low- and moderate-income individuals. The employees provide financial expertise serving on the underwriting and selection committee. They also provide budget counseling sessions.

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

State Rating

State of Utah

CRA Rating for Utah:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	Outstanding
The service test is rated:	Low Satisfactory

The major factors that support this rating include:

- The overall lending activity is good.
- The geographic distribution of loans is excellent.
- The overall distribution of loans by income level of the borrower is adequate.
- CD loans had a positive impact on the lending test.
- The bank's CD investments represent an excellent level in the state of Utah. CD investments were responsive to identified community needs.
- The bank's retail branch system is reasonably accessible to essentially all portions of the institutions assessment area. The bank provides an adequate level of CD services.

Description of Institution's Operations in Utah

WF operates 10 branch offices within the four AAs in the state of Utah. The AAs in the state include: Salt Lake City MSA, Ogden-Clearfield MSA, Logan MSA, and Utah non-MSA. As of June 30, 2016 WF had \$286.79 million or 2.70 percent of total bank deposits in the state of Utah. This ranks 33rd of the 57 deposit taking institutions in the state. WF offers their full-range of products and services in Utah. The banks focus is on mortgage lending. The top five banks within the state in terms of deposits are: Morgan Stanley Bank NA, Goldman Sachs Bank USA, Ally Bank, UBS Bank USA, and Synchrony Bank. Total CRA reportable loans within the state total 6.56 percent of total CRA reportable loan originations.

Refer to the community profiles for the state of Utah in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Utah

In the state of Utah we conducted a full-scope review of the Salt Lake City MSA. We conducted a limited-scope review of the Logan MSA. We conducted a limited-scope review of the Ogden MSA and the Utah non-MSA in 2013 and also from 2014-2016 due to OMB changes that impacted the AAs. The volume of home improvement loans and small business loans during the evaluation period was not significant. The volume of lending in the Utah non-

MSA during 2013 was not significant. The volume of multifamily loans was not significant in the limited scope areas. The volume of home mortgage refinance loans in the Logan MSA, Ogden MSA in 2013, and the Utah non-MSA was not significant. Therefore, an analysis of these loans is not meaningful. The bank did not originate any small farm loans during the evaluation period.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN UTAH

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Utah is rated High Satisfactory. Based on full-scope review, the bank's performance in the Salt Lake City MSA is good. In performing our analysis, we placed greater weight on the bank's home purchase loan performance, as it represented the majority of the bank's reportable lending activity. Additionally, in the limited scope reviews we placed greater weight on the bank's performance in 2014 through 2016.

Lending Activity

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

Salt Lake City MSA

WF's overall lending activity in the Salt Lake City MSA is good. As of June 30, 2016, WF had \$201 million in deposits with a market share of 0.04 percent and ranked 26th in total deposits out of 41 banks. WF originated 628 home mortgage loans and nine small business loans throughout the evaluation period. The evaluation of lending performance in the Salt Lake City MSA emphasized home purchase loans as those represent 74.73 percent of reportable activity. The remainder of bank loans originated were in home refinance (17.74 percent), multifamily (3.45 percent), home improvement (2.67 percent), and small business (1.41 percent).

According to 2015 peer mortgage data, WF ranked in the top 18 percent of lenders, 49th out of 272 lenders, originating home purchase loans. WF's market share of 0.37 percent of home purchase originations is greater than their overall deposit market share. WF is ranked 85th out of 277 lenders originating home refinance loans with a market share of 0.16 percent. The bank is ranked 8th out of 25 lenders with a market share of 4.44 percent for multifamily loan originations.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of loans by income level of the geography is excellent.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is excellent.

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

Salt Lake City MSA

The geographic distribution of home purchase loans is excellent. The percentage of loans made in low- and moderate-income geographies significantly exceeds the percentage of owner-occupied units in these geographies. The bank's market share of loans in low- and moderate-income geographies significantly exceeds the overall market share.

The geographic distribution of home mortgage refinance loans is excellent. The percentage of loans made in low-income geographies is near the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies exceeds the percentage of owner-occupied units in these geographies. The bank's market share of loans in low- and moderate-income geographies exceeds the overall market share.

The geographic distribution of multifamily loans is good. The percentage of loans made in low-income geographies significantly exceeds the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies is significantly lower than the overall market share. The bank's market share of loans in moderate-income geographies exceeds the overall market share.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed WF's home mortgage lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Overall, the borrower distribution of the bank's lending is adequate.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate. In performing our analysis of home mortgage lending, we considered the general affordability of housing to low- and moderate-income borrowers in the Salt Lake City MSA. The relatively high housing costs compared to low- and moderate-income family income levels somewhat impacts the ability of these individuals to purchase homes. Refer to appendix C for additional details regarding affordability.

Refer to Tables 8, 9 and 10 in the state of Utah 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.

Salt Lake City MSA

The borrower distribution of home purchase mortgage loans is adequate. The percentage of loans to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's market share of home purchase loans to low- and moderate-income borrowers is lower than the overall market share of home purchase loans in the AA.

The borrower distribution of home mortgage refinance loans is adequate. The percentage of loans to low-income borrowers is significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's market share of loans to low- and moderate-income borrowers is below the overall market share of home mortgage refinance loans.

Community Development Lending

WF's level of CD lending has a positive impact on the overall evaluation of its lending performance within the AA.

Refer to Table 1 Lending Volume in the state of Utah 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 volume of CD lending was good, and had a positive impact on the overall lending performance in the Salt Lake City MSA. During the evaluation period, the bank originated seven CD loans totaling \$1.6 million, or 5.0 percent of tier 1 capital allocated to the AA. A substantial majority of the loans were multifamily loans responsive to the critical need of affordable housing for low- and moderate-income individuals. One example is a loan for \$74 thousand towards a mixed-use project of 102 rental apartments over commercial property for low- and moderate-income individuals via a loan consortium.

Product Innovation and Flexibility

During the evaluation period the bank partnered with the non-profit NeighborWorks in Salt Lake City, Utah to assist low- and moderate-income households obtain homeownership through the 80/20 loan program. Potential homebuyers are provided with homebuyer education courses, budgeting, and credit counseling by the bank. Upon completion of the courses, the potential homebuyers apply for a conventional loan of 80 percent of the purchase price, while simultaneously applying for a 20 percent second mortgage with NeighborWorks SLC. The bank has provided housing to five low- and moderate-income homebuyers through the program with a total dollar amount of \$521,400.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Logan MSA and Ogden MSA is not inconsistent with the bank's overall high satisfactory performance under the lending test in Utah. The bank's performance in the Utah non-MSA is weaker than the bank's overall high satisfactory performance under the lending test in Utah. The weaker performance is due to weaker geographic and borrower distribution of home mortgage loans. Refer to the Tables 1 through 13 in the state of Utah section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance under the investment test in Utah is rated Outstanding, considering performance in all AAs in the state along with the greater statewide area. Based on a full-scope review, performance in the Salt Lake City MSA is excellent.

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

Salt Lake City MSA

During the evaluation period, WF made 13 donations in the Salt Lake City MSA totaling \$25 thousand. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. WF made one investment in the Salt Lake City MSA in a prior evaluation period that totaled \$3.59 million and was still outstanding at the end of the current evaluation period. In aggregate, current and prior period investments totaled \$3.62 million or 11.39 percent of allocated tier 1 capital. This level is considered excellent, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 48.48 percent of donations made during this evaluation period were for economic development, 42.42 percent were for affordable housing, and 9.09 percent were for community services.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Ogden-Clearfield MSA is stronger than its overall performance in the state of Utah, due to the higher level of investments as a percentage of allocated tier 1 capital. Conversely, the bank's performance in the Logan MSA and the Utah non-MSA is weaker than its overall performance in the state of Utah, due to the lower level of investments as a percentage of allocated tier 1 capital. These items were considered when assigning the overall rating; however, they did not have a significant impact because there are a limited number of branches in these AAs.

Refer to the Table 14 in the state of Utah 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 Utah is rated Low Satisfactory. Based on the full-scope review, performance is adequate.

Retail Banking Services

Refer to Table 15 in the state of Utah 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.

WF's branch distribution in the AA is adequate. Branches are accessible to limited geographies and individuals of different income levels. We focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income geographies that are immediately adjacent to low- and moderate-income geographies or within a one-half mile proximity of low- and moderate-income geographies. The bank has no branches in low-income tracts, where 4 percent of the AA's population resides. The bank has one branch in moderate-income tracts, where nearly 18 percent of the population resides. The percentage of branches in moderate-income tracts is near to the percentage of the population residing in those tracts. The bank maintains one upper-income branch that is within half-a-mile of a moderate-income tract.

Branch openings and closings have improved the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank relocated a branch to a moderate-income tract, thereby increasing accessibility in low- and moderate-income geographies. The bank did not open or close any other branches during the evaluation period.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Community Development Services

Salt Lake City MSA

The bank's record of providing CD services is good with good responsiveness to meeting identified community needs. Community contacts identified affordable housing and small business and transit oriented development as primary needs in the AA. The bank provided over 120 hours of affordable housing services, over 90 hours of small business services, 85 hours of economic development services, and over 820 hours of financial literacy services.

Employees provided CD services through board and committee memberships to organizations in the AA that provide affordable housing and small business services. Some specific examples are:

- Two employees serve at a non-profit organization that provides affordable housing to low- and moderate-income individuals.
- An employee works as a board member and a loan committee member for a CDFI whose mission is to provide funding and management assistance to Utah's small businesses and provide loans to low- and moderate-income business owners.

Conclusions for Areas Receiving Limited-Scope Reviews

The bank's performance in the limited-scope areas is consistent with the bank's overall performance under the service test in Utah. The bank provided 15 hours of CD services in the Logan MSA, 64 hours in the Ogden MSA, and 32 hours in the Utah non-MSA.

State Rating

State of Washington

CRA Rating for Washington³:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- The overall lending activity is good.
- The geographic distribution of loans is good.
- The overall distribution of loans by income level of the borrower is adequate.
- The positive impact of CD lending on the lending test enhances overall good lending performance. CD lending was responsive.
- The bank had a good level of CD investments in the state of Washington. CD investments were responsive to identified community needs.
- The bank's retail branches are readily accessible to all geographies and individuals of different income levels.

Description of Institution's Operations in Washington

WF operates 81 branch offices within the 12 AAs in the state of Washington. The AAs in the state include: Seattle MD, Bremerton MSA, Tacoma MD, Olympia MSA, Bellingham MSA, Mount Vernon MSA, Yakima MSA, Spokane MSA, Walla Walla MSA, Wenatchee MSA, Lewiston MSA (Asotin County), and Washington non-MSA. As of June 30, 2016 WF had \$5.22 billion or 49.27 percent of total bank deposits in the state of Washington. This ranks sixth of the 87 deposit taking institutions in the state. WF offers its full range of products in the state of Washington. The banks focus is mortgage and small business lending. The top five banks within the state in terms of deposits are: Bank of America NA, Wells Fargo Bank NA, JPMorgan Chase Bank NA, U.S. Bank NA, and KeyBank NA. Total CRA reportable loans within the state total 48.63 percent of total CRA reportable loan originations.

Refer to the community profiles for the state of Washington in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

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

Scope of Evaluation in Washington

In the state of Washington we conducted a full-scope review of the Seattle MD. We also completed a full-scope review of the Washington non-MSA, with analysis in 2013 separate from 2014 through 2016 due to OMB geographic changes that impacted that AA. We conducted a limited-scope review of: Bellingham MSA, Bremerton-Silverdale MSA, Mount Vernon-Anacortes MSA, Olympia-Tumwater MSA, Spokane-Spokane Valley MSA, Tacoma-Lakewood MD, Walla Walla MSA, Wenatchee MSA, Yakima MSA, and Lewiston ID-WA MSA during 2014 through 2016.

However, the volume of lending in the Walla-Walla MSA and the Lewiston MSA was not significant during the evaluation period. The volume of small farm loans during the evaluation period was not significant. The volume of home improvement loans was not significant except in the Seattle MSA. The volume of home mortgage refinance loans in the Olympia MSA, Wenatchee MSA, and Yakima MSA was not significant. The volume of multifamily loans was not significant except in the Seattle MD and the Bellingham MSA. The volume of small business loans was not significant except in the Seattle MD, Washington non-MSA in 2014-2016, Bellingham MSA, Mt. Vernon MSA, and Tacoma MD. Therefore, an analysis of these loans is not meaningful.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WASHINGTON

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Washington is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Seattle MD is good and in the Washington non-MSA is adequate. In performing our analysis, we placed greater weight on the bank's home purchase loan performance, as it represented the majority of the bank's reportable lending activity. Additionally, in the Washington non-MSA we placed greater weight on the bank's performance in 2014 through 2016.

Lending Activity

Overall lending activity in the state of Washington is good

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

Seattle MD

WF's overall lending activity in the Seattle MD is good. As of June 30, 2016, WF had \$3.43 billion in deposits with a market share of 3.94 percent and ranked 6th in total deposits out of 49 banks in the Seattle MD. WF originated 3,918 home mortgage loans and 413 small business

loans throughout the evaluation period. The evaluation of lending performance in the Seattle MD emphasized home purchase loans as those represent 69.18 percent of reportable activity. The remainder of bank loans originated were in home refinance (16.35 percent), small business (9.54 percent), home improvement (3.88 percent), and multifamily (1.06 percent). There is strong competition for home mortgage and small business loans from large national banks, regional business banks, small business banks, and finance companies.

According to 2015 peer mortgage data, WF ranked in the top 4 percent of lenders, 15th out of 432 lenders, originating home purchase loans in the Seattle MD. Albeit, WF's market share of 1.43 percent of home purchase originations is less than their overall deposit market share. WF is ranked 24th out of 191 lenders originating home improvement loans with a market share of 0.78 percent. The bank is ranked 66th out of 451 lenders with a market share of 0.28 percent and 14th out of 72 lenders with a market share of 1.81 percent market share for home refinance and multifamily loan originations, respectively.

According to 2015 peer small business data, WF is ranked 27th out of 112 lenders originating small business loans. WF has a 0.16 percent market share of originations. The top five lenders has a combined market share of 74.69 percent. Many of the top lenders in the Seattle MD are nationwide lenders with large business credit card portfolios. All of the top five lenders ranked ahead of WF for small loans to businesses originations have a lower average loan size. Although WF deposit market share is significantly greater than their market share of small business loans, WF has a 1.48 percent small loans to businesses market share by dollar volume with an average loan size of \$337 thousand.

Washington non-MSA

WF's overall lending activity in the Washington non-MSA is good. The Washington non-MSA has 12 branches across 13 counties encompassing 9.35 percent of the bank's total deposits in the state. As of June 30, 2016, WF had \$489 million in deposits with a market share of 5.72 percent and ranked seventh in total deposits out of 35 banks. WF originated 841 home mortgage loans, 63 small business loans, and 15 small farm loans throughout the evaluation period. The evaluation of lending performance in the Washington non-MSA emphasized home purchase loans as those represent 91.51 percent of reportable activity. The remainder of bank loans originated were in home refinance (17.19 percent), small business (6.20 percent), home improvement (2.06 percent), small farm (1.63 percent), and multifamily (0.76 percent).

According to 2015 peer mortgage data, WF ranked 14th out of 305 lenders originating home purchase loans. WF has a 1.66 percent market share of lending originations. WF's market share of home purchase origination is less than their overall deposit market share; however, the bank's rank is in the top five percent of total lenders. WF is ranked 50th out of 308 lenders originating home refinance loans with a market share of 0.48 percent.

According to 2015 peer small business data, WF is ranked 31st out of 69 lenders originating small business loans. WF has a 0.15 percent market share of small business loan originations. The top five lenders are nationwide lenders with large business credit card portfolios and have a combined market share of 67.34 percent in the Washington non-MSA. All of the top five lenders ranked ahead of WF for small loans to businesses originations have a lower average loan size. Although WF deposit market share is greater than their market share of small

business loans, WF has a 0.35 percent small loans to businesses market share by dollar volume with an average loan size of \$81 thousand.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is good. The geographic distribution of home mortgage loans is good and the geographic distribution of small business loans is adequate.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans is good.

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

Seattle MD

The geographic distribution of home purchase loans is good. The percentage of loans made in low-income geographies is near the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies exceeds the overall market share. The bank's market share of loans in moderate-income geographies is significantly below the overall market share.

The geographic distribution of home improvement loans is adequate. The percentage of loans made in low-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies is below the overall market share. The bank's market share of loans in moderate-income geographies meets the overall market share.

The geographic distribution of home mortgage refinance loans is adequate. The percentage of loans made in low-income geographies is lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low- and moderate-income geographies is below the overall market share.

The geographic distribution of multifamily loans is good. The percentage of loans made in low-income geographies significantly exceeds the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. The bank's market share of loans in low-income geographies significantly exceeds the overall market share. The bank's market share of loans in moderate-income geographies is significantly lower than the overall market share.

Washington non-MSA

The geographic distribution of home purchase loans is poor. During 2014 through 2016 the percentage of loans made in low-income geographies is lower than the percentage of owner-occupied units in these geographies. The percentage of loans made in moderate-income geographies is significantly lower than the percentage of owner-occupied units in these geographies. During the same period, the bank's market share of loans in low-income geographies is significantly below the overall market share. The bank's market share of loans in moderate-income geographies is below the overall market share. During 2013 the bank's performance was not inconsistent with the bank's overall poor performance during 2014 through 2016.

The geographic distribution of home mortgage refinance loans is adequate. During 2014 through 2016 the percentage of home mortgage refinance loans made in low- and moderate-income geographies is lower than the percentage of owner-occupied units in these geographies. During the same period, the bank's market share of loans in low-income geographies is below the overall market share. The bank's market share of loans in moderate-income geographies is near the overall market share. During 2013 the bank's performance was stronger than the bank's overall adequate performance during 2014 through 2016.

Small Loans to Businesses

The overall geographic distribution of small loans to businesses is adequate.

Refer to Table 6 in the state of Washington 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.

Seattle MD

The geographic distribution of small loans to businesses is adequate. The percentage of small loans to businesses made in low-income geographies is significantly lower than the percentage of businesses in those geographies. The percentage of small loans to businesses made in moderate-income geographies is lower than the percentage of businesses in those geographies. The bank's market share in low-income geographies is significantly below its overall market share for small loans to businesses. The bank's market share in moderate-income geographies exceeds the overall market share for small loans to businesses.

Washington non-MSA

The geographic distribution of small loans to businesses is excellent. During 2014 through 2016 the percentage of small loans to businesses made in low- and moderate-income geographies significantly exceeds the percentage of businesses in those geographies. The bank's market share in low-income geographies is near its overall market share for small loans to businesses. The bank's market share in moderate-income geographies exceeds the overall market share for small loans to businesses.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed WF's home mortgage and small

business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Overall, the borrower distribution of the bank's lending is adequate. The distribution of home mortgage loans to borrowers of different income levels is adequate. The distribution of reported loans to small businesses is poor.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate. In performing our analysis of home mortgage lending, we considered the general affordability of housing to low- and moderate-income borrowers. The relatively high housing costs compared to low- and moderate-income family income levels somewhat impacts the ability of these individuals to purchase homes in the full-scope AAs in the state of Washington, as further described in appendix C.

Refer to Tables 8, 9 and 10 in the state of Washington 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.

Seattle MD

The borrower distribution of home purchase mortgage loans is adequate. The percentage of loans to low-income borrowers is significantly lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's market share of home purchase loans to low-income borrowers significantly exceeds the overall market share of home purchase loans in the AA. The bank's market share of home purchase loans to moderate-income borrowers is near the overall market share of home purchase loans in the AA.

The borrower distribution of home improvement loans is very poor. The percentage of loans to low- and moderate-income borrowers is significantly lower than the percentage of low- and moderate-income families in the AA. The bank's market share of home purchase loans to low- and moderate-income borrowers is significantly lower than the overall market share of home improvement loans in the AA.

The borrower distribution of home mortgage refinance loans is adequate. The percentage of loans to low- and moderate-income borrowers is significantly lower than the percentage of low- and moderate-income families. The bank's market share of loans to low-income borrowers exceeds the overall market share of home mortgage refinance loans. The bank's market share of loans to moderate-income borrowers is below the overall market share of home mortgage refinance loans.

Washington non-MSA

The borrower distribution of home purchase mortgage loans is adequate. During 2014 through 2016 the percentage of loans to low- and moderate-income borrowers is significantly lower

than the percentage of low- and moderate-income families in the AA. The bank's market share of home purchase loans to low-income borrowers exceeds the overall market share of home purchase loans in the AA. The bank's market share of home purchase loans to moderate-income borrowers is significantly below the overall market share of home purchase loans in the AA. During 2013 the bank's performance was not inconsistent with the bank's overall adequate performance during 2014 through 2016.

The borrower distribution of home mortgage refinance loans is adequate. The percentage of loans to low-income borrowers is significantly lower than the percentage of low-income families. The percentage of loans to moderate-income borrowers is lower than the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeds the overall market share of home mortgage refinance loans. The bank's market share of loans to moderate-income borrowers is below the overall market share of home mortgage refinance loans. During 2013 the bank's performance was weaker than the bank's overall adequate performance during 2014 through 2016.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is poor. We placed significantly more weight on performance in the Seattle MD, given the larger volume of lending when compared to the Washington non-MSA AA.

Refer to Table 11 in the state of Washington 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.

Seattle MD

The distribution of the bank's small loans to small businesses is poor. The bank's lending to small businesses (businesses with revenues of \$1 million or less) is significantly below the percentage of small businesses in the AA. The distribution by size of the loans shows that a minority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million is below the market share of lending to small businesses in the AA.

Washington non-MSA

The distribution of the bank's small loans to small businesses is good. During 2014 through 2016 the bank's lending to small businesses (businesses with revenues of \$1 million or less) is near the percentage of small businesses in the AA. The distribution by size of the loans shows that a majority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million is above the market share of lending to small businesses in the AA.

Community Development Lending

WF's level of CD lending has a positive impact on the overall evaluation of its lending performance within the AAs.

Refer to Table 1 Lending Volume in the state of Washington 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.

Seattle MD

The volume of CD lending was good, and had a positive impact on the overall lending performance in the Seattle MSA. During the evaluation period, the bank originated 24 CD loans totaling \$45.0 million, or 8.30 percent of tier 1 capital allocated to the AA. A substantial majority of the loans were multifamily loans responsive to the affordable housing needs for low- and moderate-income families in the AA.

Examples of the CD loans originated during this evaluation period include:

- A construction loan for \$2.90 million in conjunction with a SBA 504 loan to develop office space that will support small business growth, job creation, and job retention for economic stability.
- A construction loan for \$3.10 million for an apartment project with retail space in a moderate-income CT. This project is approved as part of a property tax exemption program that requires units be set aside for moderate-income individuals.
- A loan for \$2 million to a Community Development Financial Institution towards revitalization and stabilization of low- and moderate-income geographies and small businesses.

Washington non-MSA

The volume of CD lending was adequate, and had a neutral impact on the overall lending performance in the Washington non-MSA. During the evaluation period, the bank originated one CD loan for \$1.40 million, or 1.80 percent of tier 1 capital allocated to the AA. The loan provided fire protection services in an underserved and distressed census tract.

Product Innovation and Flexibility

The bank does not have any products we consider innovative or flexible. This had a neutral impact on the bank's lending performance.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Bellingham MSA, Olympia MSA, Spokane MSA, and Yakima MSA is not inconsistent with the bank's overall high satisfactory performance in the state. In the Bremerton MSA, Mount Vernon-Anacortes MSA, Tacoma MD, and Wenatchee MSA performance is weaker than the bank's overall performance in the state. The weaker performance is due to poor geographic and borrower distribution of home mortgage loans. The performance in the limited-scope areas had a neutral impact on the overall rating.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance under the investment test in Washington is rated High Satisfactory, considering performance in all AAs in the state along with the greater statewide area. Based on full-scope reviews, performance in the Seattle MD is good and performance in the Washington non-MSA is excellent. When assigning the statewide rating, we placed greater emphasis on the Seattle MD because this AA comprises 66.66 percent of statewide deposits and 32.50 percent of bank deposits. In comparison, the Washington non-MSA comprises 9.49 percent of statewide deposits and 4.63 percent of bank deposits.

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

Seattle MD

During the evaluation period, WF made 145 investments and donations in the Seattle MD totaling \$7.60 million. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. WF made five investments in the Seattle MD in prior evaluation periods that totaled \$19.20 million and were still outstanding at the end of the current evaluation period. In aggregate, current and prior period investments totaled \$26.80 million or 4.95 percent of allocated tier 1 capital. This level is considered good, given the nearly four-year evaluation period.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 94.96 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in two LIHTCs and donating \$77 thousand to several organizations that construct and/or rehabilitate housing for low- and moderate-income households. In addition, WF met some of the AA's community service and economic development needs by depositing funds into a minority-owned deposit institution and through 105 additional donations totaling \$283 thousand.

One investment of note is a \$4.94 million investment in a LIHTC that funded the construction of an affordable housing project targeted to homeless individuals and victims of domestic abuse.

Washington non-MSA

During the evaluation period, WF made 15 investments in the Washington non-MSA totaling \$7.02 million. We also considered the ongoing impact that investments made prior to the current evaluation period had within the AA. WF made one investment in the Washington non-MSA in a prior evaluation period that totaled \$150 thousand and was still outstanding at the end of the current evaluation period. In aggregate, current and prior period investments totaled \$7.17 million or 9.31 percent of allocated tier 1 capital. This level is considered excellent, particularly given the three-year evaluation period that is applicable to the majority of AA branches.

The bank's responsiveness to CD needs in the AA is good. In terms of dollar volume, 99.67 percent of the bank's current period investments were allocated to affordable housing. WF met this need by investing in one LIHTC and donating \$1 thousand to an organization that

constructs housing for low- and moderate-income households. In addition, WF met some of the AA's community service and economic development needs through 13 additional donations totaling \$23 thousand.

One investment of note is a \$7 million investment in a LIHTC that funded the construction of a 36-unit affordable housing project. Seven of the 36 units were reserved for physically disabled tenants.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited scope reviews, the bank's performance under the investment test in the Mount Vernon-Anacortes MSA, the Olympia-Tumwater MSA, the Spokane-Spokane Valley MSA, the Tacoma-Lakewood MD, the Walla-Walla MSA, and the Yakima MSA is stronger than the bank's overall performance in the state of Washington, due to the higher level of investments as a percentage of allocated tier 1 capital. Conversely, the bank's performance under the investment test in the Bellingham MSA, the Bremerton-Silverdale MSA, the Lewiston MSA, and the Wenatchee MSA is weaker than the bank's overall performance in the state of Washington, due to the lower level of investments as a percentage of allocated tier 1 capital. This was considered when assigning the overall rating; however, it did not have a significant impact because there are a limited number of branches in these AAs.

Refer to Table 14 in the state of Washington section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WF's performance under the service test in Washington is rated High Satisfactory. Based on the full-scope reviews, the bank's performance in the Seattle MD and in the Washington non-MSA is good.

Refer to Table 15 in the state of Washington 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.

Retail Banking Services

Seattle MD

WF's branch distribution in the AA is excellent. Branches are readily accessible to all geographies and individuals of different income levels. The bank has three branches in low-income tracts and ten branches in moderate-income tracts. The percentage of branches in moderate-income tracts exceeds the percentage of the population residing in those tracts.

Branch openings and closings have not adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. The bank closed a moderate-income branch and relocated that branch in a low-income tract in AA.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Washington non-MSA

WF's branch distribution in the AA is excellent. Branches are readily accessible to all geographies and individuals of different income levels. The bank has three branches in moderate-income census tracts. The percentage of branches in moderate-income tracts exceeds the percentage of the population residing in these tracts. The bank does not maintain any branches in low-income tracts but there are only two low-income census tracts in the AA and less than 2 percent of the population resides in low-income tracts.

Branch openings and closing have improved the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. During the evaluation period, the bank acquired eight branches, including two moderate-income branches in the AA. The bank did not close any branches in this AA.

WF's hours and services offered throughout the AA do not vary in a way that inconvenience portions of the AA, particularly low- and moderate-income geographies or individuals. Services offered and hours of operation are comparable among locations regardless of income level of the geography. While the bank offers low minimum balance/low cost deposit products, requirements of the accounts to avoid monthly fee or to earn interest, or requirements to have direct deposit may limit access to certain low- and moderate-income individuals or the unbanked.

Management complements its traditional service delivery methods with certain delivery processes, including online banking, mobile banking, ATMs, Person-to-Person pay capabilities, and telephone banking. These delivery methods are offered to increase access to banking services throughout the AA. We did not place significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the service and credit needs of the low- and moderate-income individuals.

Community Development Services

Seattle MD

The bank's record of providing CD services is adequate with good responsiveness to meeting identified community needs. The community contact identified affordable housing as the

primary need in the AA. The bank provided close to 400 hours of affordable housing services during the review period. WF also provided over 750 hours of community services and over 1,500 hours of financial literacy training to numerous organizations that serve the low- and moderate-income population.

Bank employees provided CD services through board and committee memberships that provide affordable housing and financial literacy training services. Some specific examples are:

- Two bank employees serve on the Finance Committee and as board members for an organization which provides affordable housing to low- and moderate-income individuals.
- Bank employees serve on various fundraising committees for non-profit organizations that provide services to homeless individuals.

Washington non-MSA

WF's record of providing CD services is poor based on limited responsiveness in meeting the needs of the AA. The community contacts identified affordable housing as the primary need in the AA. The bank provided very limited hours of affordable housing services, community services, and economic development services. They provided 163 hours of financial literacy services. The majority of service hours are presenting financial literacy programs at Title 1 schools.

Conclusions for Areas Receiving Limited-Scope Reviews

The bank's performance in the limited-scope areas is consistent with the bank's overall performance under the Service Test in the State of Washington. CD Services consisted primarily of affordable housing services and financial literacy services to low- and moderate-income students. The bank provided 27 hours of CD services in the Bremerton AA, 30 hours in the Bellingham AA, 1 hour in the Lewiston AA; 192 hours in the Mount Vernon AA; 67 hours in the Olympia AA; 181 hours in the Spokane AA; 51 hours in the Tacoma AA; 34 hours in the Walla Walla AA; 184 hours in the Wenatchee AA; and 74 hours in the Yakima MSA.

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 nonmetropolitan 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): (01/01/13 to 12/31/16) Investment and Service Tests and CD Loans: (09/09/13 to 04/30/17)	
Financial Institution	Products Reviewed	
Washington Federal, National Association (WF) Seattle, Washington	Home mortgage, small business, and small farm	
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Multistate MSAs Portland-Vancouver-Hillsboro OR- WA MMA	full-scope	
Arizona Arizona non-MSA	limited-scope	Counties – Gila, Graham, La Paz, Navajo, Santa Cruz
Phoenix-Mesa-Scottsdale MSA	full-scope	
Prescott MSA	limited-scope	
Sierra Vista – Douglass MSA	limited-scope	
Tucson MSA	full-scope	
Yuma MSA	limited-scope	
Idaho Boise City MSA	full-scope	
Idaho Falls MSA	limited-scope	
Idaho non-MSA	full-scope	Counties – Bingham, Blain, Bonner, Freemont, Gooding, Jerome, Lemhi, , Madison, Payette, Shoshone, Twin Falls, Valley
Pocatello MSA	limited-scope	
Nevada Las Vegas-Henderson-Paradise MSA	full-scope	
Nevada non-MSA	limited-scope	Counties – Churchill, Elko, Humboldt, Lyon, White Pine, Mineral
New Mexico Albuquerque MSA	full-scope	
Farmington MSA	limited-scope	
Las Cruces MSA	limited-scope	
New Mexico non-MSA	full-scope	Counties – Chaves, Colfax, Curry, Eddy, Grant, Lee, Lincoln, McKinley, Otero, Rio Arriba, Socorro
Santa Fe MSA	limited-scope	

<p>Oregon Albany MSA Bend-Redmond MSA Corvallis MSA Grants Pass MSA Eugene MSA Oregon non-MSA</p> <p>Medford MSA Salem MSA</p> <p>Texas Dallas-Plano-Irving MD</p> <p>Utah Logan MSA Ogden MSA Salt Lake City MSA Utah non-MSA</p> <p>Washington Bellingham MSA Bremerton MSA Lewiston ID-WA MSA* Mount Vernon- Anacortes MSA Olympia-Tumwater MSA Seattle-Bellevue-Everett MD Spokane MSA Tacoma-Lakewood MD Walla Walla MSA Spokane-Spokane Valley MSA Wenatchee MSA Yakima MSA Washington non-MSA</p> <p>*No branches in Idaho</p>	<p>limited-scope full-scope limited-scope limited-scope limited-scope full-scope</p> <p>limited-scope limited-scope</p> <p>full-scope</p> <p>limited-Scope limited-scope full-scope limited-scope</p> <p>limited-scope limited-scope limited-scope limited-scope limited-scope full-scope limited-scope limited-scope limited-scope limited-scope limited-scope limited-scope full-scope</p>	<p>Counties – Baker, Crook, Hood River, Jefferson, Klamath, Lake, Lincoln, Malheur, Umatilla, Union, Wasco</p> <p>Counties – Carbon, Emery, Summit</p> <p>Counties – Clallam, Ferry, Grant, Island, Jefferson, Kittitas, Klickitat, Lewis, Lincoln, Mason, Okanogan, San Juan, Whitman</p>
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Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS Washington Federal, National Association				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Washington Federal, National Association	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
Portland-Vancouver-Hillsboro OR-WA MMA	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Arizona	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Idaho	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Nevada	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
New Mexico	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Oregon	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Texas	Low Satisfactory	Outstanding	Needs to Improve	Satisfactory
Utah	High Satisfactory	Outstanding	Needs to Improve	Satisfactory
Washington	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory

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

Appendix C: Community Profiles for Full-Scope Areas

Portland-Vancouver-Hillsboro OR-WA MMA

Demographic Information for Full Scope Area: Portland-Vancouver-Hillsboro OR-WA MMA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	476	2.94	24.16	46.22	26.26	0.42
Population by Geography	2,165,592	2.76	24.05	47.09	26.08	0.01
Owner-Occupied Housing by Geography	521,285	1.29	18.68	49.07	30.96	0.00
Business by Geography	190,682	4.39	22.93	43.05	29.46	0.16
Farms by Geography	5,878	1.72	15.06	53.20	29.94	0.09
Family Distribution by Income Level	524,297	20.45	17.71	21.29	40.54	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	200,083	4.52	33.93	45.90	15.65	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		68,924 73,300 11%	Median Housing Value Unemployment Rate (2010 US Census)		305,178 4.45%	

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

Source: 2010 US Census and 2016 FFIEC updated MFI

The Portland-Vancouver-Hillsboro OR-WA MMA consists of the Counties of Clackamas, Columbia, Multnomah, Washington, and Yamhill in Oregon, and Clark and Skamania Counties in Washington. WF designated a portion of the MMA as its AA, which is all 476 census tracts in Clackamas, Multnomah, Washington, Yamhill and Clark Counties. The AA meets the requirement of the regulation and does not arbitrarily exclude low-and moderate-income geographies. WF has eight branches in the Portland OR-WA AA, including seven in Oregon and one in Washington. Of those eight total branches, one is in a low-income CT, three are in middle-income CTs, three are in moderate-income CTs, and one is in an upper-income CT.

According to the 2010 U.S. Census, the total population of the AA was 2,165,592. The distribution of families by income level was 20.45 percent low-income, 17.71 percent moderate-income, 21.29 percent middle-income, and 40.54 percent upper-income. The percentage of households in the AA living below the poverty level is moderate at 11.19 percent at the 2010 U.S. Census. The 2016 median family income for the AA was \$73,300. Low-income families in the AA, earned median annual income of \$36,650 or less, and moderate-income families earned an annual income of \$36,651 to \$58,640.

The bank offers a full range of commercial and consumer loan/deposit products and services. There is strong competition for deposit opportunities in the AA, with 37 total depository institutions. Competition includes large interstate banks, regional banks, savings banks, and community banks. WF has 8 branches in the AA. As of June 30, 2016, WF's deposits in the AA totaled \$387.5 million which is 0.84 percent of the market. WF ranks twelfth out of thirty-seven depository institutions in the MSA. The top five depository institutions account for 77.85

percent of total deposits in the AA. The top five depository institutions include U.S. Bank, Bank of America, Wells Fargo Bank, J.P. Morgan Chase Bank, and KeyBank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, and is lower than the national average. The national unemployment rate as of December 2016 was 4.7 percent. The MSA's unemployment rate is 4.0 percent.

Unemployment in the AA fell significantly since January 2010 when levels were 11.4 percent.

In the Portland OR-WA AA, major industries include professional and business services, education and health care services, government, manufacturing, and leisure and hospitality services. According to Moody's Analytics, major employers in the Portland OR-WA AA include Intel Corp., Providence Health Systems, Oregon Health and Science University, Kaiser Permanente, and Legacy Health Systems.

Housing

According to the 2010 U.S. Census, 58.96 percent of the total housing units in the AA were owner occupied, and 34.61 percent are rental occupied units. Additionally, only 1.29 percent of all owner occupied units and 5.48 percent of renter occupied units were located in low-income CTs, while 18.68 percent of all owner occupied units and 32.42 percent of renter occupied units were located in moderate-income CTs. Additionally, 1.91 percent of all single family (1-4 unit) homes and 6.36 percent of multifamily (5 plus unit) housing units were located in low-income CTs, while 21.64 percent of all single family (1-4 unit) homes and 31.11 percent of multifamily (5 plus unit) housing units were located in moderate-income CTs. The median housing value for all tracts was \$305,178 and the median monthly gross rent was \$871.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$36,650 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$916. A moderate-income borrower making \$58,640 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,466. Assuming a 30-year mortgage with a 5.0 percent interest rate and no down payment, this scenario would result in a monthly mortgage payment of \$1,638 for a home based on the 2010 median home value in the AA. This scenario does not consider additional expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment would increase to \$2,308 based on the 2016 average median list price in the MSA. This helps illustrate that affordable home ownership is not within reach for some LMI families.

Community Contact

We conducted two community contacts, both focused on CD issues specific to this AA. The first was a government affiliated organization that promotes small business and economic development. This organization offers growth and development opportunities for small

business owners. The second nonprofit organization provides services primarily to low- and moderate-income individuals to increase access to homeownership. The services provided include home buyer education, one-on-one guidance and financial services while navigating the home purchase process. The organizations stated that the expanding economy creates opportunities for business development but that low- and moderate-income borrowers sometimes have difficulty securing affordable credit to create or expand small businesses. One organization also noted the primary obstacle for many low- and moderate-income borrowers in securing home purchases is the challenge in saving or securing funds for down payments.

Arizona

Phoenix-Mesa-Scottsdale MSA

Demographic Information for Full Scope Area: Phoenix-Mesa-Scottsdale MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	991	9.18	24.52	33.91	31.38	1.01
Population by Geography	4,192,887	8.18	24.70	36.00	30.95	0.17
Owner-Occupied Housing by Geography	1,008,811	3.66	21.50	38.06	36.77	0.01
Business by Geography	328,447	6.46	15.90	30.80	46.29	0.55
Farms by Geography	6,597	5.53	17.11	34.55	42.43	0.38
Family Distribution by Income Level	1,000,063	21.18	17.76	20.47	40.59	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	389,428	13.42	36.31	33.84	16.44	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		64,408 62,900 12%	Median Housing Value Unemployment Rate (2010 US Census)	251,130 3.41%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

The Phoenix MSA consists of the Counties of Maricopa and Pinal. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies. WF has twelve branches in the Phoenix MSA, none of which are in a low-income CT, with four each in middle-income, moderate-income, and upper-income CTs. WF designated the entirety of the Phoenix MSA as its AA, which is all 991 census tracts in Maricopa and Pinal Counties.

According to the 2010 U.S. Census, the total population of the AA was 4,192,887. The distribution of families by income level was 21.18 percent low-income, 17.76 percent moderate-income, 20.47 percent middle-income, and 40.59 percent upper-income. The percentage of households in the AA living below the poverty level is high at 11.72 percent at the 2010 U.S. Census. The 2016 median family income for the AA was \$62,900. Low-income families in the AA, earned median annual income of \$31,450 or less, and moderate-income families earned an annual income of \$31,451 to \$50,320.

The bank offers a full range of commercial and consumer loan/deposit products and services. There is significant competition for deposit opportunities in the AA, with 58 total depository institutions. Competition includes large interstate banks, regional banks, savings banks, and community banks. As of June 30, 2016, WF's deposits in the AA totaled \$435 million which is 0.51 percent of the market. WF ranks 17th out of 58 depository institutions in the AA. The top five depository institutions account for 80.18 percent of total deposits in the AA. The top five depository institutions include J.P. Morgan Chase Bank, Wells Fargo Bank, Bank of America, Western Alliance Bank, and Compass Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, and is lower than the national average. The national unemployment rate as of December 2016 was 4.7 percent. The AA's unemployment rate is 4.1 percent. Unemployment in the AA fell significantly since January 2010, when levels were 10.4 percent.

In the Phoenix MSA, major industries include professional and business services, education and health care services, government, retail trade, and leisure and hospitality services. According to Moody's Analytics, major employers in Maricopa County include Banner Health System, Wal-Mart Stores Inc., Fry's Food Stores, Wells Fargo, and Arizona State University.

Housing

According to the 2010 U.S. Census, 57.79 percent of the total housing units in the AA were owner occupied, and 28.19 percent are rental occupied units. Additionally, only 3.66 percent of all owner occupied units and 14.06 percent of renter occupied units were located in low-income CTs, while 21.50 percent of all owner occupied units and 34.26 percent of renter occupied units were located in moderate-income CTs. Additionally, 5.30 percent of all single family (1-4 unit) homes and 15.29 percent of multifamily (5 plus unit) housing units were located in low-income CTs, while 21.15 percent of all single family (1-4 unit) homes and 37.42 percent of multifamily (5 plus unit) housing units were located in moderate-income CTs. The median housing value for all tracts was \$251,130 and the median monthly gross rent was \$934.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$31,450 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$786. A moderate-income borrower making \$50,320 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,258. Assuming a 30-year mortgage at the 2010 median housing value, a 5.0 percent interest rate, and no down payment, this scenario would result in a monthly mortgage payment of \$1,348. This scenario does not consider additional expenses for homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment would increase to \$1,610 based on the 2016 average median list price in the MSA. This helps illustrate that affordable home ownership is not within reach for some LMI families.

Community Contact

We conducted a community contact, focused on CD issues specific to this AA. The contact indicated that working capital loans are sometimes difficult for small businesses to acquire. Loan demand for capital improvements, real estate loans, and smaller commercial loans is not fully met. Additionally, the contacts stated low- and moderate-income wage earners face challenges obtaining affordable housing and securing credit on favorable terms.

Tucson MSA

Demographic Information for Full Scope Area: Tucson MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	241	7.47	26.97	33.61	31.54	0.41
Population by Geography	980,263	7.32	28.83	32.76	30.66	0.42
Owner-Occupied Housing by Geography	246,584	3.46	22.02	37.37	37.15	0.00
Business by Geography	62,515	5.81	25.24	30.10	38.84	0.00
Farms by Geography	1,355	4.43	21.85	36.68	37.05	0.00
Family Distribution by Income Level	237,380	21.62	17.84	19.62	40.92	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	93,685	9.96	40.62	33.16	16.26	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		57,377 56,700 15%	Median Housing Value Unemployment Rate (2010 US Census)	209,888 3.76%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

The Tucson MSA consists solely of Pima County. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies. WF has eight branches in the Tucson AA, one of which one is in a low-income CT, four are in middle-income CTs, two are in moderate-income CTs, and one in an upper-income CT. WF designated the entirety of the Tucson MSA as its AA, which is all 241 census tracts in Pima County.

According to the 2010 U.S. Census, the total population of the AA was 980,263. The distribution of families by income level was 21.62 percent low-income, 17.84 percent moderate-income, 19.62 percent middle-income, and 40.92 percent upper-income. The percentage of households in the AA living below the poverty level is high at 14.61 percent at the 2010 U.S. Census. The 2016 median family income for the AA was \$56,700. Low-income families in the AA, earned median annual income of \$28,350 or less, and moderate-income families earned an annual income of \$28,351 to \$45,360.

The bank offers a full range of commercial and consumer loan/deposit products and services. There is strong competition for deposit opportunities in the AA, with 18 total depository institutions. Competition includes large interstate banks, regional banks, savings banks, and community banks. WF has eight branches in the AA. As of June 30, 2016, WF's deposits in the AA totaled \$397.20 million which is 2.71 percent of the market. WF ranks eighth out of eighteen depository institutions in the MSA. The top five depository institutions account for 81.28 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank, N.A., J.P. Morgan Chase Bank, N.A., Bank of America, N.A., Compass Bank, and Bank of the West.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, and is lower than the national average. The national unemployment rate as of December 2016 was 4.7 percent. The AA's unemployment rate is 4.4 percent. Unemployment in the AA fell significantly since January 2010 when levels reached 10.1 percent.

In Pima County, major industries include government/military, education and health care services, professional and business services, leisure and hospitality, and retail trade. According to Moody's Analytics, major employers in Pima County include University of Arizona, Raytheon Missile Systems, Davis-Monthan Air Force Base, UA Healthcare, and U.S. Customs and Border Patrol.

Housing

According to the 2010 U.S. Census, 56.63 percent of the total housing units in the AA were owner occupied, and 31.07 percent are renter occupied units. Additionally, only 3.46 percent of all owner occupied units and 11.07 percent of renter occupied units were located in low-income CTs, while 22.02 percent of all owner occupied units and 40.94 percent of renter occupied units were located in moderate-income CTs. Additionally, 4.83 percent of all single family (1-4 unit) homes and 9.52 percent of multifamily (5 plus unit) housing units were located in low-income CTs, while 23.59 percent of all single family (1-4 unit) homes and 42.07 percent of multifamily (5 plus unit) housing units were located in moderate-income CTs. The median housing value for all tracts was \$209,888 and the median monthly gross rent was \$773.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$28,350 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$709. A moderate-income borrower making \$45,360 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,134. Assuming a 30-year mortgage on a home at the 2010 median value, with a 5.0 percent interest rate and no down payment, this scenario would result in a monthly mortgage payment of \$1,127. This scenario does not consider additional expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment would increase to \$1,288 based on the 2016 average median list price in the MSA. This helps illustrate that affordable home ownership is not within reach for some LMI families.

Community Contact

We conducted two community contacts, both focused on CD issues. The first was a private, nonprofit corporation that assists small business with economic development in major cities in Arizona. The second nonprofit organization provides services primarily to low- and moderate-income individuals for affordable housing including consulting services, grant writing, program development and housing development assistance to private developers, non-profits,

governmental agencies, and community organizations. The organizations stated that the credit needs of the AA include affordable housing financing, a shortage of moderate-income jobs, and affordable banking services. The organizations noted that wealth and income disparities are increasing problem in this AA. Low- and moderate-income individuals may have difficulty obtaining affordable credit and paying for elevated housing costs. Affordable child care services were identified as common issues facing low- and moderate-income families.

Idaho

Boise City MSA

Demographic Information for Full Scope Area: Boise City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	88	2.27	30.68	40.91	26.14	0.00
Population by Geography	581,288	1.26	26.73	43.17	28.84	0.00
Owner-Occupied Housing by Geography	145,670	0.61	22.67	44.55	32.18	0.00
Business by Geography	39,024	0.99	30.44	37.59	30.99	0.00
Farms by Geography	1,666	0.72	23.89	50.12	25.27	0.00
Family Distribution by Income Level	143,955	18.99	18.13	22.51	40.37	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	53,430	2.48	39.74	41.31	16.47	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		59,649 62,400 11%	Median Housing Value Unemployment Rate (2010 US Census)		202,049 3.72%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

WF designated a part of the Boise City MSA as its AA. The Boise City MSA consists of all of Ada and Canyon counties. WF has 10 branches in the Boise City MSA. Five branches are located in moderate-income census tracts. There are no branches in low-income census tracts. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies.

According to the 2010 U.S. Census, the population of the Boise City MSA totals 581,288. The distribution of families by income level was 18.99 percent low-income, 18.13 percent moderate-income, 22.51 percent middle-income, and 40.37 percent upper-income. According to the U.S. Census data, the AA consists of 88 census tracts. The percentage of households in the AA living below the poverty level is at 11.0 percent. The FFIEC Adjusted MFI for 2016 was \$62,400.

There is strong competition for deposits within the Boise City MSA, with 20 total depository institutions. WF has 10 branches in the AA, with five located in moderate-income CTs. As of June 30, 2016, WF's deposits in the AA totaled \$490.6 million, which is a 5.13 percent market share within the AA. WF ranks fifth out of the 20 depository institutions. The top five depository institutions account for 70.41 percent of total deposits in the AA, and 59.6 percent are accounted for in the top three institutions. The top five depository institutions include Wells Fargo Bank, U.S. Bank, KeyBank, Bank of the Cascades, and Washington Federal.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, and is lower than the national average. The national unemployment rate as of December 2016 was 4.7 percent. The AA unemployment rate was 7.3 percent in January 2013, and 3.3 percent in December 2016.

According to Moody's Analytics, major employers in the AA include St. Luke's Health System, Micron Technology Inc., St. Alphonsus Regional Medical Center, J.R. Simplot Co, and Hewlett-Packard Co. There has been above-average population growth. The area is more affordable than other large Western metro areas.

Housing

According to the 2010 U.S. Census, 65.21 percent of the total housing units in the AA were owner occupied, and 27.72 percent are renter-occupied units. Low-income tracts represent 2.27 percent of the census tracts and moderate-income tracts represent 30.68 percent. Owner-occupied units and renter-occupied units in moderate-income CTs are 22.67 percent and 42.35 percent, respectively. The median housing value was \$202,049.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$31,200 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$780. A moderate-income borrower making \$49,920 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,248. Assuming a 30-year mortgage on a home at the 2010 median housing value, with a 5.0 percent interest rate, and no down payment, this scenario would result in a monthly mortgage payment of \$1,085. This scenario does not consider additional expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment would increase to \$1,377 based on the 2016 average median list price in the MSA. The average median list price increased approximately 46 percent during the evaluation period. This helps illustrate that affordable home ownership is not within reach for some LMI families.

Community Contact

Two community contacts were performed in the Idaho non-MSA area. One is a member of the Community Council of Idaho located in Twin Falls and the other was a member of a community action agency focused on services for low- and moderate-income families based out of Lewiston. The contacts stated that the economic conditions of the area are stable and that banking and credit services are available. They see a need for small business and small dollar amount loans with lower interest so that low- and moderate-income individuals can avoid going to payday lenders who are currently filling this gap. They also see a need for financial education services beyond the standard checking and savings account programs.

Idaho non-MSA 2014-2016

Demographic Information for Full Scope Area: Non-MSA Idaho 2014-2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	64	3.13	7.81	73.44	15.63	0.00
Population by Geography	326,892	2.75	8.51	75.17	13.57	0.00
Owner-Occupied Housing by Geography	83,797	0.58	5.12	78.95	15.35	0.00
Business by Geography	19,984	1.98	6.43	73.13	18.45	0.00
Farms by Geography	2,049	0.34	2.29	85.26	12.10	0.00
Family Distribution by Income Level	83,424	18.72	18.74	22.29	40.25	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	31,252	3.03	10.72	77.46	8.79	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		49,523 51,700 15%	Median Housing Value Unemployment Rate (2010 US Census)	219,299 2.91%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

WF designated several non-metropolitan counties as part of its AA. The Idaho non-MSA consists of Bingham, Blaine, Bonner, Fremont, Gooding, Jerome, Lemhi, Madison, Payette, Shoshone, Twin Falls, and Valley counties. WF has 12 branches in the Idaho non-MSA, none of which are in a low or moderate-income CT.

According to the 2010 U.S. Census, the population of the Idaho non-MSA totals 326,892. According to the U.S. Census data, the AA consists of 64 census tracts. The percentage of households in the AA living below the poverty level was 15 percent. The FFIEC Adjusted MFI for 2016 was \$51,700.

There is competition within the bank's Idaho non-MSA, with 23 total depository institutions. WF has 12 branches in the AA. As of June 30, 2016, WF's deposits in the AA totaled \$247.5 million, which is 5.10 percent of the market. WF ranks ninth out of the 23 depository institutions. The top five depository institutions account for 58.96 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank, U.S. Bank, First Federal Savings Bank of Twin Falls, Zions Bank, and Farmers Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in the state of Idaho improved during the evaluation period, and is lower than the national average. The national unemployment rate as of December 2016 was 4.7 percent. The unemployment rate improved from 7.7 percent in January 2013 to 3.5 percent in December 2016.

According to Moody's Analytics, the major employers in the state of Idaho include St. Luke's Health System, Wal-Mart, Mountain Home Airforce Base, Micron Technology Inc., and St. Alphonsus Regional Medical Center. The prominent drivers in the area are high tech and agriculture presences.

Housing

According to the 2010 U.S. Census, 55.91 percent of the total housing units in the AA were owner occupied, and 23.09 percent are renter occupied units. Low-income tracts represent 3.13 percent of the census tracts and moderate-income tracts represent 7.81 percent. Owner occupied units and renter occupied units in moderate-income CTs are 5.12 percent and 12.26 percent, respectively. The median housing value was \$219,299.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$25,850 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$646. A moderate-income borrower making \$41,360 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,034. Assuming a 30-year mortgage at the 2010 median housing value, with a 5.0 percent interest rate and no down payment, this scenario would result in a monthly mortgage payment of \$1,177. This scenario does not consider additional expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment would increase to \$1,347 based on the 2016 average median list price in the AA. This helps illustrate that affordable home ownership is not within reach for some LMI families.

Community Contact

We conducted interviews with two community contacts. One was a Community Action Agency that revolves around supporting low-to-moderate income families in a variety of different services ranging from housing and employment programs to nutrition and elderly assistance. The agency supports multiple northern counties and one southern county of Idaho. There is a need for financial education amongst low- and moderate-income individuals.

The second organization's mission is to work with clients to improve their quality of life and maintain self-sufficiency. In achieving their mission, they work with clients, primarily migrant and seasonal workers and their families, to provide services including housing support, meals, GED support, youth programs, and employment training. This organization identified a need for affordable housing.

Nevada

Las Vegas-Henderson-Paradise MSA

Demographic Information for Full Scope Area: Las Vegas-Henderson-Paradise MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	487	5.75	23.20	41.27	29.77	0.00
Population by Geography	1,951,269	5.29	22.78	42.19	29.74	0.00
Owner-Occupied Housing by Geography	405,047	1.74	15.53	45.66	37.07	0.00
Business by Geography	94,127	5.07	21.05	42.38	31.50	0.00
Farms by Geography	1,497	1.87	18.04	46.29	33.80	0.00
Family Distribution by Income Level	457,592	20.10	18.02	22.00	39.88	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	174,412	9.69	33.02	40.10	17.20	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		63,888 59,800 10%	Median Housing Value Unemployment Rate (2010 US Census)	253,307 4.62%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

The Las Vegas-Henderson-Paradise MSA AA consists of Clark County in Nevada. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies. WF has six branches in the Las Vegas MSA; none are in low-income CTs, three are in middle-income CTs, one is in a moderate-income CT, and two are in upper-income CTs. WF designated the entirety of the Las Vegas MSA as its AA, which is all 487 census tracts.

According to the 2010 U.S. Census, the total population of the AA was 1,951,269. The distribution of families by income level was 20.10 percent low-income, 18.02 percent moderate-income, 22.0 percent middle-income, and 39.88 percent upper-income. The percentage of households in the AA living below the poverty level is 10.48 percent at the 2010 U.S. Census. The 2016 median family income for the AA was \$59,800. Low-income families in the AA, earned median annual income of \$29,900 or less, and moderate-income families earned an annual income of \$29,901 to \$47,840.

The bank offers a full range of commercial and consumer loan/deposit products and services. There is strong competition for deposit opportunities in the AA, with 38 total depository institutions. Competition includes large interstate banks, regional banks, savings banks, and community banks. WF has 6 branches in the AA. As of June 30, 2016, WF's deposits in the AA totaled \$192.74 million, which is a 0.36 percent market share. WF ranks seventeenth out of thirty-eighth depository institutions in the MSA. The top five depository institutions account for 74.15 percent of total deposits in the AA. The top five depository institutions include Bank of America, Wells Fargo Bank, Wells Fargo Financial National Bank, Western Alliance Bank, and J.P. Morgan Chase Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, but remains higher than the national average. The national unemployment rate as of December 2016 was 4.7 percent. The MSA's unemployment rate is 5.1 percent. Unemployment in the AA fell significantly since September 2010, when levels were 14.1 percent.

In Clark County, major industries include leisure and hospitality services, professional and business services, retail trade, government, and education and health services. According to Moody's Analytics, major employers include Station Casinos Inc., Nellis Air Force Base, Boyd Gaming Corp., Las Vegas Sands Corp., and Wynn Las Vegas LLC. The Las Vegas MSA is extremely dependent on hotels, casinos, and entertainment for economic trade.

Housing

According to the 2010 U.S. Census, 49.83 percent of the total housing units in the AA were owner occupied, and 35.76 percent are renter occupied units. Additionally, only 1.74 percent of all owner occupied units and 10.78 percent of renter occupied units were located in low-income CTs, while 15.53 percent of all owner occupied units and 33.23 percent of renter occupied units were located in moderate-income CTs. Additionally, 3.10 percent of all single family (1-4 unit) homes and 13.16 percent of multifamily (5 plus unit) housing units were located in low-income CTs, while 16.12 percent of all single family (1-4 unit) homes and 41.60 percent of multifamily (5 plus unit) housing units were located in moderate-income CTs. The median housing value for all tracts was \$253,307 and the median monthly gross rent was \$1,061.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing was an impediment to WF home mortgage lending to low-income borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to low-income families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$29,900 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$748. Assuming a 30-year mortgage at the median housing value, with a 5.0 percent interest rate and no down payment, this scenario would result in a monthly mortgage payment of \$1,360. This scenario does not consider any additional expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. This helps illustrate that affordable home ownership is not within reach for some LMI families.

Community Contact

We conducted two community contacts, both focused on CD issues specific to this AA. The first was a government organization that owns and operates several affordable housing programs for low- and moderate-income individuals. The second nonprofit organization provides services primarily to military and retired military personnel as well as the family members of military members. This organization provides financial education and assistance to prepare individuals to manage their finances more effectively. The organizations stated that additional affordable housing programs are needed to meet the needs of low- and moderate-income individuals.

New Mexico

Albuquerque MSA

Demographic Information for Full Scope Area: Albuquerque MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	181	5.52	26.52	34.25	33.15	0.55
Population by Geography	794,125	4.98	29.97	32.02	33.03	0.00
Owner-Occupied Housing by Geography	203,779	2.52	25.57	33.35	38.55	0.00
Business by Geography	50,344	6.81	25.70	33.04	34.45	0.00
Farms by Geography	942	3.82	21.76	35.56	38.85	0.00
Family Distribution by Income Level	192,024	21.39	17.41	19.16	42.04	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	74,501	7.40	43.18	30.84	18.58	0.00
Median Family Income		59,381	Median Housing Value		200,935	
FFIEC Adjusted Median Family Income for 2016		61,600	Unemployment Rate (2010 US Census)		3.19%	
Households Below Poverty Level		14%				

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

Source: 2010 US Census and 2016 FFIEC updated MFI

WF designated two of the counties in the Albuquerque MSA as its AA. This includes Bernalillo and Sandoval counties. There are 181 census tracts in the Albuquerque MSA AA. WF has four branches in the AA, one of which is in a moderate-income CT. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies.

According to the 2010 U.S. Census, the population of the Albuquerque MSA totals 794,125. According to U.S. Census data, the distribution of families by income level was 21.39 percent low-income, 17.41 percent moderate-income, 19.16 percent middle-income, and 42.04 percent upper-income. The percentage of households in the AA living below the poverty level was at 14 percent. The FFIEC Adjusted MFI for 2016 was \$61,600.

There is a good level of competition for deposits within the Albuquerque MSA. There are 23 total depository institutions in this AA. WF has four branches in the AA. As of June 30, 2016, WF's deposits in the AA totaled \$140 million, which is a 1.01 percent market share. WF ranks 9th out of the 23 depository institutions. The top four depository institutions account for 78.82 percent of total deposits in the AA. The top four depository institutions include Wells Fargo, Bank of America, BOKF, and Bank of the West.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, however it is higher than the national average. The national unemployment rate as of December 2016 was 4.70 percent. The unemployment rate improved from 7.10 percent in January 2013 to 5.60 percent in December 2016.

According to Moody's Analytics, major employers in the New Mexico include Kirkland Air Force Base, Sandia National Laboratories, Presbyterian Healthcare Services, UNM Hospital, and the University of New Mexico. There is a stable base of education, healthcare, and scientific research jobs in the area.

Housing

According to the 2010 U.S. Census, 61.61 percent of the total housing units in the AA were owner occupied, and 30.31 percent were renter occupied units. Low-income tracts represent 5.52 percent of the census tracts and moderate income tracts represent 26.52 percent. Owner occupied units and renter occupied units in low-income CTs were 27.41 percent and 58.41 percent, respectively. Owner occupied units and renter occupied units in moderate-income CTs were 54.46 percent and 37.11 percent, respectively. The median housing value was \$200,935.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$30,800 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$770. Assuming a 30-year mortgage at the 2010 median housing value, with a 5.0 percent interest rate and no down payment, this scenario would result in a monthly mortgage payment of \$1,079. This scenario does not consider additional expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment increases to \$1,235 based on the 2016 average median list price in the MSA. This helps illustrate that affordable home ownership is not within reach for some low-income families.

Community Contacts

We conducted one community contact interview with a small business development and training organization. The contact stated that banks can offer and/or invest in financial literacy training for teens and adults to include household budgeting, understanding the APR and first time home buyer counseling. Banks can also offer Individual Development Accounts (IDA) or refer eligible participants to local IDA programs. Overall, the contact noted that local institutions provide adequate service to the assessment area and meet its business and individual credit needs.

New Mexico non-MSA

Demographic Information for Full Scope Area: Non-MSA New Mexico 2014-2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	122	2.46	22.95	50.82	23.77	0.00
Population by Geography	489,739	1.30	24.61	48.45	25.64	0.00
Owner-Occupied Housing by Geography	122,216	0.84	19.47	50.02	29.68	0.00
Business by Geography	22,255	2.06	16.97	48.48	32.49	0.00
Farms by Geography	1,112	0.18	6.65	54.77	38.40	0.00
Family Distribution by Income Level	117,709	21.46	17.66	19.54	41.34	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	46,054	1.97	30.14	50.46	17.43	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		46,354 50,700 19%	Median Housing Value Unemployment Rate (2010 US Census)		106,927 3.29%	

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

Source: 2010 US Census and 2016 FFIEC updated MFI

WF designated a part of the New Mexico non-MSA as its AA. Counties in the AA include Chaves, Colfax, Curry, Eddy, Grant, Lea, Lincoln, Los Alamos, McKinley, Otero, Rio Arriba, and Socorro. There are 122 census tracts in the New Mexico non-MSA. WF has 18 branches in the AA, one of which is in a moderate-income CT. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies.

According to the 2010 U.S. Census, the population of the New Mexico non-MSA totals 489,739. According to the U.S. Census data, the distribution of families by income level was 21.46 percent low-income, 17.66 percent moderate-income, 19.54 percent middle-income, and 41.34 percent upper-income. The percentage of households in the AA living below the poverty level was at 19 percent. The FFIEC Adjusted MFI for 2016 was \$50,700.

There is strong competition within the New Mexico non-MSA, as there are 35 deposit-taking institutions. WF has 18 branches in the AA. As of June 30, 2016, WF's deposits in the AA totaled \$570 million, which is a 7.63 percent market share of deposits. WF ranks fourth out of the 35 depository institutions. The top five depository institutions account for 48.43 percent of total deposits in the AA. The top five depository institutions include Wells Fargo, First American Bank, Los Alamos National Bank, Washington Federal, and Pioneer Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in New Mexico improved during the evaluation period, but it is higher than the national average. The national unemployment rate as of December 2016 was 4.70 percent. The unemployment rate improved from 7.30 percent in January 2013 to 6.30 percent in December 2016.

According to Moody's Analytics, major employers in New Mexico include Los Alamos National Laboratory, Kirtland Air Force Base, Sandia National Laboratories, Presbyterian Healthcare Services, and UNM Hospital. A strength for the area is a wealth of natural resources. In

addition, there is a stable government presence of national labs and multiple military installations.

Housing

According to the 2010 U.S. Census, 55.64 percent of the total housing units in the AA were owner occupied, and 22.16 percent were renter occupied units. Low-income tracts represent 2.46 percent of the census tracts and moderate-income tracts represent 22.95 percent. Owner occupied units and renter occupied units in moderate-income CTs are 19.47 percent and 23.22 percent, respectively. The median housing value was \$106,927.

Community Contact

We conducted interviews with two community contacts. One is a federal organization, the Eastern Regional Housing Authority, which focuses on low-income housing assistance. The organization sets aside part of monthly rents received from low- and moderate-income individuals and establishes escrows to be used as down payments. In the interviewee's opinion, a major obstacle for low- and moderate-income residents is qualifying for mortgages relative to income and credit history.

The second contact works for Eddy County. The municipal government works towards protecting public health, safety, and welfare in Eddy County, NM. The county also manages the volunteer fire department and a DWI program. Eddy County does not operate any utilities, schools, or hospitals in the county. The economy is based primarily on the oil and gas industry, along with farming, ranching, dairy, and government. Contact identified community service opportunities and a need for increased affordable housing.

Oregon

Bend-Redmond MSA

Demographic Information for Full Scope Area: Bend-Redmond MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	24	0.00	16.67	62.50	20.83	0.00
Population by Geography	157,733	0.00	15.70	64.32	19.99	0.00
Owner-Occupied Housing by Geography	42,982	0.00	11.80	65.01	23.20	0.00
Business by Geography	16,990	0.00	19.43	57.26	23.31	0.00
Farms by Geography	707	0.00	12.16	55.30	32.53	0.00
Family Distribution by Income Level	43,434	19.74	17.28	23.52	39.46	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	16,081	0.00	22.24	67.56	10.20	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		61,605 59,700 10%	Median Housing Value Unemployment Rate (2010 US Census)	327,842 4.37%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

The Bend-Redmond MSA consists solely of the County of Deschutes. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies. WF has five branches in the Bend AA; one is in a middle-income CT, four are in moderate-income CTs, and none are in upper-income CTs. WF designated the entirety of the Bend MSA as its AA, which is all 24 census tracts in Deschutes County. There are no low-income CTs in this AA.

According to the 2010 U.S. Census, the total population of the AA was 157,733. The distribution of families by income level was 19.74 percent low-income, 17.28 percent moderate-income, 23.52 percent middle-income, and 39.46 percent upper-income. The percentage of households in the AA living below the poverty level is low at 9.55 percent at the 2010 U.S. Census. The 2010 median family income for the AA was \$59,700. Low-income families in the AA, earned median annual income of \$29,850 or less, and moderate-income families earned an annual income of \$29,851 to \$47,760.

The bank offers a full range of commercial and consumer loan/deposit products and services. There is moderate competition for deposit opportunities in the AA, with 10 total depository institutions. Competition includes large interstate banks, regional banks, savings banks, and community banks. WF has five branches in the AA. As of June 30, 2016, WF's deposits in the AA totaled \$201 million which is 6.21 percent of the market. WF ranks seventh out of 10 depository institutions in the AA. The top five depository institutions account for 82.40 percent of total deposits in the AA. The top five depository institutions include Bank of the Cascades, Wells Fargo Bank, U.S. Bank, J.P. Morgan Chase Bank, and Bank of America.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, and is lower than the national average. The national unemployment rate as of December 2016 was 4.7 percent. The MSA's unemployment rate is 4.5 percent. Unemployment in the AA fell significantly since March 2009 when levels were 17.2 percent.

In Deschutes County, major industries include education and health care services, leisure and hospitality services, retail trade, professional and business services, and government. According to Moody's Analytics, major employers in Deschutes County include St. Charles Medical Center, Sunriver Resort, Les Schwab Tire Center, Bright Wood Corp., and Mt. Bachelor Inc.

Housing

According to the 2010 U.S. Census, 55.10 percent of the total housing units in the AA were owner occupied, and 25.91 percent are rental occupied units. Additionally, 11.80 percent of all owner occupied units and 30.18 percent of renter occupied units were located in moderate-income CTs. We noted that 14.72 percent of all single family (1-4 unit) homes and 36.60 percent of multifamily (5 plus unit) housing units were located in moderate-income CTs. The median housing value for all tracts was \$327,842 and the median monthly gross rent was \$887.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$29,850 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$746. A moderate-income borrower making \$47,760 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,194. Assuming a 30-year mortgage at the 2010 median housing value, with a 5.0 percent interest rate and no down payment, this scenario would result in a monthly mortgage payment of \$1,760. This scenario does not consider expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment increases to \$2,093 based on the 2016 average median list price in the MSA. This helps illustrate that affordable home ownership is not within reach for some LMI families.

Oregon non-MSA 2014-2016

Demographic Information for Full Scope Area: Non-MSA Oregon 2014-2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	99	1.01	9.09	71.72	16.16	2.02
Population by Geography	359,650	0.93	9.50	74.57	15.00	0.00
Owner-Occupied Housing by Geography	94,363	0.47	7.99	74.89	16.65	0.00
Business by Geography	24,967	0.92	9.59	71.66	17.82	0.00
Farms by Geography	2,854	0.07	3.75	79.05	17.13	0.00
Family Distribution by Income Level	94,833	20.19	17.03	21.69	41.09	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	35,295	1.19	13.21	75.73	9.87	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		50,374 51,900 15%	Median Housing Value Unemployment Rate (2010 US Census)	189,709 4.36%		

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

Source: 2010 US Census and 2016 FFIEC updated MFI

The Oregon non-MSA consists of the counties of Baker, Crook, Hood River, Jefferson, Klamath, Lake, Lincoln, Malheur, Umatilla, Union and Wasco. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies. WF has 16 branches in the Oregon non-MSA AA; none are in a low-income CT, 12 are in middle-income CTs, two are in moderate-income CTs, and two are in upper-income CTs. WF designated the entirety of the counties with branches in the Oregon non-MSA areas as its AA, which includes 99 CTs in the aforementioned counties.

According to the 2010 U.S. Census, the total population of the AA was 359,650. The distribution of families by income level was 20.19 percent low-income, 17.03 percent moderate-income, 21.69 percent middle-income, and 41.09 percent upper-income. The percentage of households in the AA living below the poverty level is high at 15.25 percent at the 2010 U.S. Census. The 2016 median family income for the AA was \$51,900. Low-income families in the AA, earned median annual income of \$29,950 or less, and moderate-income families earned an annual income of \$29,951 to \$41,520.

The bank offers a full range of commercial and consumer loan/deposit products and services. There is moderate competition for deposit and lending opportunities in the AA, with 14 total depository institutions. Competition includes large interstate banks, regional banks, savings banks, and community banks. As of June 30, 2016, WF's deposits in the AA totaled \$599.90 million which is a 12.34 percent market share of deposits. WF ranks fourth out of 14 depository institutions in the MSA. The top five depository institutions account for 69.32 percent of total deposits in the AA. The top five depository institutions include U.S. Bank, Umpqua Bank, Columbia State Bank, Washington Federal, and Wells Fargo Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, and is lower than the national average. The national unemployment rate as of December 2016 was 4.7 percent. The MSA's unemployment rate is 4.36 percent. Unemployment in the AA fell significantly since peak levels.

The Oregon State Employment Department provided industry employment and economic information by region. The Oregon non-MSA is primarily rural with the bulk of the population residing in small towns. The East Cascades region consists of nine counties including Crook, Hood River, Jefferson, Klamath, Lake, and Wasco. Major industries in these region include trade, transportation and utilities, government, education and health services, leisure and hospitality services, and professional and business services. The Northwest Oregon region consists of five counties including Lincoln County. The major industries are government, leisure and hospitality, trade, transportation and utilities, education and health services, and manufacturing. The Eastern Oregon region is comprised of eight areas including Malheur, Umatilla, and Union Counties. Major industries include government, trade, transportation and utilities, education and health services, manufacturing, and leisure and hospitality services.

Housing

According to the 2010 U.S. Census, 56.02 percent of the total housing units in the AA were owner occupied, and 27.10 percent were rental occupied units. Additionally, only 0.47 percent of all owner occupied units and 2.03 percent of renter occupied units were located in low-income CTs, while 7.99 percent of all owner occupied units and 12.45 percent of renter occupied units were located in moderate-income CTs. Additionally, 0.98 percent of all single family (1-4 unit) homes and 1.94 percent of multifamily (5 plus unit) housing units were located in low-income CTs, while 8.52 percent of all single family (1-4 unit) homes and 17.97 percent of multifamily (5 plus unit) housing units were located in moderate-income CTs.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$25,950 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$649. A moderate-income borrower making \$41,520 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,038. Assuming a 30-year mortgage using the 2010 median housing value, with a 5.0 percent interest rate, no down payment, this scenario would result in a monthly mortgage payment of \$1,018. This scenario does not consider expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. This helps illustrate that affordable home ownership is not within reach for some LMI families.

Community Contacts

We conducted two community contacts, both focused on CD issues specific to this AA. The first was a private, nonprofit corporation that provides services to low- and moderate-income borrowers, especially farmworkers, in rural areas. This organization offers assistance building

affordable multifamily and single-family residence housing, construction and financing of neighborhood facilities, and other programs that increase the financial well-being of families. These programs are targeted at farm workers and low- and moderate-income individuals in rural communities. The second organization is a private nonprofit economic development organization in rural Oregon. This organization achieves its objectives by offering a wide array of loan options for start-ups, micro-lending, new business funding and credit for business expansion.

These organizations stated that affordable housing for low- and moderate-income individuals is in limited supply. One organization noted that some financial institutions have been scaling back branch operations in smaller communities due to the limited profitability of these branches. One organization indicated that financing for small businesses with higher risk profiles can be difficult to obtain if they do not qualify for SBA funding.

Texas

Dallas-Plano-Irving MD 2014-2016

Demographic Information for Full Scope Area: Dallas-Plano-Irving MD 2014-2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	897	12.93	24.75	26.42	35.56	0.33
Population by Geography	4,230,520	11.42	24.62	28.04	35.93	0.00
Owner-Occupied Housing by Geography	898,449	5.34	19.26	29.76	45.64	0.00
Business by Geography	357,976	8.13	17.45	25.91	48.29	0.22
Farms by Geography	6,815	5.58	16.70	32.74	44.93	0.06
Family Distribution by Income Level	1,004,926	23.06	16.62	18.27	42.05	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	398,737	20.48	35.71	27.54	16.28	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		67,175 71,700 12%	Median Housing Value Unemployment Rate (2010 US Census)	173,315 3.56%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

The Dallas-Plano-Irving TX MD comprises seven counties: Collin, Dallas, Denton, Ellis, Hunt, Kaufman, and Rockwall. The Office of Management and Budget (OMB) made geographical boundary revisions in 2014 that affected the Dallas-Plano-Irving TX MD. WF limited their AA to the counties they were reasonably able to serve Collin, Dallas, Denton, Ellis, Hunt, Kaufman, and Rockwall, which is referred to as the Dallas MD. WF has five branches in the Dallas MD, none of which are in low or moderate-income CTs. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies.

According to the 2010 U.S. Census, the population of the Dallas MD totals 4,230,520. The distribution of families by income level is 23.06 percent low-income, 16.62 percent moderate-income, 18.27 percent middle-income, and 42.05 percent upper-income. According to the U.S. Census data, the AA consists of 897 census tracts. The percentage of households in the AA living below the poverty level was at 11.87 percent. The FFIEC Adjusted MFI for 2016 was \$71,700.

There is strong competition within the bank's Dallas MD, with 131 total depository institutions. Competition for deposits includes large interstate banks, regional banks, savings bank, and community banks. As of June 30, 2016, WF's deposits in the AA totaled \$93 million, which is 0.05 percent of the market. WF ranks 101 out of 158 depository institutions. The top five depository institutions account for 71.27 percent of total deposits in the AA. The top five depository institutions include Bank of America, JPMorgan Chase, Wells Fargo Bank, Texas Capital Bank, and Compass Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, and is lower than the national average. The national unemployment rate as

of December 2016 was 4.7 percent. The unemployment rate improved from 6.8 percent in January 2013 to 3.7 percent in December 2016.

According to Moody's Analytics, major employers in the AA include Wal-Mart Stores Inc., Bank of America, Carlson Restaurants Worldwide, Texas Health Resources, Baylor Health Care System, AT&T, JPMorgan Chase, and Texas Instruments. There is a stable demand for professional services due to many corporate headquarters. Corporate expansions drove solid growth. The largest was Toyota's relocation of its North American headquarters from California to Plano. Liberty Mutual was another large addition to the area.

Housing

According to the 2010 U.S. Census, 55.68 percent of the total housing units in the AA were owner occupied, and 34.93 percent are rental occupied units. Additionally, only 5.34 percent of all owner occupied units and 21.05 percent of renter occupied units were located in low-income CTs. While 19.26 percent of all owner occupied units and 29.69 percent of renter occupied units were located in moderate-income CTs. The median housing value was \$173,315 and the median monthly gross rent was \$883.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$35,850 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$896. A moderate-income borrower making \$57,360 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,434. Assuming a 30-year mortgage at the 2010 median housing value, a 5.0 percent interest rate, and no down payment, this scenario would result in a monthly mortgage payment of \$930, which is relatively affordable. However, this scenario does not include homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment would increase to \$1,794 based on the 2016 average list price in the MSA. The average median list price increased almost 80 percent during the evaluation period, based on realtor data. This helps illustrate that affordable home ownership is not within reach for some LMI families given this indicator of increasing home prices in recent years.

Community Contact

We conducted a community contact with a representative from an affordable housing organization. The mission of the organization is to improve the quality of life for the residents of South Dallas through the promotion of neighborhood revitalization, primarily through the development of affordable housing, fostering economic activity, and the provision of needed support services. They indicated a need for increased funding for affordable housing and community services for low- and moderate-income individuals.

Utah

Salt Lake City MSA

Demographic Information for Full Scope Area: Salt Lake City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	212	5.19	19.34	46.23	28.30	0.94
Population by Geography	1,029,655	4.12	18.35	50.07	27.09	0.37
Owner-Occupied Housing by Geography	229,637	2.07	13.75	52.53	31.64	0.00
Business by Geography	78,985	5.05	19.46	43.01	31.92	0.56
Farms by Geography	1,254	3.43	15.71	46.49	34.21	0.16
Family Distribution by Income Level	236,504	18.33	18.66	22.81	40.20	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	87,479	7.48	28.58	48.88	15.06	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		67,016 72,800 10%	Median Housing Value Unemployment Rate (2010 US Census)	252,807 3.10%		

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

Source: 2010 US Census and 2016 FFIEC updated MFI

WF designated Salt Lake County in the Salt Lake City MSA as its AA. There are 212 census tracts in Salt Lake County. WF has seven branches in the AA, one of which is in a moderate-income CT. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies.

According to the 2010 U.S. Census, the population of the Salt Lake City AA totals 1,029,655. The percentage of households in the AA living below the poverty level is at 9.77 percent. The FFIEC Adjusted MFI for 2016 was \$72,800.

There is strong competition within the Salt Lake City MSA, with 41 total depository institutions. WF has seven branches in the AA. As of June 30, 2016, WF's deposits in the AA totaled \$201.2 million, which is 0.04 percent of the market. WF ranks 26th out of the 41 depository institutions. The top five depository institutions account for 76.40 percent of total deposits in the AA. The top five depository institutions include Morgan Stanley Bank, Goldman Sachs Bank, Ally Bank, UBS Bank, and Synchrony Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, and is lower than the national average. The national unemployment rate as of December 2016 was 4.70 percent. The unemployment rate improved from 5.20 percent in January 2013 to 2.70 percent in December 2016.

According to Moody's Analytics, major employers in the AA include Intermountain Health Care Inc., University of Utah, World Financial Capital Bank, Comenity Capital Bank, and Smith's Food and Drug. There has been strong population growth and in-migration. The area has below-average business costs paired with a business-friendly climate. UPS announced a \$275 million project to make its regional operational hub in the area.

Housing

According to the 2010 U.S. Census, 64.32 percent of the total housing units in the AA were owner occupied, and 29.53 percent were rental occupied units. Low-income census tracts represent 5.19 percent of the census tracts and moderate income tracts represent 19.34 percent. Owner-occupied units and renter occupied units in moderate-income CTs are 13.75 percent and 33.38 percent, respectively. The median housing value was \$252,807.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$36,400 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$910. A moderate-income borrower making \$58,240 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,456. Assuming a 30-year mortgage using the 2010 median housing value, with a 5.0 percent interest rate, no down payment, this scenario would result in a monthly mortgage payment of \$1,357. This scenario does not include expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment would increase to \$1,838 based on the 2016 median average list price. The average median list price increased by almost 56 percent during the evaluation period. This helps illustrate that affordable home ownership is not within reach for some LMI families during the evaluation period.

Community Contact

OCC staff participated in a community development tour and heard presentations from five nonprofit organizations. The organizations are nonprofits dedicated to helping consumers expand financial capability and improve their financial future. Programs and services include confidential financial guidance counseling, HUD-approved homebuyer education and foreclosure prevention counseling, debt management relief programs, financial literacy education, Individual Development Accounts (IDAs) and other programs that promote financial capability. They indicated a need for additional community services and affordable housing.

Washington

Seattle-Bellevue-Everett MD

Demographic Information for Full Scope Area: Seattle-Bellevue-Everett MD						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	549	4.55	20.58	45.72	28.42	0.73
Population by Geography	2,644,584	4.50	20.34	47.23	27.72	0.22
Owner-Occupied Housing by Geography	648,302	1.84	15.62	49.34	33.20	0.00
Business by Geography	219,031	4.93	17.51	43.92	33.50	0.14
Farms by Geography	4,422	2.49	15.42	50.75	31.34	0.00
Family Distribution by Income Level	636,092	20.39	17.77	22.17	39.67	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	242,717	6.51	30.20	47.44	15.84	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		83,852 90,300 9%	Median Housing Value Unemployment Rate (2010 US Census)	405,176 3.54%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

The Seattle MD comprises the Northern portion of the Seattle-Tacoma-Bellevue MSA, which also includes the Tacoma-Lakewood MD (limited scope AA). The Seattle MD meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies. WF has 37 branches in the Seattle AA, three of which are in a low-income CTs, thirteen are in middle-income CTs, ten are in moderate-income CTs, and eleven are in upper-income CTs. WF designated the entirety of the Seattle MD as its AA, which is all 549 census tracts in King and Snohomish Counties.

According to the 2010 U.S. Census, the total population of the AA was 2,644,584. The distribution of families by income level was 20.39 percent low-income, 17.77 percent moderate-income, 22.17 percent middle-income, and 39.67 percent upper-income. The percentage of households in the AA living below the poverty level is 9.0 percent at the 2010 U.S. Census. The 2016 median family income for the AA was \$90,300. Low-income families in the AA, earned median annual income of \$45,150 or less, and moderate-income families earned an annual income of \$45,151 to \$72,240.

The bank offers a full range of commercial and consumer loan/deposit products and services. There is strong competition for deposit opportunities in the AA, with 55 total depository institutions. Competition includes large interstate banks, regional banks, savings banks, and community banks. WF has 37 branches in the AA. As of June 30, 2016, WF's deposits in the AA totaled \$3.43 billion which is 3.94 percent of the market. WF ranks sixth out of 49 depository institutions in the MD. The top five depository institutions account for 72.65 percent of total deposits in the AA. The top five depository institutions include Bank of America, Wells Fargo Bank, J.P. Morgan Chase Bank, U.S. Bank, and KeyBank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA improved during the evaluation period, and is lower than the national average. The national unemployment rate as of December 2016 was 4.7 percent. The MSA's unemployment rate is 4.01 percent. Unemployment in the AA fell significantly since January 2010, when levels were 10.3 percent.

In the Seattle MD, major industries include professional and business services, government, education and health care services, retail trade, and manufacturing. According to Moody's Analytics, major employers in the MSA include Boeing Co., Microsoft Corp., University of Washington, Amazon, and Providence Health and Services.

Housing

According to the 2010 U.S. Census, 58.05 percent of the total housing units in the AA were owner occupied, and 35.60 percent are rental occupied units. Additionally, only 1.84 percent of all owner occupied units and 9.02 percent of renter occupied units were located in low-income CTs; 15.62 percent of all owner occupied units and 28.57 percent of renter occupied units were located in moderate-income CTs. Additionally, 2.34 percent of all single family (1-4 unit) homes and 10.51 percent of multifamily (5 plus unit) housing units were located in low-income CTs; 17.35 percent of all single family (1-4 unit) homes and 27.41 percent of multifamily (5 plus unit) housing units were located in moderate-income CTs. The median housing value for all tracts was \$405,176 and the median monthly gross rent was \$1,027.

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$45,150 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$1,129. A moderate-income borrower making \$72,240 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,806. Assuming a 30-year mortgage at the 2010 median housing value, with a 5.0 percent interest rate, and no down payment, this scenario would result in a monthly mortgage payment of \$2,175. This scenario does not include expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment would increase to \$2,295 based on the 2016 median average list price in the MSA. This helps illustrate that affordable home ownership is not within reach for some LMI families.

Community Contact

We conducted two community contacts, both focused on CD issues specific to this AA. Both organizations noted that affordable housing is very difficult for low- and moderate-income individuals to arrange due to high housing costs. The organizations stated that additional credit needs of the AA included affordable housing financing, small dollar consumer loans as an alternative to payday lenders, and affordable banking services.

Non-MSA Washington 2014-2016

Demographic Information for Full Scope Area: Non-MSA Washington 2014-2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	144	1.39	13.89	61.81	20.83	2.08
Population by Geography	586,075	1.54	16.27	58.96	23.23	0.00
Owner-Occupied Housing by Geography	159,046	0.10	9.95	61.80	28.16	0.00
Business by Geography	36,401	0.91	12.33	62.18	24.56	0.01
Farms by Geography	3,724	0.40	11.95	66.06	21.59	0.00
Family Distribution by Income Level	151,424	20.03	17.00	21.38	41.59	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	56,070	1.29	20.63	61.55	16.52	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		54,500 55,600 16%	Median Housing Value Unemployment Rate (2010 US Census)	235,213 3.63%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

Washington Federal designated a part of the Washington non-MSA as its AA. Counties included are Clallam, Ferry, Grant, Island, Jefferson, Kittitas, Klickitat, Lewis, Lincoln, Mason, Okanogan, San Juan, and Whitman. As of 2014, there are 144 census tracts in the Washington non-MSA AA. WF has 12 branches in the AA, three of which are in moderate-income CTs. The AA meets the requirement of the regulation and does not arbitrarily exclude low- and moderate-income geographies.

There is strong competition for deposits within the Washington non-MSA, with 35 total depository institutions. WF has 12 branches in the AA. As of June 30, 2016, WF's deposits in the AA totaled \$489 million, which is a 5.72 percent market share of deposits. WF ranks seventh out of the 35 depository institutions. The top five depository institutions account for 41.69 percent of total deposits in the AA. The top five depository institutions include U.S. Bank, Wells Fargo, Umpqua Bank, First Federal Savings and Loan Association of Port Angeles, and Heritage Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in Washington improved during the evaluation period, however it is higher than the national average. The national unemployment rate as of December 2016 was 4.70 percent. The unemployment rate improved from 8.40 percent in January 2013 to 5.30 percent in December 2016.

According to Moody's Analytics, major employers in Washington include Boeing, Joint Base Lewis-McChord, Microsoft, University of Washington, Amazon, and Naval Base Kitsap. Strengths in Washington include high-value-added commercial aircraft manufacturing and a fast growing information technology industry. Washington tech employers added nearly 10,000 workers in 2016, second only to California. There are low business costs relative to the San

Francisco Bay area. The Puget Sound region is the epicenter for cloud-computing, and it is expected that more businesses will migrate to the cloud for software and storage needs.

Housing

We conducted an affordability analysis in this AA. We determined that the overall affordability of housing for LMI borrowers was an impediment to WF home mortgage lending to LMI borrowers within this AA. Thus, we considered the overall affordability when conducting our analysis and assigning ratings for borrower distribution in this AA. The cost of housing and its accessibility to LMI families is reflected in the level of homeowners with housing costs that exceed 30.0 percent of their income, which is a standard industry benchmark for affordability. To illustrate the issue of housing affordability, a low-income borrower making \$27,800 (50.0 percent of the 2016 FFIEC adjusted median family income) could afford a monthly housing payment of \$695. A moderate-income borrower making \$44,480 (80.0 percent of the 2016 FFIEC adjusted family median income) could afford a monthly housing payment of \$1,112. Assuming a 30-year mortgage using the 2010 median housing value, with a 5.0 percent interest rate, and no down payment, this scenario would result in a monthly mortgage payment of \$1,263. This scenario does not include expenses related to homeowners insurance, real estate taxes, or any additional monthly expenses of the borrower. In addition, the payment would increase to \$1,428 based on the 2016 average median list price in the AA. This helps illustrate that affordable home ownership is not within reach for some LMI families.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated 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. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

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

- Table 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, if applicable, 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

Multistate Metropolitan Area(s)

Portland-Vancouver-Hillsboro OR-WA MMA

State of Arizona

State of Idaho

State Nevada

State of New Mexico

State of Oregon

State of Texas

State of Utah

State of Washington

Portland OR-WA AA

Table 1. Lending Volume

LENDING VOLUME												
Geography: PORTLAND OR-WA 2013-2016												
Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016												
Assessment Area (2016):	% 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:												
Portland-Vancouver-Hillsboro OR-WA MAA	100.00	557	331,951	27	10,457	0	0	17	23,422	601	365,830	100.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from September 10, 2013 to June 5, 2017.

*** Deposit Data as of June 30, 2016. 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 DECEMBER 31, 2016		Geography: PORTLAND OR-WA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO					
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
Full Review:															
Portland-Vancouver-Hillsboro OR-WA MMA	360	100.00	1.29	0.56	18.68	5.83	49.07	41.11	30.96	52.50	0.11	0.12	0.02	0.12	0.16

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT DECEMBER 31, 2016			Geography: PORTLAND OR-WA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO				
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Portland-Vancouver-Hillsboro OR-WA MMA	24	100.00	1.29	4.17	18.68	12.50	49.07	33.33	30.96	50.00	0.11	1.28	0.00	0.04	0.22

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE TO DECEMBER 31, 2016			Geography: PORTLAND OR-WA 2013-2016								Evaluation Period: JANUARY 1, 2013				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography ⁷				
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Portland-Vancouver-Hillsboro OR-WA MMA	66	100.00	1.29	1.52	18.68	12.12	49.07	33.33	30.96	53.03	0.03	0.00	0.05	0.01	0.04

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Washington Federal

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY DECEMBER 31, 2016		Geography: PORTLAND OR-WA 2013-2016							Evaluation Period: JANUARY 1, 2013 TO						
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:															
Portland-Vancouver-Hillsboro OR-WA MMA	107	100.00	6.36	8.41	31.11	41.12	42.94	39.25	19.59	11.21	5.73	10.81	6.51	5.31	3.33

* Based on 2015 Peer Mortgage Data -- US and PR

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Institution ID: Washington Federal

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES TO DECEMBER 31, 2016		Geography: PORTLAND OR-WA 2013-2016								Evaluation Period: JANUARY 1, 2013					
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 Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Portland-Vancouver-Hillsboro OR-WA MMA	27	100.00	4.39	7.41	22.93	18.52	43.05	48.15	29.46	25.93	0.02	0.05	0.02	0.02	0.02

* Based on 2015 Peer Small Business Data -- US and 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 (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE DECEMBER 31, 2016		Geography: PORTLAND OR-WA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share ⁴				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ⁴	% BANK Loans ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Portland-Vancouver-Hillsboro OR-WA MMA	360	100.00	20.45	2.88	17.71	5.75	21.29	13.42	40.54	77.96	0.12	0.12	0.02	0.08	0.18

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 13.1% of loans originated and purchased by bank.

4 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Washington Federal

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT DECEMBER 31, 2016		Geography: PORTLAND OR-WA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO					
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 ⁵	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Portland-Vancouver-Hillsboro OR-WA MMA	24	100.00	20.45	0.00	17.71	0.00	21.29	12.50	40.54	87.50	0.11	0.00	0.00	0.00	0.25

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 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.

⁵ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Washington Federal

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE TO DECEMBER 31, 2016		Geography: PORTLAND OR-WA 2013-2016									Evaluation Period: JANUARY 1, 2013				
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 ⁶	% BANK Loans ^{****}	% Families [*] **	% BANK Loans ^{****}	% Families [*] **	% BANK Loans ^{***} *	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Portland-Vancouver-Hillsboro OR-WA MMA	66	100.00	20.45	11.54	17.71	11.54	21.29	5.77	40.54	71.15	0.02	0.11	0.02	0.00	0.02

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 21.2% of loans originated and purchased by bank.

6 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: Washington Federal

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016		Geography: PORTLAND OR-WA 2013-2016			Evaluation Period: JANUARY 1, 2013 TO				
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:									
Portland-Vancouver-Hillsboro OR-WA MMA	27	100.00	87.45	37.04	22.22	25.93	51.85	0.02	0.01

* Based on 2015 Peer Small Business Data -- US and 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.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2016).

**** 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 7.41% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: Portland OR-WA MSA				Evaluation Period: September 10, 2013 – April 31, 2017			
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:									
Portland-Vancouver-Hillsboro OR-WA MMA	4	\$8,667	26	\$12,539	30	\$21,205	100.00%	0	\$0
TOTAL:	4	\$8,667	26	\$12,539	30	\$21,205	100.00%	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: PORTLAND OR-WA MSA Evaluation Period: JANUARY 1, 2013 TO JUNE 5, 2017																	
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:																	
Portland-Vancouver-Hillsboro OR-WA MMA	100.00	8	100.00	12.50	37.50	37.50	12.50	0	0	0	0	0	0	2.76	24.05	47.09	26.08

Arizona

Table 1. Lending Volume

LENDING VOLUME												
Geography: ARIZONA 2013-2016												
Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016												
Assessment Area (2016):	% 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:												
Phoenix-Mesa-Scottsdale MSA	56.36	1,044	394,466	111	37,961	0	0	86	151,432	1,241	583,859	36.64
Tucson MSA	32.61	699	184,904	9	5,395	0	0	10	18,649	718	208,948	33.45
Limited Review:												
Prescott MSA	2.82	62	18,034	0	0	0	0	0	0	62	18,034	2.03
Non-MSA Arizona 2014-2016	5.72	109	20,107	16	1,387	0	0	1	2	126	21,496	13.19
Sierra Vista-Douglas MSA 2014-2016	1.59	27	3,272	8	672	0	0	0	0	35	3,944	8.15
Yuma MSA 2014-2016	0.90	16	1,754	4	1,108	0	0	0	0	20	2,862	6.54

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from September 10, 2013 to June 5, 2017.

*** Deposit Data as of June 30, 2016. 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 31, 2016		Geography: ARIZONA 2013-2016						Evaluation Period: JANUARY 1, 2013 TO DECEMBER								
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	Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid
Full Review:																
Phoenix-Mesa-Scottsdale MSA	726	53.94	3.66	0.41	21.50	23.69	38.07	28.93	36.77	46.97	0.16	0.05	0.25	0.09	0.19	
Tucson MSA	564	41.90	3.46	2.84	22.02	9.22	37.37	34.22	37.15	53.72	0.53	0.79	0.18	0.52	0.63	
Limited Review:																
Prescott MSA	56	4.16	0.00	0.00	11.57	1.79	68.19	69.64	20.24	28.57	0.25	0.00	0.00	0.31	0.11	
Non-MSA Arizona 2014-2016	65	77.38	2.15	0.00	14.99	0.00	55.02	52.31	27.84	47.69	0.70	0.00	0.00	0.72	0.72	
Sierra Vista-Douglas MSA 2014-2016	12	14.29	0.00	0.00	29.38	25.00	47.14	58.33	23.48	16.67	0.19	0.00	0.00	0.39	0.00	
Yuma MSA 2014-2016	7	8.33	0.00	0.00	24.16	14.29	41.39	57.14	34.45	28.57	0.15	0.00	0.13	0.27	0.07	

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 31, 2016		Geography: ARIZONA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO DECEMBER					
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Phoenix-Mesa-Scottsdale MSA	20	57.14	3.66	15.00	21.50	20.00	38.07	30.00	36.77	35.00	0.09	3.26	0.00	0.04	0.04
Tucson MSA	15	42.86	3.46	6.67	22.02	13.33	37.37	66.67	37.15	13.33	0.52	0.00	0.00	1.30	0.25
Limited Review:															
Prescott MSA	0	0.00	0.00	0.00	11.57	0.00	68.19	0.00	20.24	0.00	0.00	0.00	0.00	0.00	0.00
Non-MSA Arizona 2014-2016	1	33.33	2.15	0.00	14.99	100.00	55.02	0.00	27.84	0.00	0.00	0.00	0.00	0.00	0.00
Sierra Vista-Douglas MSA 2014-2016	2	66.67	0.00	0.00	29.38	50.00	47.14	50.00	23.48	0.00	0.81	0.00	0.00	1.79	0.00
Yuma MSA 2014-2016	0	0.00	0.00	0.00	24.16	0.00	41.39	0.00	34.45	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016			Geography: ARIZONA 2013-2016						Evaluation Period: JANUARY 1, 2013 TO						
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Phoenix-Mesa-Scottsdale MSA	226	68.28	3.66	1.77	21.50	15.49	38.07	31.42	36.77	51.33	0.06	0.09	0.05	0.05	0.06
Tucson MSA	100	30.21	3.46	4.00	22.02	15.00	37.37	41.00	37.15	40.00	0.07	0.00	0.10	0.09	0.05
Limited Review:															
Prescott MSA	5	1.51	0.00	0.00	11.57	0.00	68.19	80.00	20.24	20.00	0.03	0.00	0.00	0.00	0.13
Non-MSA Arizona 2014-2016	42	65.63	2.15	0.00	14.99	9.52	55.02	71.43	27.84	19.05	0.45	0.00	2.27	0.62	0.11
Sierra Vista-Douglas MSA 2014-2016	13	20.31	0.00	0.00	29.38	61.54	47.14	38.46	23.48	0.00	0.14	0.00	0.00	0.31	0.00
Yuma MSA 2014-2016	9	14.06	0.00	0.00	24.16	22.22	41.39	55.56	34.45	22.22	0.11	0.00	0.00	0.34	0.00

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY 2016		Geography: ARIZONA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31,					
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Phoenix-Mesa-Scottsdale MSA	72	77.42	15.31	25.00	37.48	55.56	28.73	16.67	18.49	2.78	4.02	8.11	2.67	4.60	0.00
Tucson MSA	20	21.51	9.52	35.00	42.07	30.00	29.24	25.00	19.17	10.00	8.64	9.09	4.65	23.53	0.00
Limited Review:															
Prescott MSA	1	1.08	0.00	0.00	34.40	0.00	44.53	100.00	21.08	0.00	0.00	0.00	0.00	0.00	0.00
Non-MSA Arizona 2014-2016	1	100.00	2.56	0.00	17.65	0.00	48.47	100.00	31.32	0.00	0.00	0.00	0.00	0.00	0.00
Sierra Vista-Douglas MSA 2014-2016	0	0.00	0.00	0.00	43.89	0.00	53.19	0.00	2.93	0.00	0.00	0.00	0.00	0.00	0.00
Yuma MSA 2014-2016	0	0.00	0.00	0.00	40.44	0.00	41.51	0.00	18.05	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2015 Peer Mortgage Data -- US and PR

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016			Geography: ARIZONA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO				
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 Businessses***	% BANK Loans	% of Businessses***	% BANK Loans	% of Businessses***	% BANK Loans	% of Businessses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Phoenix-Mesa-Scottsdale MSA	111	92.50	6.46	12.61	15.90	34.23	30.80	26.13	46.29	27.03	0.03	0.03	0.06	0.03	0.02
Tucson MSA	9	7.50	5.81	11.11	25.24	33.33	30.10	55.56	38.84	0.00	0.02	0.00	0.00	0.08	0.00
Limited Review:															
Prescott MSA	0	0.00	0.00	0.00	17.17	0.00	56.69	0.00	26.15	0.00	0.00	0.00	0.00	0.00	0.00
Non-MSA Arizona 2014-2016	16	57.14	1.04	6.25	10.82	18.75	54.75	62.50	33.39	12.50	0.12	0.00	0.00	0.11	0.20
Sierra Vista-Douglas MSA 2014-2016	8	28.57	0.00	0.00	31.03	87.50	50.69	12.50	18.28	0.00	0.07	0.00	0.25	0.00	0.00
Yuma MSA 2014-2016	4	14.29	0.00	0.00	33.99	25.00	31.03	25.00	34.96	50.00	0.05	0.00	0.00	0.00	0.15

* Based on 2015 Peer Small Business Data -- US and 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 (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2016		Geography: ARIZONA 2013-2016										Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share ⁶					
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ⁷	% BANK Loans ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp	
Full Review:																
Phoenix-Mesa-Scottsdale MSA	726	53.94	21.18	7.03	17.76	14.35	20.47	15.52	40.59	63.10	0.19	0.14	0.15	0.12	0.25	
Tucson MSA	564	41.90	21.62	10.79	17.84	12.95	19.62	12.77	40.92	63.49	0.66	1.45	0.54	0.20	0.84	
Limited Review:																
Prescott MSA	56	4.16	18.52	3.70	20.31	9.26	20.86	14.81	40.31	72.22	0.30	0.00	0.00	0.17	0.50	
Non-MSA Arizona 2014-2016	65	77.38	20.94	4.92	17.91	8.20	18.44	14.75	42.71	72.13	0.81	2.15	0.24	0.98	0.81	
Sierra Vista-Douglas MSA 2014-2016	12	14.29	20.67	18.18	17.92	9.09	19.97	9.09	41.45	63.64	0.16	0.00	0.00	0.00	0.33	
Yuma MSA 2014-2016	7	8.33	20.25	0.00	18.92	0.00	19.85	28.57	40.98	71.43	0.20	0.00	0.00	0.30	0.25	

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 3.9% of loans originated and purchased by bank.

7 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT 31, 2016			Geography: ARIZONA 2013-2016						Evaluation Period: JANUARY 1, 2013 TO DECEMBER						
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 ⁸	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Phoenix-Mesa-Scottsdale MSA	20	57.14	21.18	5.26	17.76	10.53	20.47	5.26	40.59	78.95	0.09	0.00	0.00	0.00	0.16
Tucson MSA	15	42.86	21.62	7.69	17.84	46.15	19.62	7.69	40.92	38.46	0.43	0.00	0.88	0.00	0.52
Limited Review:															
Prescott MSA	0	0.00	18.52	0.00	20.31	0.00	20.86	0.00	40.31	0.00	0.00	0.00	0.00	0.00	0.00
Non-MSA Arizona 2014-2016	1	33.33	20.94	100.00	17.91	0.00	18.44	0.00	42.71	0.00	0.00	0.00	0.00	0.00	0.00
Sierra Vista-Douglas MSA 2014-2016	2	66.67	20.67	0.00	17.92	50.00	19.97	50.00	41.45	0.00	0.94	0.00	0.00	6.25	0.00
Yuma MSA 2014-2016	0	0.00	20.25	0.00	18.92	0.00	19.85	0.00	40.98	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 8.6% of loans originated and purchased by bank.

⁸ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016		Geography: ARIZONA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO					
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share ¹				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ⁹	% BANK Loans ^{****}	% Families [*] **	% BANK Loans ^{****}	% Families [*] **	% BANK Loans ^{***} *	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Phoenix-Mesa-Scottsdale MSA	226	68.28	21.18	6.91	17.76	13.36	20.47	14.29	40.59	65.44	0.08	0.07	0.06	0.07	0.09
Tucson MSA	100	30.21	21.62	10.64	17.84	17.02	19.62	21.28	40.92	51.06	0.08	0.27	0.06	0.09	0.04
Limited Review:															
Prescott MSA	5	1.51	18.52	0.00	20.31	25.00	20.86	50.00	40.31	25.00	0.00	0.00	0.00	0.00	0.00
Non-MSA Arizona 2014-2016	42	65.63	20.94	14.63	17.91	17.07	18.44	19.51	42.71	48.78	0.61	4.48	1.05	0.33	0.37
Sierra Vista-Douglas MSA 2014-2016	13	20.31	20.67	23.08	17.92	30.77	19.97	30.77	41.45	15.38	0.28	3.28	0.00	0.00	0.00
Yuma MSA 2014-2016	9	14.06	20.25	0.00	18.92	50.00	19.85	25.00	40.98	25.00	0.09	0.00	0.00	0.00	0.15

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 4.8% of loans originated and purchased by bank.

9 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016		Geography: ARIZONA 2013-2016			Evaluation Period: JANUARY 1, 2013 TO				
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:									
Phoenix-Mesa-Scottsdale MSA	111	92.50	87.37	39.64	16.22	30.63	53.15	0.03	0.02
Tucson MSA	9	7.50	85.65	77.78	0.00	0.00	100.00	0.02	0.03
Limited Review:									
Prescott MSA	0	0.00	88.88	0.00	0.00	0.00	0.00	0.00	0.00
Non-MSA Arizona 2014-2016	16	57.14	80.56	68.75	81.25	12.50	6.25	0.12	0.12
Sierra Vista-Douglas MSA 2014-2016	8	28.57	82.67	62.50	75.00	25.00	0.00	0.07	0.14
Yuma MSA 2014-2016	4	14.29	80.48	100.00	75.00	0.00	25.00	0.05	0.12

* Based on 2015 Peer Small Business Data -- US and 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.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2016).

**** 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 7.50% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: Arizona				Evaluation Period: September 10, 2013 – June 5, 2017				
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:										
Phoenix-Mesa-Scottsdale MSA	0	\$0	20	\$9,507	20	\$9,507	52.07%	0	\$0	
Tucson MSA	0	\$0	10	\$2,907	10	\$2,907	15.92%	0	\$0	
Limited Review:										
Arizona non-MSA	0	\$0	2	\$3	2	\$3	0.02%	0	\$0	
Prescott MSA	0	\$0	0	\$0	0	\$0	0.00%	0	\$0	
Sierra Vista-Douglas MSA	0	\$0	10	\$5,809	10	\$5,809	31.82%	0	\$0	
Yuma MSA	0	\$0	3	\$5	3	\$5	0.03%	0	\$0	
Statewide:	0	\$0	3	\$26	3	\$26	0.14%	0	\$0	
TOTAL:	0	\$0	48	\$18,256	48	\$18,256	100.00%	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: ARIZONA				Evaluation Period: JANUARY 1, 2013 TO JUNE 5, 2017					
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:																	
Phoenix AA	36.64	12	38.71	0.00	33.33	33.33	33.33	0	2	0	0	0	- 2	8.18	24.70	36.00	30.95
Tucson AA	33.45	8	25.81	12.50	25.00	50.00	12.50	0	0	0	0	0	0	7.32	28.83	32.76	30.66
Limited Review:																	
Arizona Non-MSA	13.19	5	16.13	0.00	0.00	80.00	20.00	7	2	0	0	4	1	3.19	17.83	53.31	25.67
Prescott AA	2.03	1	3.23	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	15.17	67.84	16.98
Sierra Vista AA	8.15	3	9.68	0.00	33.33	66.67	0.00	3	0	0	1	2	0	0.00	30.58	49.28	20.14
Yuma AA	6.54	2	6.45	0.00	50.00	50.00	0.00	2	0	0	1	1	0	0.00	34.73	35.02	29.98

Idaho

Table 1. Lending Volume

LENDING VOLUME												
Geography: IDAHO 2013-2016												
Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016												
Assessment Area (2016):	% 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:												
Boise City MSA	50.80	386	123,285	58	13,764	0	0	5	2,489	449	139,538	61.40
Non-MSA Idaho 2014-2016	35.97	295	70,018	22	1,950	0	0	1	5,500	318	77,468	30.98
Limited Review:												
Idaho Falls MSA	9.95	84	13,109	3	617	0	0	1	1,485	88	15,211	4.69
Pocatello MSA	3.28	27	2,895	2	800	0	0	0	0	29	3,695	2.93

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from September 10, 2013 to June 5, 2017.

*** Deposit Data as of June 30, 2016. 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 2016		Geography: IDAHO 2013-2016						Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016								
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	Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid
Full Review:																
Boise City MSA	274	75.69	0.61	0.00	22.67	14.96	44.55	33.21	32.18	51.82	0.32	0.00	0.25	0.21	0.50	
Non-MSA Idaho 2014-2016	219	100.00	0.58	0.00	5.12	7.76	78.95	66.67	15.35	25.57	1.41	0.00	1.10	1.29	2.09	
Limited Review:																
Idaho Falls MSA	70	19.34	0.00	0.00	14.05	14.29	61.79	62.86	24.16	22.86	0.46	0.00	0.24	0.58	0.32	
Pocatello MSA	18	4.97	0.97	0.00	14.64	11.11	56.00	66.67	28.40	22.22	0.24	0.00	0.00	0.22	0.37	

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 31, 2016			Geography: IDAHO 2013-2016						Evaluation Period: JANUARY 1, 2013 TO DECEMBER						
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Boise City MSA	13	81.25	0.61	0.00	22.67	23.08	44.55	61.54	32.18	15.38	0.11	0.00	0.00	0.00	0.30
Non-MSA Idaho 2014-2016	12	100.00	0.58	0.00	5.12	8.33	78.95	83.33	15.35	8.33	2.22	0.00	7.14	1.95	2.27
Limited Review:															
Idaho Falls MSA	2	12.50	0.00	0.00	14.05	50.00	61.79	50.00	24.16	0.00	0.37	0.00	4.55	0.00	0.00
Pocatello MSA	1	6.25	0.97	0.00	14.64	100.00	56.00	0.00	28.40	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016			Geography: IDAHO 2013-2016						Evaluation Period: JANUARY 1, 2013 TO						
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Boise City MSA	84	81.55	0.61	1.19	22.67	26.19	44.55	41.67	32.18	30.95	0.21	5.56	0.25	0.24	0.12
Non-MSA Idaho 2014-2016	61	100.00	0.58	0.00	5.12	1.64	78.95	60.66	15.35	37.70	0.44	0.00	0.00	0.39	0.72
Limited Review:															
Idaho Falls MSA	11	10.68	0.00	0.00	14.05	18.18	61.79	54.55	24.16	27.27	0.06	0.00	0.00	0.10	0.00
Pocatello MSA	8	7.77	0.97	0.00	14.64	12.50	56.00	50.00	28.40	37.50	0.31	0.00	0.81	0.00	0.67

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY 2016		Geography: IDAHO 2013-2016								Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31,					
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Boise City MSA	15	93.75	1.59	6.67	45.92	40.00	34.25	46.67	18.24	6.67	28.57	100.00	18.75	35.29	0.00
Non-MSA Idaho 2014-2016	3	100.00	8.88	100.00	19.43	0.00	42.66	0.00	29.02	0.00	11.11	100.00	0.00	0.00	0.00
Limited Review:															
Idaho Falls MSA	1	6.25	0.00	0.00	62.16	100.00	23.01	0.00	14.83	0.00	11.11	0.00	16.67	0.00	0.00
Pocatello MSA	0	0.00	17.98	0.00	24.02	0.00	47.63	0.00	10.37	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2015 Peer Mortgage Data -- US and PR

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016			Geography: IDAHO 2013-2016						Evaluation Period: JANUARY 1, 2013 TO						
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 Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Boise City MSA	58	92.06	0.99	0.00	30.44	31.03	37.59	53.45	30.99	15.52	0.11	0.00	0.16	0.17	0.00
Non-MSA Idaho 2014-2016	22	100.00	1.98	4.55	6.43	9.09	73.13	50.00	18.45	36.36	0.11	0.67	0.46	0.08	0.13
Limited Review:															
Idaho Falls MSA	3	4.76	0.00	0.00	23.51	33.33	47.87	0.00	28.62	66.67	0.03	0.00	0.00	0.00	0.11
Pocatello MSA	2	3.17	7.22	0.00	24.48	0.00	45.34	50.00	22.96	50.00	0.00	0.00	0.00	0.00	0.00

* Based on 2015 Peer Small Business Data -- US and 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 (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2016		Geography: IDAHO 2013-2016								Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31,					
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 ¹⁰	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Boise City MSA	274	75.69	18.99	3.77	18.13	9.43	22.51	15.85	40.37	70.94	0.34	0.23	0.09	0.18	0.60
Non-MSA Idaho 2014-2016	219	100.00	18.72	2.84	18.74	13.27	22.29	19.43	40.25	64.45	1.55	0.00	1.20	1.55	1.92
Limited Review:															
Idaho Falls MSA	70	19.34	17.65	7.14	19.30	17.14	22.93	35.71	40.12	40.00	0.55	0.33	0.14	0.82	0.71
Pocatello MSA	18	4.97	20.47	5.56	17.37	27.78	22.73	16.67	39.43	50.00	0.30	0.00	0.57	0.00	0.46

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.5% of loans originated and purchased by bank.

¹⁰ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT 2016		Geography: IDAHO 2013-2016										Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31,				
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 ¹¹	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp	
Full Review:																
Boise City MSA	13	81.25	18.99	16.67	18.13	16.67	22.51	8.33	40.37	58.33	0.00	0.00	0.00	0.00	0.00	
Non-MSA Idaho 2014-2016	12	100.00	18.72	8.33	18.74	0.00	22.29	33.33	40.25	58.33	2.36	5.26	0.00	4.35	1.89	
Limited Review:																
Idaho Falls MSA	2	12.50	17.65	50.00	19.30	0.00	22.93	0.00	40.12	50.00	0.38	6.25	0.00	0.00	0.00	
Pocatello MSA	1	6.25	20.47	100.00	17.37	0.00	22.73	0.00	39.43	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 6.3% of loans originated and purchased by bank.

¹¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016		Geography: IDAHO 2013-2016								Evaluation Period: JANUARY 1, 2013 TO					
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share ¹				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ₁₂	% BANK Loans ^{****}	% Families [*] _{**}	% BANK Loans ^{****}	% Families [*] _{**}	% BANK Loans ^{***} _*	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Boise City MSA	84	81.55	18.99	17.07	18.13	23.17	22.51	21.95	40.37	37.80	0.27	0.32	0.41	0.37	0.15
Non-MSA Idaho 2014-2016	61	100.00	18.72	8.62	18.74	13.79	22.29	20.69	40.25	56.90	0.57	0.64	0.25	0.82	0.56
Limited Review:															
Idaho Falls MSA	11	10.68	17.65	22.22	19.30	44.44	22.93	22.22	40.12	11.11	0.09	0.00	0.00	0.00	0.17
Pocatello MSA	8	7.77	20.47	37.50	17.37	0.00	22.73	25.00	39.43	37.50	0.43	3.39	0.00	0.00	0.29

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 3.9% of loans originated and purchased by bank.

12 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016		Geography: IDAHO 2013-2016			Evaluation Period: JANUARY 1, 2013 TO				
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:									
Boise City MSA	58	92.06	83.93	39.66	55.17	10.34	34.48	0.11	0.10
Non-MSA Idaho 2014-2016	22	100.00	82.58	63.64	68.18	22.73	9.09	0.11	0.15
Limited Review:									
Idaho Falls MSA	3	4.76	80.94	100.00	33.33	33.33	33.33	0.03	0.07
Pocatello MSA	2	3.17	78.58	0.00	50.00	0.00	50.00	0.00	0.00

* Based on 2015 Peer Small Business Data -- US and 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.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2016).

**** 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 14.29% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: Idaho				Evaluation Period: September 10, 2013 – June 5, 2017			
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:									
Boise City MSA	2	\$3,211	29	\$1,550	31	\$4,760	42.81%	0	\$0
Idaho non-MSA	1	\$2,000	17	\$2,125	18	\$4,125	37.10%	0	\$0
Limited Review:									
Idaho Falls MSA	0	\$0	4	\$2	4	\$2	0.02%	0	\$0
Pocatello MSA	0	\$0	9	\$17	9	\$17	0.15%	0	\$0
Statewide:	1	\$2,204	3	\$11	4	\$2,215	19.92%	0	\$0
TOTAL:	4	\$7,415	62	\$3,704	66	\$11,119	100.00%	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: IDAHO				Evaluation Period: JANUARY 1, 2013 TO JUNE 5, 2017					
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:																	
Boise City AA	61.40	10	41.67	0.00	50.00	30.00	20.00	5	4	0	0	0	1	0.00	15.80	42.22	41.98
Idaho non-MSA	30.98	12	50.00	0.00	0.00	83.33	16.67	8	1	0	0	5	2	2.75	8.51	75.17	13.57
Limited Review:																	
Idaho Falls AA	4.69	1	4.17	0.00	0.00	0.00	100.00	2	2	0	- 1	0	1	0.00	17.71	61.48	20.82
Pocatello AA	2.94	1	4.17	0.00	0.00	100.00	0.00	1	1	0	- 1	1	0	3.52	15.76	55.42	25.30

Nevada

Table 1. Lending Volume

LENDING VOLUME		Geography: NEVADA 2013-2016						Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016				
Assessment Area (2016):	% 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:												
Las Vegas-Henderson-Paradise MSA	100.00	327	139,083	4	1,474	0	0	0	0	331	140,557	100.00
Limited Review:												
Non-MSA Nevada 2014-2016	100.00	24	3,201	1	20	0	0	0	0	25	3,221	100.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from September 10, 2013 to June 5, 2017.

*** Deposit Data as of June 30, 2016. 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 31, 2016		Geography: NEVADA 2013-2016						Evaluation Period: JANUARY 1, 2013 TO DECEMBER								
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	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid
Full Review:																
Las Vegas-Henderson-Paradise MSA	271	100.00	1.74	0.00	15.53	8.49	45.66	27.31	37.07	64.21	0.16	0.00	0.22	0.08	0.23	
Limited Review:																
Non-MSA Nevada 2014-2016	7	100.00	2.45	0.00	9.22	0.00	70.82	71.43	17.50	28.57	0.07	0.00	0.00	0.09	0.00	

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 31, 2016		Geography: NEVADA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO DECEMBER					
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:															
Las Vegas-Henderson-Paradise MSA	7	100.00	1.74	0.00	15.53	14.29	45.66	0.00	37.07	85.71	0.17	0.00	0.41	0.00	0.27
Limited Review:															
Non-MSA Nevada 2014-2016	5	100.00	2.45	0.00	9.22	0.00	70.82	80.00	17.50	20.00	0.00	0.00	0.00	0.00	0.00

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016			Geography: NEVADA 2013-2016						Evaluation Period: JANUARY 1, 2013 TO						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography ¹				
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	Overa II	Low	Mod	Mid	Upp
Full Review:															
Las Vegas-Henderson-Paradise MSA	49	100.00	1.74	0.00	15.53	12.24	45.66	14.29	37.07	73.47	0.05	0.00	0.13	0.01	0.07
Limited Review:															
Non-MSA Nevada 2014-2016	12	100.00	2.45	0.00	9.22	16.67	70.82	66.67	17.50	16.67	0.17	0.00	0.00	0.16	0.24

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016		Geography: NEVADA 2013-2016										Evaluation Period: JANUARY 1, 2013 TO				
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 Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Las Vegas-Henderson-Paradise MSA	4	100.00	5.07	0.00	21.05	0.00	42.38	75.00	31.50	25.00	0.01	0.00	0.00	0.01	0.01	
Limited Review:																
Non-MSA Nevada 2014-2016	1	100.00	1.39	100.00	10.72	0.00	75.47	0.00	12.42	0.00	0.04	4.17	0.00	0.00	0.00	

* Based on 2015 Peer Small Business Data -- US and 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 (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2016		Geography: NEVADA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31,					
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 ¹³	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Las Vegas-Henderson-Paradise MSA	271	100.00	20.10	2.73	18.02	6.25	22.00	9.38	39.88	81.64	0.19	0.00	0.05	0.08	0.34
Limited Review:															
Non-MSA Nevada 2014-2016	7	100.00	19.01	14.29	17.74	14.29	24.66	28.57	38.59	42.86	0.08	0.00	0.00	0.12	0.10

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 5.5% of loans originated and purchased by bank.

13 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016		Geography: NEVADA 2013-2016								Evaluation Period: JANUARY 1, 2013 TO					
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 ₁₄	% BANK Loans****	% Families* _{**}	% BANK Loans****	% Families* _{**}	% BANK Loans*** _*	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Las Vegas-Henderson-Paradise MSA	49	100.00	20.10	11.90	18.02	11.90	22.00	9.52	39.88	66.67	0.04	0.08	0.00	0.02	0.07
Limited Review:															
Non-MSA Nevada 2014-2016	12	100.00	19.01	16.67	17.74	33.33	24.66	33.33	38.59	16.67	0.24	0.00	0.45	0.28	0.17

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 14.3% of loans originated and purchased by bank.

14 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016		Geography: NEVADA 2013-2016			Evaluation Period: JANUARY 1, 2013 TO				
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:									
Las Vegas-Henderson-Paradise MSA	4	100.00	83.06	50.00	50.00	0.00	50.00	0.01	0.00
Limited Review:									
Non-MSA Nevada 2014-2016	1	100.00	77.10	100.00	100.00	0.00	0.00	0.04	0.07

* Based on 2015 Peer Small Business Data -- US and 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.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2016).

**** 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 50.00% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: Nevada				Evaluation Period: September 10, 2013 – June 5, 2017			
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:									
Las Vegas-Henderson-Paradise MSA	1	\$500	9	\$5,009	10	\$5,509	99.24%	0	\$0
Limited Review:									
Nevada non-MSA	0	\$0	5	\$8	5	\$8	0.14%	0	\$0
Statewide:	0	\$0	3	\$34	3	\$34	0.61%	0	\$0
TOTAL:	4	\$500	62	\$5,051	66	\$5,551	100.00%	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: NEVADA				Evaluation Period: JANUARY 1, 2013 TO JUNE 5, 2017					
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:																	
Las Vegas AA	56.16	6	54.55	0.00	16.67	50.00	33.33	3	1	0	1	0	1	5.29	22.78	42.19	29.74
Limited Review:																	
Nevada non-MSA	43.84	5	45.45	0.00	20.00	80.00	0.00	9	4	0	1	4	0	2.55	9.14	72.81	15.50

New Mexico

Table 1. Lending Volume

LENDING VOLUME 2016		Geography: NEW MEXICO 2013-2016						Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31,				
Assessment Area (2016):	% 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:												
Albuquerque MSA	31.39	210	87,998	54	10,177	3	400	13	17,031	280	115,606	16.50
Non-MSA New Mexico 2014-2016	32.51	182	28,941	102	11,938	3	248	3	3,758	290	44,885	67.17
Limited Review:												
Farmington MSA	10.20	55	16,994	35	5,414	1	3	0	0	91	22,411	4.89
Las Cruces MSA	10.54	80	36,941	12	3,074	0	0	2	4,795	94	44,810	6.08
Santa Fe MSA	15.36	109	48,010	28	9,600	0	0	0	0	137	57,610	5.36

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from September 10, 2013 to June 5, 2017.

*** Deposit Data as of June 30, 2016. 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 DECEMBER 31, 2016		Geography: NEW MEXICO 2013-2016								Evaluation Period: JANUARY 1, 2013 TO					
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
Full Review:															
Albuquerque MSA	152	49.03	2.52	6.58	25.57	7.24	33.35	26.32	38.55	59.87	0.31	2.87	0.18	0.12	0.42
Non-MSA New Mexico 2014-2016	114	100.00	0.84	0.88	19.47	12.28	50.02	50.00	29.68	36.84	1.03	5.26	1.43	1.14	0.84
Limited Review:															
Farmington MSA	39	12.58	5.52	0.00	9.78	0.00	65.64	43.59	19.05	56.41	1.30	0.00	0.00	1.14	1.70
Las Cruces MSA	25	8.06	4.58	8.00	31.65	20.00	18.07	20.00	45.70	52.00	0.15	1.59	0.00	0.40	0.06
Santa Fe MSA	94	30.32	3.42	1.06	20.89	9.57	34.30	14.89	41.40	74.47	1.43	0.00	1.52	0.50	2.05

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016			Geography: NEW MEXICO 2013-2016						Evaluation Period: JANUARY 1, 2013 TO						
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Albuquerque MSA	38	38.78	2.52	0.00	25.57	23.68	33.35	26.32	38.55	50.00	0.05	0.00	0.16	0.06	0.00
Non-MSA New Mexico 2014-2016	55	100.00	0.84	0.00	19.47	18.18	50.02	34.55	29.68	47.27	0.70	0.00	1.29	0.46	0.84
Limited Review:															
Farmington MSA	11	11.22	5.52	0.00	9.78	9.09	65.64	45.45	19.05	45.45	0.32	0.00	0.00	0.33	0.33
Las Cruces MSA	35	35.71	4.58	5.71	31.65	25.71	18.07	11.43	45.70	57.14	0.42	0.00	0.42	0.00	0.56
Santa Fe MSA	14	14.29	3.42	0.00	20.89	14.29	34.30	50.00	41.40	35.71	0.11	0.00	0.00	0.00	0.23

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016			Geography: NEW MEXICO 2013-2016								Evaluation Period: JANUARY 1, 2013 TO				
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 Business ^{***}	% BANK Loans	% of Business ^{***}	% BANK Loans	% of Business ^{***}	% BANK Loans	% of Business ^{***}	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Albuquerque MSA	54	41.86	6.81	5.56	25.70	44.44	33.04	22.22	34.45	27.78	0.05	0.00	0.10	0.08	0.00
Non-MSA New Mexico 2014-2016	102	100.00	2.06	8.82	16.97	37.25	48.48	28.43	32.49	25.49	0.58	1.32	1.57	0.50	0.33
Limited Review:															
Farmington MSA	35	27.13	0.40	2.86	13.03	5.71	65.15	65.71	21.42	25.71	0.51	0.00	0.00	0.59	0.63
Las Cruces MSA	12	9.30	9.37	25.00	26.91	16.67	17.80	25.00	45.92	33.33	0.14	0.00	0.18	0.27	0.11
Santa Fe MSA	28	21.71	9.49	25.00	11.15	7.14	42.42	25.00	36.88	42.86	0.25	1.42	0.00	0.08	0.25

* Based on 2015 Peer Small Business Data -- US and 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 (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE DECEMBER 31, 2016		Geography: NEW MEXICO 2013-2016								Evaluation Period: JANUARY 1, 2013 TO					
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 ¹⁵	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Albuquerque MSA	152	49.03	21.39	10.20	17.41	9.52	19.16	11.56	42.04	68.71	0.36	0.14	0.09	0.15	0.63
Non-MSA New Mexico 2014-2016	114	100.00	21.46	5.50	17.66	12.84	19.54	19.27	41.34	62.39	1.07	2.75	1.57	0.82	0.99
Limited Review:															
Farmington MSA	39	12.58	23.88	2.70	15.75	2.70	18.03	16.22	42.34	78.38	1.41	0.00	0.00	0.00	2.63
Las Cruces MSA	25	8.06	25.10	4.00	16.55	12.00	16.27	16.00	42.09	68.00	0.18	0.00	0.37	0.00	0.22
Santa Fe MSA	94	30.32	23.60	6.74	16.10	16.85	18.88	13.48	41.42	62.92	1.44	1.41	2.15	1.13	1.39

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 3.9% of loans originated and purchased by bank.

15 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016			Geography: NEW MEXICO 2013-2016						Evaluation Period: JANUARY 1, 2013 TO						
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 ₁₆	% BANK Loans****	% Families* _{**}	% BANK Loans****	% Families* _{**}	% BANK Loans****	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Albuquerque MSA	38	38.78	21.39	11.43	17.41	17.14	19.16	11.43	42.04	60.00	0.07	0.22	0.09	0.00	0.08
Non-MSA New Mexico 2014-2016	55	100.00	21.46	7.27	17.66	18.18	19.54	29.09	41.34	45.45	1.04	0.00	2.91	1.45	0.65
Limited Review:															
Farmington MSA	11	11.22	23.88	9.09	15.75	18.18	18.03	0.00	42.34	72.73	0.49	0.00	0.00	0.00	0.76
Las Cruces MSA	35	35.71	25.10	0.00	16.55	3.03	16.27	33.33	42.09	63.64	0.52	0.00	0.00	1.31	0.39
Santa Fe MSA	14	14.29	23.60	21.43	16.10	21.43	18.88	7.14	41.42	50.00	0.14	0.00	0.00	0.00	0.24

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 5.1% of loans originated and purchased by bank.

16 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016		Geography: NEW MEXICO 2013-2016			Evaluation Period: JANUARY 1, 2013 TO				
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:									
Albuquerque MSA	54	41.86	84.06	35.19	38.89	37.04	24.07	0.05	0.04
Non-MSA New Mexico 2014-2016	102	100.00	76.62	50.98	69.61	19.61	10.78	0.58	0.68
Limited Review:									
Farmington MSA	35	27.13	77.35	40.00	42.86	45.71	11.43	0.51	0.78
Las Cruces MSA	12	9.30	80.53	58.33	33.33	33.33	33.33	0.14	0.09
Santa Fe MSA	28	21.71	86.32	42.86	35.71	14.29	50.00	0.25	0.22

* Based on 2015 Peer Small Business Data -- US and 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.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2016).

**** 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 18.60% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: New Mexico				Evaluation Period: September 10, 2013 – June 5, 2017			
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:									
Albuquerque MSA	0	\$0	30	\$55	30	\$55	0.36%	0	\$0
New Mexico Non-MSA AA	0	\$0	16	\$2,617	16	\$2,617	17.21%	0	\$0
Limited Review:									
Farmington MSA	0	\$0	1	\$5,000	1	\$5,000	32.89%	0	\$0
Las Cruces	0	\$0	4	\$4,507	4	\$4,507	29.64%	0	\$0
Santa Fe MSA	1	\$3,000	8	\$10	9	\$3010	19.80%	0	\$0
Statewide:	0	\$0	3	\$15	3	\$15	0.10%	0	\$0
TOTAL:	4	\$3,000	62	\$12,204	66	\$15,204	100.00%	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: NEW MEXICO				Evaluation Period: JANUARY 1, 2013 TO JUNE 5, 2017					
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:																	
Albuquerque AA	17.40	4	14.81	0.00	25.00	50.00	25.00	0	1	0	- 1	0	0	4.98	29.97	32.02	33.03
New Mexico Non-MSA	65.40	18	66.67	0.00	5.56	61.11	33.33	11	1	0	1	7	2	1.30	24.61	48.45	25.64
Limited Review:																	
Farmington AA	5.15	1	3.70	0.00	0.00	100.00	0.00	0	0	0	0	0	0	5.84	11.27	67.07	15.82
Las Cruces AA	6.41	2	7.41	0.00	50.00	0.00	50.00	0	0	0	0	0	0	9.56	34.48	18.17	37.79
Santa Fe AA	5.65	2	7.41	50.00	0.00	50.00	0.00	0	0	0	0	0	0	5.94	23.86	35.11	34.44

Oregon

Table 1. Lending Volume

LENDING VOLUME												
Geography: OREGON 2013-2016												
Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016												
Assessment Area (2016):	% 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:												
Bend-Redmond MSA	28.93	308	124,273	257	55,009	8	1,487	9	13,494	582	194,263	13.32
Non-MSA Oregon 2014-2016	28.88	188	47,490	225	33,088	160	23,976	8	33,227	581	137,781	39.75
Limited Review:												
Corvallis MSA	4.87	90	33,553	7	1,518	0	0	1	152	98	35,223	5.53
Eugene MSA	5.96	109	70,699	9	1,659	0	0	2	1,233	120	73,591	8.04
Medford MSA	19.14	99	39,246	225	57,725	59	8,387	2	6,485	385	111,843	5.74
Salem MSA	7.36	127	54,188	19	5,736	0	0	2	2,703	148	62,627	14.71
Albany MSA 2014-2016	2.23	40	13,313	4	2,377	0	0	1	788	45	16,478	2.85
Grants Pass MSA 2014-2016	2.63	18	15,927	29	2,955	5	510	1	105	53	19,497	10.06
Statewide Activity		0	0	0	0	0	0	1	1,300	1	1,300	

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
 ** The evaluation period for Community Development Loans is from September 10, 2013 to June 5, 2017.
 *** Deposit Data as of June 30, 2016. 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 31, 2016		Geography: OREGON 2013-2016								Evaluation Period: JANUARY 1, 2013 TO DECEMBER					
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
Full Review:															
Bend-Redmond MSA	266	46.34	0.00	0.00	11.80	7.52	65.01	64.29	23.20	28.20	1.15	0.00	0.54	0.97	2.05
Non-MSA Oregon 2014-2016	143	78.14	0.47	0.00	7.99	2.80	74.89	76.92	16.65	20.28	0.78	0.00	0.30	0.80	0.88
Limited Review:															
Corvallis MSA	78	13.59	0.96	2.56	20.40	10.26	48.43	53.85	30.21	33.33	1.08	0.00	0.00	1.81	0.67
Eugene MSA	79	13.76	1.36	0.00	16.51	15.19	57.92	53.16	24.22	31.65	0.33	0.00	0.31	0.36	0.30
Medford MSA	64	11.15	0.22	0.00	7.54	3.13	71.50	71.88	20.74	25.00	0.34	0.00	0.00	0.34	0.45
Salem MSA	87	15.16	0.00	0.00	11.87	5.75	60.16	55.17	27.96	39.08	0.15	0.00	0.12	0.12	0.23
Albany MSA 2014-2016	29	15.85	0.00	0.00	10.10	10.34	75.16	62.07	14.74	27.59	0.60	0.00	0.00	0.60	0.94
Grants Pass MSA 2014-2016	11	6.01	0.00	0.00	10.26	0.00	79.54	100.00	10.20	0.00	0.30	0.00	0.00	0.35	0.00

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016			Geography: OREGON 2013-2016						Evaluation Period: JANUARY 1, 2013 TO						
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	Overa II	Low	Mod	Mid	Upp
Full Review:															
Bend-Redmond MSA	27	30.68	0.00	0.00	11.80	7.41	65.01	70.37	23.20	22.22	0.22	0.00	0.23	0.22	0.21
Non-MSA Oregon 2014-2016	33	70.21	0.47	0.00	7.99	9.09	74.89	72.73	16.65	18.18	0.29	0.00	1.03	0.23	0.33
Limited Review:															
Corvallis MSA	9	10.23	0.96	0.00	20.40	33.33	48.43	55.56	30.21	11.11	0.19	0.00	0.48	0.21	0.00
Eugene MSA	13	14.77	1.36	7.69	16.51	0.00	57.92	53.85	24.22	38.46	0.06	0.00	0.00	0.11	0.00
Medford MSA	18	20.45	0.22	0.00	7.54	5.56	71.50	77.78	20.74	16.67	0.17	0.00	0.00	0.19	0.14
Salem MSA	21	23.86	0.00	0.00	11.87	14.29	60.16	57.14	27.96	28.57	0.06	0.00	0.00	0.07	0.07
Albany MSA 2014-2016	8	17.02	0.00	0.00	10.10	12.50	75.16	87.50	14.74	0.00	0.44	0.00	0.00	0.63	0.00
Grants Pass MSA 2014-2016	6	12.77	0.00	0.00	10.26	50.00	79.54	50.00	10.20	0.00	0.20	0.00	1.45	0.13	0.00

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016			Geography: OREGON 2013-2016								Evaluation Period: JANUARY 1, 2013 TO				
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 Business ses***	% BANK Loans	% of Business ses***	% BANK Loans	% of Business ses***	% BANK Loans	% of Business ses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Bend-Redmond MSA	257	49.71	0.00	0.00	19.43	34.24	57.26	58.75	23.31	7.00	1.26	0.00	2.63	1.38	0.21
Non-MSA Oregon 2014-2016	225	87.21	0.92	3.11	9.59	16.89	71.66	63.11	17.82	16.89	1.06	3.85	2.39	0.93	1.10
Limited Review:															
Corvallis MSA	7	1.35	13.87	0.00	24.48	85.71	39.14	14.29	22.50	0.00	0.07	0.00	0.32	0.00	0.00
Eugene MSA	9	1.74	3.55	22.22	27.03	66.67	45.28	11.11	24.14	0.00	0.03	0.34	0.06	0.00	0.00
Medford MSA	225	43.52	5.60	3.56	10.96	5.78	66.13	80.89	17.31	9.78	1.29	0.44	0.77	1.71	0.43
Salem MSA	19	3.68	0.00	0.00	20.90	21.05	57.28	68.42	21.82	10.53	0.10	0.00	0.08	0.16	0.00
Albany MSA 2014-2016	4	1.55	0.00	0.00	17.07	0.00	67.85	100.00	15.07	0.00	0.00	0.00	0.00	0.00	0.00
Grants Pass MSA 2014-2016	29	11.24	0.00	0.00	8.56	24.14	85.33	75.86	6.11	0.00	0.92	0.00	2.86	0.86	0.00

* Based on 2015 Peer Small Business Data -- US and 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2016		Geography: OREGON 2013-2016						Evaluation Period: JANUARY 1, 2013 TO					Market Share (%) by Geography*				
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							
Full Review:																	
Bend-Redmond MSA	8	11.94	0.00	0.00	12.16	12.50	55.30	12.50	32.53	75.00	4.76	0.00	0.00	0.00	10.71		
Non-MSA Oregon 2014-2016	160	96.97	0.07	0.00	3.75	5.00	79.05	85.63	17.13	9.38	4.58	0.00	16.00	4.48	3.70		
Limited Review:																	
Corvallis MSA	0	0.00	1.22	0.00	14.67	0.00	66.50	0.00	17.60	0.00	0.00	0.00	0.00	0.00	0.00		
Eugene MSA	0	0.00	2.05	0.00	13.73	0.00	64.17	0.00	20.05	0.00	0.00	0.00	0.00	0.00	0.00		
Medford MSA	59	88.06	1.74	0.00	5.11	0.00	76.71	98.31	16.43	1.69	17.14	0.00	0.00	24.32	0.00		
Salem MSA	0	0.00	0.00	0.00	8.06	0.00	72.58	0.00	19.36	0.00	0.00	0.00	0.00	0.00	0.00		
Albany MSA 2014-2016	4	1.55	0.00	0.00	17.07	0.00	67.85	100.00	15.07	0.00	0.00	0.00	0.00	0.00	0.00		
Grants Pass MSA 2014-2016	29	11.24	0.00	0.00	8.56	24.14	85.33	75.86	6.11	0.00	0.92	0.00	2.86	0.86	0.00		

* Based on 2015 Peer Small Business Data -- US and 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 (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2016		Geography: OREGON 2013-2016										Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share ¹					
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ¹⁷	% BANK Loans ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp	
Full Review:																
Bend-Redmond MSA	266	46.34	19.74	2.24	17.28	7.62	23.52	13.00	39.46	77.13	1.30	1.59	0.82	0.52	1.70	
Non-MSA Oregon 2014-2016	143	78.14	20.19	4.38	17.03	10.22	21.69	22.63	41.09	62.77	0.95	1.61	0.68	0.85	1.06	
Limited Review:																
Corvallis MSA	78	13.59	21.78	1.32	16.30	14.47	21.56	22.37	40.36	61.84	1.23	0.00	1.75	0.64	1.49	
Eugene MSA	79	13.76	21.30	5.33	18.15	9.33	20.98	20.00	39.57	65.33	0.37	0.83	0.23	0.23	0.46	
Medford MSA	64	11.15	19.75	2.04	18.89	8.16	20.55	16.33	40.81	73.47	0.37	0.00	0.00	0.51	0.43	
Salem MSA	87	15.16	19.90	2.41	18.83	19.28	21.12	13.25	40.15	65.06	0.18	0.48	0.09	0.06	0.26	
Albany MSA 2014-2016	29	15.85	19.96	7.14	18.54	14.29	21.73	25.00	39.78	53.57	0.68	1.28	0.30	0.93	0.61	
Grants Pass MSA 2014-2016	11	6.01	21.24	0.00	17.75	22.22	21.10	0.00	39.91	77.78	0.35	0.00	0.73	0.00	0.44	

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 11.8% of loans originated and purchased by bank.

17 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016				Geography: OREGON 2013-2016				Evaluation Period: JANUARY 1, 2013 TO							
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 ₁₈	% BANK Loans ^{****}	% Families [*] _{**}	% BANK Loans ^{****}	% Families [*] _{**}	% BANK Loans ^{****} _*	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Bend-Redmond MSA	27	30.68	19.74	3.85	17.28	19.23	23.52	19.23	39.46	57.69	0.28	0.00	0.46	0.26	0.27
Non-MSA Oregon 2014-2016	33	70.21	20.19	0.00	17.03	24.14	21.69	27.59	41.09	48.28	0.35	0.00	0.54	0.34	0.35
Limited Review:															
Corvallis MSA	9	10.23	21.78	11.11	16.30	33.33	21.56	11.11	40.36	44.44	0.23	0.00	0.70	0.39	0.00
Eugene MSA	13	14.77	21.30	15.38	18.15	7.69	20.98	15.38	39.57	61.54	0.08	0.64	0.00	0.00	0.09
Medford MSA	18	20.45	19.75	0.00	18.89	29.41	20.55	17.65	40.81	52.94	0.17	0.00	0.59	0.17	0.08
Salem MSA	21	23.86	19.90	10.00	18.83	25.00	21.12	15.00	40.15	50.00	0.08	0.59	0.00	0.20	0.00
Albany MSA 2014-2016	8	17.02	19.96	0.00	18.54	37.50	21.73	25.00	39.78	37.50	0.59	0.00	2.01	0.35	0.39
Grants Pass MSA 2014-2016	6	12.77	21.24	0.00	17.75	40.00	21.10	20.00	39.91	40.00	0.26	0.00	0.00	0.59	0.21

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 3.4% of loans originated and purchased by bank.

18 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016				Geography: OREGON 2013-2016			Evaluation Period: JANUARY 1, 2013 TO		
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:									
Bend-Redmond MSA	257	49.71	88.78	49.42	42.02	28.40	29.57	1.26	1.02
Non-MSA Oregon 2014-2016	225	87.21	84.00	61.78	64.44	20.44	15.11	1.06	1.29
Limited Review:									
Corvallis MSA	7	1.35	86.82	42.86	28.57	28.57	42.86	0.07	0.00
Eugene MSA	9	1.74	86.29	55.56	44.44	44.44	11.11	0.03	0.03
Medford MSA	225	43.52	88.31	35.56	37.33	29.33	33.33	1.29	0.65
Salem MSA	19	3.68	85.83	52.63	42.11	15.79	42.11	0.10	0.06
Albany MSA 2014-2016	4	1.55	85.85	50.00	25.00	0.00	75.00	0.00	0.00
Grants Pass MSA 2014-2016	29	11.24	89.01	75.86	75.86	10.34	13.79	0.92	1.04

* Based on 2015 Peer Small Business Data -- US and 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.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2016).

**** 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 7.93% 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 31, 2016			Geography: OREGON 2013-2016				Evaluation Period: JANUARY 1, 2013 TO DECEMBER		
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
Full Review:									
Bend-Redmond MSA	8	11.94	97.45	100.00	25.00	50.00	25.00	4.76	6.98
Non-MSA Oregon 2014-2016	160	96.97	95.20	87.50	50.00	32.50	17.50	4.58	6.08
Limited Review:									
Corvallis MSA	0	0.00	94.87	0.00	0.00	0.00	0.00	0.00	0.00
Eugene MSA	0	0.00	96.26	0.00	0.00	0.00	0.00	0.00	0.00
Medford MSA	59	88.06	97.06	79.66	52.54	33.90	13.56	17.14	21.54
Salem MSA	0	0.00	92.16	0.00	0.00	0.00	0.00	0.00	0.00
Albany MSA 2014-2016	0	0.00	95.94	0.00	0.00	0.00	0.00	0.00	0.00
Grants Pass MSA 2014-2016	5	3.03	96.17	80.00	80.00	20.00	0.00	9.09	16.67

* Based on 2015 Peer Small Business Data -- US and 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 - 2016).

**** 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 1.49% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: Oregon				Evaluation Period: September 10, 2013 – June 5, 2017			
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:									
Oregon Non-MSA AA	2	\$1,432	31	\$2,046	33	\$3,478	18.65%	0	\$0
Bend-Redmond MSA	3	\$8,500	33	\$33	36	\$8,533	45.76%	0	\$0
Limited Review:									
Albany MSA	0	\$0	2	\$0	2	\$0	0.00%	0	\$0
Corvallis MSA	1	\$6,600	3	\$1	4	\$6,601	35.40%	0	\$0
Grants Pass MSA	0	\$0	0	\$0	0	\$0	0.00%	0	\$0
Eugene MSA	0	\$0	5	\$3	5	\$3	0.02%	0	\$0
Medford MSA	0	\$0	14	\$19	14	\$19	0.10%		
Salem MSA	0	\$0	1	\$1	1	\$1	0.01%		
Statewide:	0	\$0	3	\$11	3	\$11	0.06%	0	\$0
TOTAL:	6	\$16,532	92	\$2,114	98	\$18,646	100.00%	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: OREGON				Evaluation Period: JANUARY 1, 2013 TO JUNE 5, 2017									
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:																	
Bend AA	13.32	5	12.50	0.00	80.00	20.00	0.00	0	0	0	0	0	0	0.00	15.70	64.32	19.99
Oregon Non-MSA	39.75	16	40.00	0.00	12.50	75.00	12.50	8	3	0	1	4	0	0.63	8.93	77.22	13.22
Limited Review:																	
Albany AA	2.85	1	2.50	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	15.69	70.41	13.90
Corvallis AA	5.53	1	2.50	0.00	100.00	0.00	0.00	0	0	0	0	0	0	6.43	32.25	36.77	24.54
Eugene AA	8.04	3	7.50	0.00	33.33	66.67	0.00	0	0	0	0	0	0	2.90	21.40	53.69	22.01
Grants Pass AA	10.06	4	10.00	0.00	25.00	75.00	0.00	0	0	0	0	0	0	0.00	10.09	81.34	8.57
Medford AA	5.74	5	12.50	0.00	20.00	60.00	20.00	1	1	0	0	0	0	0.88	11.86	69.85	17.41
Salem AA	14.71	5	12.50	0.00	40.00	40.00	20.00	0	0	0	0	0	0	0.00	21.03	56.99	21.98

Texas

Table 1. Lending Volume

LENDING VOLUME												
Geography: TEXAS 2014-2016												
Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016												
Assessment Area (2016):	% 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:												
Dallas-Plano-Irving MD 2014-2016	100.00	190	158,257	7	1,324	0	0	2	1,079	199	160,660	100.00
Statewide Activity		0	0	0	0	0	0	6	14,050	6	14,050	

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
 ** The evaluation period for Community Development Loans is from September 10, 2013 to June 5, 2017.
 *** Deposit Data as of June 30, 2016. 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 2016		Geography: TEXAS 2014-2016						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
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
Full Review:															
Dallas-Plano-Irving MD 2014-2016	155	100.00	5.34	1.29	19.26	2.58	29.76	16.77	45.64	79.35	0.04	0.05	0.01	0.02	0.06

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016			Geography: TEXAS 2014-2016						Evaluation Period: JANUARY 1, 2014 TO						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography ¹				
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	Overa II	Low	Mod	Mid	Upp
Full Review:															
Dallas-Plano-Irving MD 2014-2016	24	100.00	5.34	0.00	19.26	0.00	29.76	8.33	45.64	91.67	0.01	0.00	0.00	0.01	0.02

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2016		Geography: TEXAS 2014-2016								Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31,					
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 ¹⁹	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Dallas-Plano-Irving MD 2014-2016	155	100.00	23.06	4.69	16.62	10.94	18.27	14.06	42.05	70.31	0.04	0.09	0.03	0.02	0.05

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 17.4% of loans originated and purchased by bank.

19 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016		Geography: TEXAS 2014-2016								Evaluation Period: JANUARY 1, 2014 TO					
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 ₂₀	% BANK Loans ^{****}	% Families [*] _{**}	% BANK Loans ^{****}	% Families [*] _{**}	% BANK Loans ^{***} _*	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Dallas-Plano-Irving MD 2014-2016	24	100.00	23.06	0.00	16.62	6.25	18.27	12.50	42.05	81.25	0.00	0.00	0.00	0.00	0.01

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 33.3% of loans originated and purchased by bank.

20 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: Texas				Evaluation Period: September 10, 2013 – April 31, 2017			
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:									
Dallas-Plano-Irving MD	0	\$0	10	\$2,009	10	\$2,009	100.00%	0	\$0
TOTAL:	0	\$0	10	\$2,009	10	\$2,009	100.00%	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: TEXAS				Evaluation Period: JANUARY 1, 2013 TO JUNE 5, 2017					
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:																	
Dallas-Plano-Irving MD	100.00	5	100.00	0.00	0.00	20.00	80.00	2	1	0	0	1	0	11.42	24.62	28.04	35.93

Utah

Table 1. Lending Volume

LENDING VOLUME												
Geography: UTAH 2013-2016												
Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016												
Assessment Area (2016):	% 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:												
Salt Lake City MSA	62.52	628	244,866	9	806	0	0	7	1,594	644	247,266	70.15
Limited Review:												
Logan MSA	7.86	79	21,533	1	550	0	0	1	2	81	22,085	18.34
Non-MSA Utah 2014-2016	12.14	123	49,605	2	222	0	0	0	0	125	49,827	8.35
Ogden-Clearfield MSA 2014-2016	17.48	173	85,156	1	750	0	0	6	3,049	180	88,955	3.16

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
 ** The evaluation period for Community Development Loans is from September 10, 2013 to June 5, 2017.
 *** Deposit Data as of June 30, 2016. 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 2016			Geography: UTAH 2013-2016				Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Salt Lake City MSA	476	88.31	2.07	6.30	13.75	25.63	52.53	33.19	31.64	34.87	0.37	1.29	0.65	0.21	0.46	
Limited Review:																
Logan MSA	63	11.69	0.00	0.00	16.72	15.87	60.17	46.03	23.11	38.10	0.57	0.00	0.00	0.67	0.89	
Non-MSA Utah 2014-2016	105	44.49	0.00	0.00	4.72	1.90	53.28	34.29	41.99	63.81	1.77	0.00	0.00	1.60	1.96	
Ogden-Clearfield MSA 2014-2016	131	55.51	0.70	0.76	14.58	7.63	56.66	51.15	28.05	40.46	0.22	0.00	0.15	0.16	0.43	

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016			Geography: UTAH 2013-2016						Evaluation Period: JANUARY 1, 2013 TO						
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Salt Lake City MSA	113	88.28	2.07	1.77	13.75	15.04	52.53	38.94	31.64	44.25	0.16	0.23	0.24	0.09	0.23
Limited Review:															
Logan MSA	15	11.72	0.00	0.00	16.72	20.00	60.17	53.33	23.11	26.67	0.36	0.00	0.00	0.31	0.76
Non-MSA Utah 2014-2016	18	39.13	0.00	0.00	4.72	5.56	53.28	22.22	41.99	72.22	0.37	0.00	0.00	0.35	0.40
Ogden-Clearfield MSA 2014-2016	28	60.87	0.70	0.00	14.58	10.71	56.66	35.71	28.05	53.57	0.06	0.00	0.06	0.04	0.09

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: UTAH 2013-2016				Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016					Market Share (%) by Geography ⁷				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
Full Review:																
Salt Lake City MSA	22	95.65	14.28	22.73	37.36	27.27	40.29	40.91	8.07	9.09	4.44	0.00	5.71	6.25	0.00	
Limited Review:																
Logan MSA	1	4.35	13.91	0.00	76.22	100.00	8.79	0.00	1.08	0.00	0.00	0.00	0.00	0.00	0.00	
Non-MSA Utah 2014-2016	0	0.00	0.00	0.00	2.50	0.00	61.25	0.00	36.26	0.00	0.00	0.00	0.00	0.00	0.00	
Ogden-Clearfield MSA 2014-2016	9	100.00	5.58	0.00	47.45	88.89	37.07	11.11	9.90	0.00	18.92	0.00	46.67	0.00	0.00	

* Based on 2015 Peer Mortgage Data -- US and PR

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2016		Geography: UTAH 2013-2016								Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016					
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 ²¹	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Salt Lake City MSA	476	88.31	18.33	6.00	18.66	15.63	22.81	16.92	40.20	61.46	0.45	0.34	0.30	0.16	0.88
Limited Review:															
Logan MSA	63	11.69	19.03	6.35	19.31	7.94	22.01	17.46	39.65	68.25	0.72	0.00	0.19	0.35	1.54
Non-MSA Utah 2014-2016	105	44.49	15.48	3.03	14.22	9.09	18.17	10.10	52.12	77.78	1.67	0.00	1.81	0.00	2.05
Ogden-Clearfield MSA 2014-2016	131	55.51	16.09	6.30	19.64	11.81	24.92	15.75	39.35	66.14	0.25	0.05	0.11	0.12	0.69

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 1.7% of loans originated and purchased by bank.

²¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE 31, 2016		Geography: UTAH 2013-2016								Evaluation Period: JANUARY 1, 2013 TO DECEMBER							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share ¹						
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ²²	% BANK Loans ^{****}	% Families [*]	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{***}	% Families ^{**}	% BANK Loans [*]	Overa ll	Low	Mod	Mid	Upp
Full Review:																	
Salt Lake City MSA	113	88.28	18.33	3.92	18.66	14.71	22.81	23.53	40.20	57.84	0.17	0.08	0.06	0.15	0.26		
Limited Review:																	
Logan MSA	15	11.72	19.03	0.00	19.31	20.00	22.01	6.67	39.65	73.33	0.51	0.00	1.07	0.34	0.48		
Non-MSA Utah 2014-2016	18	39.13	15.48	5.88	14.22	17.65	18.17	0.00	52.12	76.47	0.44	1.89	0.68	0.00	0.40		
Ogden-Clearfield MSA 2014-2016	28	60.87	16.09	8.33	19.64	16.67	24.92	12.50	39.35	62.50	0.05	0.00	0.10	0.00	0.08		

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 8.6% of loans originated and purchased by bank.

22 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: Utah				Evaluation Period: September 10, 2013 – April 31st, 2017			
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:									
Salt Lake City MSA	1	\$3,591	13	\$25	14	\$3,616	46.03%	0	\$0
Limited Review:									
Ogden-Clearfield MSA	1	\$4,229	0	\$0	1	\$4,229	53.84%	0	\$0
Logan MSA	0	\$0	2	\$1	2	\$1	0.01%	0	\$0
Utah Non-MSA	0	\$0	0	\$0	0	\$0	0.00%	0	\$0
Statewide:	0	\$0	3	\$9	3	\$9	0.11%	0	\$0
TOTAL:	2	\$7,820	18	\$35	20	\$7,855	100.00%	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: UTAH				Evaluation Period: JANUARY 1, 2013 TO JUNE 5, 2017					
MA/Assessment Area:	Deposits % of Rated Area Deposits in AA	Branches						Branch Openings/Closings				Population					
		# 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:																	
Salt Lake City AA	70.15	7	70.00	0.00	14.29	28.57	57.14	1	1	0	1	- 1	0	4.12	18.35	50.07	27.09
Limited Review:																	
Logan AA	18.33	1	10.00	0.00	100.00	0.00	0.00	0	0	0	0	0	0	2.41	29.73	50.31	17.54
Ogden AA	3.16	1	10.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	1.90	17.82	53.87	26.40
Utah Non-MSA	8.35	1	10.00	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	13.78	86.22	0.00

Washington

Table 1. Lending Volume

LENDING VOLUME 2016												
Geography: WASHINGTON 2013-2016												
Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016												
Assessment Area (2016):	% 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:												
Seattle-Bellevue-Everett MD	57.99	3,888	1,946,332	413	135,188	0	0	24	44,989	4,325	2,126,509	66.66
Non-MSA Washington 2014-2016	9.88	663	203,705	57	6,191	15	1,405	1	1,350	736	212,651	9.49
Limited Review:												
Bellingham MSA	9.24	607	246,563	77	18,376	3	128	2	4,517	689	269,584	5.89
Bremerton-Silverdale MSA	4.10	298	116,798	7	3,245	0	0	1	26	306	120,069	1.51
Mount Vernon-Anacortes MSA	6.89	479	205,259	31	10,167	4	415	0	0	514	215,841	6.16
Olympia-Tumwater MSA	1.35	96	38,681	4	1,181	0	0	1	1,270	101	41,132	1.35
Tacoma-Lakewood MD	6.50	460	201,411	24	9,579	0	0	1	39	485	211,029	1.85
Yakima MSA	0.80	51	10,388	9	4,595	0	0	0	0	60	14,983	0.14
Spokane-Spokane Valley MSA 2014-2016	1.26	76	17,014	15	675	2	60	1	103	94	17,852	2.44
Walla Walla MSA 2014-2016	0.12	5	848	4	835	0	0	0	0	9	1,683	1.30
Wenatchee MSA 2014-2016	1.37	85	22,001	17	2,718	0	0	0	0	102	24,719	2.41
Lewiston ID-WA MSA 2014-2016	0.50	19	3,983	18	3,759	0	0	0	0	37	7,742	0.80
Statewide Activity		0	0	0	0	0	0	6	1,727	6	1,727	

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from September 10, 2013 to April 31, 2017.

*** Deposit Data as of June 30, 2016. 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 DECEMBER 31, 2016			Geography: WASHINGTON 2013-2016						Evaluation Period: JANUARY 1, 2013 TO							
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	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid
Full Review:																
Seattle-Bellevue-Everett MD	2,966	66.25	1.84	1.65	15.62	11.50	49.34	46.12	33.20	40.73	1.43	1.75	0.92	1.47	1.60	
Non-MSA Washington 2014-2016	526	82.06	0.10	0.00	9.95	4.94	61.80	53.99	28.16	41.06	1.66	0.00	1.33	1.68	1.71	
Limited Review:																
Bellingham MSA	441	9.85	0.10	1.36	16.79	16.55	60.32	62.13	22.79	19.95	2.30	9.09	2.66	2.31	1.89	
Bremerton-Silverdale MSA	228	5.09	0.00	0.00	13.17	3.95	61.74	39.47	25.09	56.58	0.87	0.00	0.14	0.75	1.68	
Mount Vernon-Anacortes MSA	374	8.35	0.00	0.00	9.86	7.22	67.82	63.90	22.32	28.88	3.12	0.00	1.53	2.90	5.03	
Olympia-Tumwater MSA	68	1.52	0.31	0.00	11.20	4.41	60.68	58.82	27.81	36.76	0.26	0.00	0.19	0.24	0.32	
Tacoma-Lakewood MD	362	8.09	0.84	0.55	15.39	9.94	53.64	46.41	30.13	43.09	0.54	0.37	0.31	0.53	0.67	
Yakima MSA	38	0.85	1.28	2.63	25.17	21.05	35.06	31.58	38.49	44.74	0.23	0.00	0.24	0.44	0.08	
Spokane-Spokane Valley MSA 2014-2016	51	7.96	1.68	0.00	20.40	31.37	41.63	37.25	36.29	31.37	0.14	0.00	0.42	0.05	0.10	
Walla Walla MSA 2014-2016	3	0.47	0.00	0.00	11.09	0.00	61.51	100.00	27.40	0.00	0.10	0.00	0.00	0.16	0.00	
Wenatchee MSA 2014-2016	61	9.52	0.00	0.00	7.96	4.92	71.04	81.97	20.99	13.11	1.22	0.00	0.93	1.50	0.42	

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT DECEMBER 31, 2016				Geography: WASHINGTON 2013-2016				Evaluation Period: JANUARY 1, 2013 TO							
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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Seattle-Bellevue-Everett MD	168	71.19	1.84	0.00	15.62	13.10	49.34	45.83	33.20	41.07	0.78	0.00	0.78	0.90	0.64
Non-MSA Washington 2014-2016	10	62.50	0.10	0.00	9.95	10.00	61.80	60.00	28.16	30.00	0.83	0.00	0.00	0.89	0.85
Limited Review:															
Bellingham MSA	14	5.93	0.10	0.00	16.79	21.43	60.32	71.43	22.79	7.14	1.82	0.00	1.59	2.15	1.14
Bremerton-Silverdale MSA	13	5.51	0.00	0.00	13.17	7.69	61.74	53.85	25.09	38.46	1.23	0.00	2.13	0.79	1.83
Mount Vernon-Anacortes MSA	17	7.20	0.00	0.00	9.86	0.00	67.82	70.59	22.32	29.41	3.38	0.00	0.00	3.62	4.08
Olympia-Tumwater MSA	6	2.54	0.31	0.00	11.20	0.00	60.68	66.67	27.81	33.33	0.00	0.00	0.00	0.00	0.00
Tacoma-Lakewood MD	15	6.36	0.84	0.00	15.39	6.67	53.64	66.67	30.13	26.67	0.19	0.00	0.00	0.17	0.27
Yakima MSA	3	1.27	1.28	0.00	25.17	33.33	35.06	0.00	38.49	66.67	0.31	0.00	0.00	0.00	0.68
Spokane-Spokane Valley MSA 2014-2016	1	6.25	1.68	0.00	20.40	100.00	41.63	0.00	36.29	0.00	0.11	0.00	0.65	0.00	0.00
Walla Walla MSA 2014-2016	0	0.00	0.00	0.00	11.09	0.00	61.51	0.00	27.40	0.00	0.00	0.00	0.00	0.00	0.00
Wenatchee MSA 2014-2016	5	31.25	0.00	0.00	7.96	0.00	71.04	80.00	20.99	20.00	2.29	0.00	0.00	3.23	0.00

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016			Geography: WASHINGTON 2013-2016						Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2016						
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	Overa II	Low	Mod	Mid	Upp
Full Review:															
Seattle-Bellevue-Everett MD	708	66.67	1.84	1.27	15.62	8.47	49.34	45.76	33.20	44.49	0.28	0.22	0.19	0.25	0.36
Non-MSA Washington 2014-2016	120	73.17	0.10	0.00	9.95	8.33	61.80	63.33	28.16	28.33	0.48	0.00	0.41	0.44	0.55
Limited Review:															
Bellingham MSA	116	10.92	0.10	0.86	16.79	17.24	60.32	62.07	22.79	19.83	0.54	0.00	0.37	0.70	0.27
Bremerton-Silverdale MSA	54	5.08	0.00	0.00	13.17	3.70	61.74	37.04	25.09	59.26	0.14	0.00	0.00	0.19	0.08
Mount Vernon-Anacortes MSA	83	7.82	0.00	0.00	9.86	7.23	67.82	61.45	22.32	31.33	0.77	0.00	2.07	0.71	0.48
Olympia-Tumwater MSA	17	1.60	0.31	0.00	11.20	0.00	60.68	76.47	27.81	23.53	0.11	0.00	0.00	0.15	0.08
Tacoma-Lakewood MD	74	6.97	0.84	1.35	15.39	16.22	53.64	48.65	30.13	33.78	0.09	0.00	0.00	0.12	0.06
Yakima MSA	10	0.94	1.28	0.00	25.17	40.00	35.06	30.00	38.49	30.00	0.05	0.00	0.00	0.15	0.00
Spokane-Spokane Valley MSA 2014-2016	23	14.02	1.68	0.00	20.40	60.87	41.63	21.74	36.29	17.39	0.13	0.00	0.43	0.04	0.10
Walla Walla MSA 2014-2016	2	1.22	0.00	0.00	11.09	0.00	61.51	0.00	27.40	100.00	0.00	0.00	0.00	0.00	0.00
Wenatchee MSA 2014-2016	19	11.59	0.00	0.00	7.96	0.00	71.04	89.47	20.99	10.53	0.61	0.00	0.00	0.70	0.52

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY 31, 2016		Geography: WASHINGTON 2013-2016						Evaluation Period: JANUARY 1, 2013 TO DECEMBER					Market Share (%) by Geography ¹				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography ¹						
	#	% of Total ^{**}	% of MF Units ^{***}	% BANK Loans ^{****}	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	Overa II	Low	Mod	Mid	Upp		
Full Review:																	
Seattle-Bellevue-Everett MD	46	44.23	10.52	15.22	27.43	10.87	41.24	45.65	20.82	28.26	1.81	3.08	0.52	2.15	2.24		
Non-MSA Washington 2014-2016	7	87.50	14.85	0.00	21.52	0.00	50.38	71.43	13.25	28.57	4.26	0.00	0.00	5.71	0.00		
Limited Review:																	
Bellingham MSA	36	34.62	4.39	5.56	44.38	38.89	40.15	52.78	11.08	2.78	23.91	0.00	33.33	26.09	0.00		
Bremerton-Silverdale MSA	3	2.88	0.00	0.00	37.78	0.00	53.57	66.67	8.66	33.33	4.35	0.00	0.00	11.11	0.00		
Mount Vernon-Anacortes MSA	5	4.81	0.00	0.00	28.11	20.00	70.15	80.00	1.74	0.00	10.00	0.00	0.00	12.50	0.00		
Olympia-Tumwater MSA	5	4.81	3.61	0.00	30.64	40.00	51.88	0.00	13.87	60.00	7.41	0.00	0.00	0.00	25.00		
Tacoma-Lakewood MD	9	8.65	8.38	11.11	35.11	11.11	46.76	33.33	9.75	44.44	1.85	0.00	2.33	0.00	7.69		
Yakima MSA	0	0.00	15.88	0.00	36.61	0.00	34.77	0.00	12.73	0.00	0.00	0.00	0.00	0.00	0.00		
Spokane-Spokane Valley MSA 2014-2016	1	12.50	8.11	0.00	44.52	100.00	29.56	0.00	17.81	0.00	0.00	0.00	0.00	0.00	0.00		
Walla Walla MSA 2014-2016	0	0.00	0.00	0.00	23.64	0.00	72.85	0.00	3.51	0.00	0.00	0.00	0.00	0.00	0.00		
Wenatchee MSA 2014-2016	0	0.00	0.00	0.00	13.03	0.00	81.86	0.00	5.11	0.00	0.00	0.00	0.00	0.00	0.00		

* Based on 2015 Peer Mortgage Data -- US and PR

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016			Geography: WASHINGTON 2013-2016								Evaluation Period: JANUARY 1, 2013 TO				
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 Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Seattle-Bellevue-Everett MD	413	73.10	4.93	0.73	17.51	11.62	43.92	40.68	33.50	46.97	0.16	0.06	0.17	0.14	0.20
Non-MSA Washington 2014-2016	57	61.29	0.91	1.75	12.33	24.56	62.18	59.65	24.56	14.04	0.15	0.00	0.20	0.14	0.19
Limited Review:															
Bellingham MSA	77	13.63	5.65	6.49	21.17	20.78	55.07	57.14	18.11	15.58	0.44	0.49	0.74	0.43	0.13
Bremerton-Silverdale MSA	7	1.24	0.00	0.00	14.81	14.29	53.94	85.71	31.25	0.00	0.07	0.00	0.00	0.13	0.00
Mount Vernon-Anacortes MSA	31	5.49	0.00	0.00	16.88	16.13	63.93	83.87	19.12	0.00	0.27	0.00	0.00	0.46	0.00
Olympia-Tumwater MSA	4	0.71	2.82	0.00	19.78	100.00	49.40	0.00	28.01	0.00	0.00	0.00	0.00	0.00	0.00
Tacoma-Lakewood MD	24	4.25	4.85	8.33	19.41	20.83	48.96	62.50	26.78	8.33	0.05	0.00	0.08	0.08	0.00
Yakima MSA	9	1.59	8.28	0.00	28.99	33.33	33.15	33.33	29.58	33.33	0.09	0.00	0.12	0.18	0.00
Spokane-Spokane Valley MSA 2014-2016	15	16.13	9.11	0.00	28.26	80.00	33.91	20.00	28.73	0.00	0.04	0.00	0.13	0.03	0.00
Walla Walla MSA 2014-2016	4	4.30	0.00	0.00	21.13	0.00	57.87	100.00	20.92	0.00	0.33	0.00	0.00	0.59	0.00
Wenatchee MSA 2014-2016	17	18.28	0.00	0.00	4.70	0.00	80.83	100.00	14.48	0.00	0.34	0.00	0.00	0.44	0.00

* Based on 2015 Peer Small Business Data -- US and 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 (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE DECEMBER 31, 2016		Geography: WASHINGTON 2013-2016								Evaluation Period: JANUARY 1, 2013 TO					
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 ²³	% BANK Loans ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Seattle-Bellevue-Everett MD	2,966	66.25	20.39	8.81	17.77	14.66	22.17	17.39	39.67	59.14	1.28	2.09	1.21	0.74	1.49
Non-MSA Washington 2014-2016	526	82.06	20.03	2.55	17.00	7.45	21.38	17.84	41.59	72.16	1.89	2.01	1.01	1.29	2.50
Limited Review:															
Bellingham MSA	441	9.85	20.19	6.03	17.67	16.01	23.83	22.51	38.31	55.45	2.54	3.57	1.62	1.31	3.62
Bremerton-Silverdale MSA	228	5.09	17.87	4.59	18.99	9.17	22.92	12.39	40.22	73.85	0.92	0.93	0.60	0.38	1.51
Mount Vernon-Anacortes MSA	374	8.35	18.77	4.92	17.29	16.39	25.39	21.86	38.55	56.83	3.54	2.35	2.17	2.71	4.92
Olympia-Tumwater MSA	68	1.52	19.17	1.56	17.53	18.75	23.91	23.44	39.39	56.25	0.28	0.00	0.20	0.22	0.39
Tacoma-Lakewood MD	362	8.09	19.72	2.90	18.37	10.14	22.09	15.36	39.83	71.59	0.57	0.66	0.22	0.35	0.92
Yakima MSA	38	0.85	22.37	2.63	16.86	23.68	19.89	18.42	40.88	55.26	0.28	0.00	0.22	0.17	0.40
Spokane-Spokane Valley MSA 2014-2016	51	7.96	19.83	6.12	18.28	10.20	21.80	26.53	40.08	57.14	0.17	0.33	0.09	0.24	0.12
Walla Walla MSA 2014-2016	3	0.47	21.71	33.33	17.81	33.33	18.55	0.00	41.93	33.33	0.12	0.00	0.00	0.00	0.25
Wenatchee MSA 2014-2016	61	9.52	18.66	5.45	19.06	3.64	21.98	27.27	40.31	63.64	1.29	6.06	0.42	1.11	1.42

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 10.1% of loans originated and purchased by bank.

23 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT DECEMBER 31, 2016			Geography: WASHINGTON 2013-2016						Evaluation Period: JANUARY 1, 2013 TO						
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 ²⁴	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Seattle-Bellevue-Everett MD	168	71.19	20.39	8.18	17.77	6.29	22.17	16.35	39.67	69.18	0.74	0.37	0.14	0.59	1.07
Non-MSA Washington 2014-2016	10	62.50	20.03	30.00	17.00	30.00	21.38	10.00	41.59	30.00	0.87	3.45	1.06	0.60	0.29
Limited Review:															
Bellingham MSA	14	5.93	20.19	7.14	17.67	28.57	23.83	14.29	38.31	50.00	1.88	0.00	4.69	1.68	1.20
Bremerton-Silverdale MSA	13	5.51	17.87	16.67	18.99	16.67	22.92	8.33	40.22	58.33	1.03	0.95	0.00	1.09	1.32
Mount Vernon-Anacortes MSA	17	7.20	18.77	29.41	17.29	23.53	25.39	23.53	38.55	23.53	3.52	11.76	0.00	5.77	2.08
Olympia-Tumwater MSA	6	2.54	19.17	0.00	17.53	16.67	23.91	16.67	39.39	66.67	0.00	0.00	0.00	0.00	0.00
Tacoma-Lakewood MD	15	6.36	19.72	14.29	18.37	0.00	22.09	21.43	39.83	64.29	0.20	0.00	0.00	0.37	0.20
Yakima MSA	3	1.27	22.37	0.00	16.86	0.00	19.89	33.33	40.88	66.67	0.32	0.00	0.00	0.00	0.56
Spokane-Spokane Valley MSA 2014-2016	1	6.25	19.83	0.00	18.28	0.00	21.80	100.00	40.08	0.00	0.11	0.00	0.00	0.44	0.00
Walla Walla MSA 2014-2016	0	0.00	21.71	0.00	17.81	0.00	18.55	0.00	41.93	0.00	0.00	0.00	0.00	0.00	0.00
Wenatchee MSA 2014-2016	5	31.25	18.66	0.00	19.06	20.00	21.98	40.00	40.31	40.00	2.38	0.00	5.56	4.88	0.99

* Based on 2015 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 4.7% of loans originated and purchased by bank.

²⁴ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2016			Geography: WASHINGTON 2013-2016								Evaluation Period: JANUARY 1, 2013 TO				
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 ₂₅	% BANK Loans ^{****}	% Families [*] **	% BANK Loans ^{****}	% Families [*] **	% BANK Loans ^{***} *	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Seattle-Bellevue-Everett MD	708	66.67	20.39	6.90	17.77	11.29	22.17	18.97	39.67	62.85	0.29	0.33	0.21	0.26	0.33
Non-MSA Washington 2014-2016	120	73.17	20.03	3.36	17.00	11.76	21.38	25.21	41.59	59.66	0.64	0.71	0.52	0.86	0.58
Limited Review:															
Bellingham MSA	116	10.92	20.19	12.15	17.67	17.76	23.83	26.17	38.31	43.93	0.68	0.00	1.67	0.87	0.31
Bremerton-Silverdale MSA	54	5.08	17.87	4.08	18.99	10.20	22.92	14.29	40.22	71.43	0.19	0.00	0.00	0.12	0.32
Mount Vernon-Anacortes MSA	83	7.82	18.77	4.88	17.29	24.39	25.39	24.39	38.55	46.34	0.97	0.00	1.83	0.57	1.03
Olympia-Tumwater MSA	17	1.60	19.17	0.00	17.53	20.00	23.91	20.00	39.39	60.00	0.17	0.00	0.20	0.12	0.22
Tacoma-Lakewood MD	74	6.97	19.72	8.82	18.37	5.88	22.09	8.82	39.83	76.47	0.13	0.00	0.13	0.00	0.21
Yakima MSA	10	0.94	22.37	10.00	16.86	20.00	19.89	20.00	40.88	50.00	0.06	0.00	0.00	0.00	0.12
Spokane-Spokane Valley MSA 2014-2016	23	14.02	19.83	22.73	18.28	31.82	21.80	22.73	40.08	22.73	0.16	0.47	0.31	0.07	0.08
Walla Walla MSA 2014-2016	2	1.22	21.71	0.00	17.81	0.00	18.55	50.00	41.93	50.00	0.00	0.00	0.00	0.00	0.00
Wenatchee MSA 2014-2016	19	11.59	18.66	5.56	19.06	5.56	21.98	16.67	40.31	72.22	0.78	1.59	0.74	1.21	0.57

* Based on 2015 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 8.8% of loans originated and purchased by bank.

25 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2016				Geography: WASHINGTON 2013-2016			Evaluation Period: JANUARY 1, 2013 TO			
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:										
Seattle-Bellevue- Everett MD	413	73.10	86.34	32.20	34.87	19.85	45.28	0.16	0.11	
Non-MSA Washington 2014-2016	57	61.29	85.16	78.95	78.95	10.53	10.53	0.15	0.23	
Limited Review:										
Bellingham MSA	77	13.63	87.08	40.26	46.75	22.08	31.17	0.44	0.25	
Bremerton-Silverdale MSA	7	1.24	87.91	71.43	42.86	0.00	57.14	0.07	0.09	
Mount Vernon- Anacortes MSA	31	5.49	83.69	54.84	29.03	35.48	35.48	0.27	0.31	
Olympia-Tumwater MSA	4	0.71	85.57	25.00	25.00	25.00	50.00	0.00	0.00	
Tacoma-Lakewood MD	24	4.25	85.83	37.50	25.00	16.67	58.33	0.05	0.00	
Yakima MSA	9	1.59	80.77	33.33	33.33	11.11	55.56	0.09	0.12	
Spokane-Spokane Valley MSA 2014-2016	15	16.13	83.74	93.33	93.33	0.00	6.67	0.04	0.07	
Walla Walla MSA 2014- 2016	4	4.30	83.97	25.00	75.00	0.00	25.00	0.33	0.00	
Wenatchee MSA 2014- 2016	17	18.28	83.40	82.35	76.47	0.00	23.53	0.34	0.56	

* Based on 2015 Peer Small Business Data -- US and 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.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2016).

**** 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 6.37% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: Washington				Evaluation Period: September 10, 2013 – June 5, 2017			
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:									
Seattle-Bellevue-Everett MD	5	\$19,195	145	\$7,602	150	\$26,797	0.00%	0	\$0
Washington Non-MSA	1	\$150	15	\$7,024	16	\$7,174	0.00%	0	\$0
Limited Review:									
Bellingham MSA	0	\$0	19	\$16	19	\$16	0.00%	0	\$0
Bremerton-Silverdale MSA	0	\$0	2	\$2	2	\$2	0.00%	0	\$0
Lewiston MSA	0	\$0	5	\$10	5	\$10	0.00%	0	\$0
Mount Vernon-Anacortes MSA	0	\$0	6	\$5,017	6	\$5,017	0.00%	0	\$0
Olympia-Tumwater MSA	0	\$0	6	\$6,904	6	\$6,904	0.00%	0	\$0
Spokane-Spokane Valley MSA	0	\$0	16	\$4,218	16	\$4,218	0.00%	0	\$0
Tacoma-Lakewood MD	1	\$200	10	\$4,507	11	\$4,707	0.00%	0	\$0
Walla-Walla MSA	0	\$0	3	\$3,813	3	\$3,813	0.00%	0	\$0
Wenatchee MSA	0	\$0	4	\$5	4	\$5	0.00%	0	\$0
Yakima MSA	1	\$3,646	3	\$4,501	4	\$8,147	0.00%	0	\$0
Statewide:	0	\$0	0	\$0	0	\$0	0.00%	0	\$0
TOTAL:	8	\$23,191	234	\$43,619	242	\$66,810	0.00%	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: WASHINGTON				Evaluation Period: JANUARY 1, 2013 TO JUNE 5, 2017					
MA/Assessment Area:	Deposits % of Rated Area Deposits in AA	Branches						Branch Openings/Closings				Population					
		# 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:																	
Seattle AA	66.66	37	45.68	8.11	27.03	35.14	29.73	1	2	1	- 1	0	- 1	4.50	20.34	47.23	27.72
Washington Non-MSA	9.49	12	14.81	0.00	25.00	66.67	8.33	8	0	0	2	5	1	1.59	15.38	58.96	24.07
Limited Review:																	
Bellingham AA	5.89	7	8.64	14.29	14.29	71.43	0.00	0	0	0	0	0	0	0.81	22.82	57.66	18.71
Bremerton AA	1.51	3	3.70	0.00	0.00	66.67	33.33	0	1	0	0	0	- 1	0.00	19.47	57.87	22.66
Lewiston AA	0.80	1	1.23	0.00	100.00	0.00	0.00	1	0	0	1	0	0	0.00	43.31	56.69	0.00
Mount Vernon AA	6.16	4	4.94	0.00	50.00	50.00	0.00	0	2	0	0	- 2	0	0.00	12.79	69.18	18.03
Olympia AA	1.35	2	2.47	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.68	14.60	60.17	24.56
Spokane AA	2.44	5	6.17	0.00	100.00	0.00	0.00	6	1	0	4	1	0	3.18	27.40	37.39	32.03
Tacoma AA	1.85	3	3.70	33.33	33.33	33.33	0.00	1	1	0	0	0	0	2.52	22.24	50.77	24.47
Walla Walla AA	1.30	2	2.47	0.00	50.00	50.00	0.00	2	0	0	1	1	0	0.00	13.86	61.15	21.30
Wenatchee AA	2.41	4	4.94	0.00	0.00	100.00	0.00	4	0	0	0	4	0	0.00	9.78	73.72	16.50
Yakima AA	0.14	1	1.23	0.00	0.00	0.00	100.00	0	0	0	0	0	0	4.13	34.16	34.40	27.32

