



Comptroller of the Currency
Administrator of National Banks

Western District
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PUBLIC DISCLOSURE

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

January 6, 1997

FirstBank of Tech Center, N.A.
Charter Number 17460

5105 Denver Tech Center Parkway
Englewood, Colorado 80111

NOTE: This evaluation is not, nor should it 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.

GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **FirstBank of Tech Center, N.A.** prepared by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency.

The evaluation represents the OCC's current assessment and rating of the institution's CRA performance based on an examination conducted as of January 6, 1997. It does not reflect any CRA-related activities that may have been initiated or discontinued by the institution after the completion of the examination.

The purpose of the Community Reinvestment Act of 1977 (12 U.S.C. 2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with its examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution, and (2) take that record of performance into account when deciding whether to approve an application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require the Agencies to make public certain portions of their CRA performance assessments of financial institutions.

Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based on a review of 12 assessment factors, which are grouped together under 5 performance categories, as detailed in the following section of this evaluation.

ASSIGNMENT OF RATING

Identification of Ratings

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

DISCUSSION OF INSTITUTION'S PERFORMANCE

Institution's Rating:

Based on the findings presented below, this institution is rated: "Satisfactory record of meeting community credit needs."

Community Profile

The bank's delineated community consists of 48 census tracts (30 populated tracts) which are located in the Denver Metropolitan Statistical Area (MSA). The delineated community, encompassing the city of Greenwood Village and portions of Denver County, the City of Aurora, Cherry Hills Village, and unincorporated Arapahoe County, is centered around the Denver Technological Center (Tech Center). Census tracts that are not populated include golf course, industrial development, and other tracts zoned for non-residential development. The Tech Center is a large business park complex located in the southeastern portion of metropolitan Denver. Based on 1990 U.S. Census data, the community's census tracts are broken down by income characteristics as follows:

Tract Characteristics

Income Level	Number	% of Total
Low	0	0%
Moderate	1	2%
Middle	10	21%
Upper	19	39%
Unpopulated	18	38%
Totals	48	100%

Population Characteristics

Income Level	Number of Families	% of Total Families
Low	2,294	10%
Moderate	3,122	13%
Middle	4,631	20%
Upper	13,376	57%
Totals	23,447	100%

The 1990 U.S. Census MSA median family income is \$40,222. The data also indicates a median housing value of \$93,700. Approximately 54% of the housing units in the bank's community are owner occupied; 42% are rentals; and 4% are vacant.

The major employers in the area are the Cherry Creek School District, US West Communications, TCI, United Airlines, and Great West Life. The Tech Center is also home to numerous small professional services in the legal, real estate, and financial services areas. The current unemployment rate for the bank's delineated community is 2%. This figure compares favorably to the national unemployment rate as well as the unemployment rate for the Denver metropolitan area.

Bank Profile

FirstBank of Tech Center, N.A. (FB Tech Center) is located in Arapahoe County, Colorado. As of June 30, 1996, FB Tech Center had total assets of \$159 million. The bank has four offices. The main bank office is located at 5105 DTC Parkway in the Tech Center. The bank also has three branches: the Hampden/Yosemite branch located at 8901 East Hampden Avenue; the Yosemite/Belleview branch located at 4910 South Yosemite Street; and the Southmoor Park branch located at 6470 East Hampden Avenue. The Yosemite/Belleview and Southmoor Park branches are both located within King Soopers grocery stores.

The bank is owned by FirstBank Holding Company of Colorado. The holding company had total assets of \$2.7 billion as of June 30, 1996. FirstBank Holding Company of Colorado owns 21 other FirstBanks, of which most are located in the Denver metropolitan area, and all but one are located in Colorado. The bank's customers have access to over 140 ATMs located in all of the FirstBanks' communities.

The bank's primary focus is consumer lending. The loan portfolio as of June 30, 1996, consisted of the following: 1-4 family residential real estate loans 50%, construction & development loans 17%, commercial real estate loans 22%, commercial loans 6%, and other consumer loans 5%.

Competition is strong with more than 15 financial institutions in the delineated community.

Reasonableness of Delineated Community

The bank's delineated community is reasonable and does not arbitrarily exclude any low- and moderate-income areas. The community is bordered by Evans/Illiff Avenue to the north; Parker Road and Cherry Creek Reservoir to the east; University Street to the west; and Arapahoe Road and County Line Road to the south.

Management analyzed the geographic distribution of loans and deposits to define its community delineation. The bank tracks all loan and deposit products by where the customer resides or is employed. The bank's analysis shows a majority of loans and deposits, by number, are to customers residing within the community. Our review verified the findings of the bank's analysis.

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

Assessment Factor A - Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.

- **Management maintains ongoing, meaningful contact with a wide range of individuals and groups representing various community interests.**

FB Tech Center has a formal written program to ensure management maintains contact with individuals and groups from the bank's delineated community. Methods include business and individual call programs and staff and customer surveys. Management has contacted individuals which represent small business, civic, senior citizens, women's groups, city government, and county government. The bank's 1996 Community Reinvestment Act Statement lists these organizations.

The bank also periodically conducts surveys to identify unmet credit and banking needs. Bank staff personally contact all participants who list any unmet credit or banking needs in an effort to obtain their business.

Assessment Factor C - The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purpose of the Community Reinvestment Act.

- **The Board of Directors (Board) and senior management have developed an effective program to determine and help meet the credit needs of the bank's community.**

The Board and management use information obtained from outreach activities to determine what products to offer. They have developed loan products which use prudent underwriting criteria to help address the community's credit needs. For example, based on feedback from the community, the mortgage department of the bank's affiliate developed a home purchase program for low- and moderate-income individuals which is available through FB Tech Center. The bank also offers government guaranteed or sponsored loan products for small businesses and students.

In order to monitor CRA efforts and progress, the Board and senior management have established a CRA Steering Committee which meets semi-annually. Representatives from senior management and the board serve on the bank's CRA Steering Committee. This ensures the Board remains informed on the bank's efforts and allows them to identify any weaknesses in current efforts.

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

Assessment Factor B - The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.

- **The Board and senior management have implemented a sound advertising and marketing program designed to reach all segments of FB Tech Center's community.**

In order to reach all segments of its delineated community, the bank uses various means and methods to market and advertise its products. Company-wide advertising, directed by FirstBank Holding Company of Colorado makes use of broad base general media. This includes extensive use of television, radio, and major newspapers. Bank-wide brochures, direct mailings, and sponsorship of a variety of events are also used to advertise loan and deposit products. These efforts include use of media which targets special interest groups or low- and moderate-income individuals.

In addition to FirstBank corporate advertising, FB Tech Center regularly uses local advertising in newspapers, business trade publications, and neighborhood newsletters representing the local community. Examples of this include *The Villager*, *Hampden Heights Neighborhood Newsletter*, *Cherry Express Newsletter*, and *Greenwood Village Newsletter*. During 1996, the bank regularly advertised home equity loans in these publications.

FB Tech Center has an active officer call program. During 1995 and 1996, the call program reached approximately 80-85 businesses, community groups, or government leaders.

Assessment Factor I - The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans, and small business or small farm loans within its community, or the purchase of such loans originated in its community.

- **FB Tech Center has sufficiently responded to community credit needs through the origination of housing, consumer, and small business loans.**

The bank offers a full range of loan products which are tailored to meet the needs of the community. This includes several types of residential real estate, construction & development, small business, and consumer loans. The bank's lending focus is retail and small business.

Loan volume is good. During 1995, the bank made 1770 loans for approximately \$67 million. And from January 1996 to June 1996, the bank made 821 loans for approximately \$25 million. Loan originations are concentrated to upper-income borrowers. The bank's first and second quarter 1996 tracking reports showed 26% of first and second quarter 1996 loans were to low- and moderate-income borrowers and 58% of first and second quarter 1996 loans were to upper-income borrowers. These percentages closely match the community's demographics. As shown in the **Community Profile** section of this report, 23% of families within the community are low-and moderate-income families, and 57% of families are upper-income families.

The bank's loan-to-deposit ratio is good with an eight quarter average of 75.7%. This compares favorably to the eight quarter average for Colorado banks (63%). It also compares favorably to 39 banks in Arapahoe County, Aurora, Denver, Englewood, Lakewood, and Littleton (66.4%).

A majority of the bank's loans are located within the delineated community. By number, 58% of first and second quarter 1996 loans and 54% of 1995 loans were within the community. By dollar

amount, 46% of first and second quarter 1996 loans and 59% of 1995 loans were within the community. The following tables illustrates the amount of selected loan categories within and outside the community.

**Loans Originated Within and Outside the Delineated Community
in 1995**

Loan Originations & Purchases	Within Delineated Community		Outside Delineated Community	
	Count	Amount	Count	Amount
Residential	35	\$5,222,451	64	\$10,682,828
Home Improvement	44	\$741,000	64	\$1,500,000
Small business	67	\$11,773,301	37	\$2,532,068
Consumer	838	\$3,891,645	533	\$4,211,854
Government Guaranteed-SBA	2	\$745,000	0	\$0

**Loans Originated Within and Outside the Delineated Community
1st and 2nd Quarter 1996**

Loan Originations & Purchases	Within Delineated Community		Outside Delineated Community	
	Count	Amount	Count	Amount
Residential	40	\$1,937,406	66	\$6,117,610
Home Improvement	18	\$346,000	30	\$625,000
Small business	30	\$5,388,594	25	\$6,136,662
Consumer	317	\$602,162	250	\$503,107
Government Guaranteed-SBA	2	\$75,000	2	\$120,000

As shown in the charts, a significant amount of residential mortgage loans is located outside of the community. This is due to the composition of the bank's delineated community. As mentioned in

the **Community Profile**, the Tech Center comprises a significant portion of the delineated community. A large population, including many of the bank's customers, work at the Tech Center but do not live within the delineated community.

FB Tech Center offers several loan products designed to meet the needs of low- and moderate-income borrowers. Examples include the Community Homebuyers Program (CHBP), the Good Neighbor Mortgage Loan Program, and the Affordable Housing Program. However, demand has been limited, and the bank has made few of these loans. During 1995 and year-to-date 1996, the bank has made four CHBP loans for \$248,000. All four loans are located outside of the community.

Market share reports indicate that FB Tech Center is ranked twenty-sixth out of 55 mortgage lenders within the delineated community. This translates into a 1.31% market share of the community's home mortgage loans.

Assessment Factor J - The institution's participation in governmentally-insured, guaranteed or subsidized loan programs for housing, small businesses, or small farms.

- **The bank maintains adequate participation in government-sponsored lending programs.**

Despite limited opportunities within the delineated community, FB Tech Center participates in government-sponsored lending through the origination of Small Business Administration (SBA) guaranteed loans and government sponsored student loans. During 1995, the bank originated 30 student loans totaling \$170,000. Through June 30, 1996, the bank originated 12 student loans totaling \$65,000.

FB Tech Center is approved to make SBA guaranteed loans. During 1995, the bank originated two SBA loans for \$745,000. Through June 30, 1996, the bank originated four SBA loans for \$195,000.

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES.

Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

- **Geographic analyses show the bank is serving all areas of the delineated community.**

Credit applications, extensions, and denials are well distributed throughout the community. Management has a good awareness of the bank's lending patterns. Management analyzes penetration into each community census tract by the number and amount of deposits and loans, including HMDA loans and denied loans. We did not identify any area within the community where the bank is not lending. Our analysis showed loans evenly distributed in each of the 30 populated census tracts of the bank's community.

Assessment Factor G - The institution's record of opening and closing offices and providing services at offices.

- **FB Tech Center's products and services are available to all segments of the community.**

Banking services are readily accessible throughout the delineated community. The bank has four banking offices located within the delineated community. Bank facilities include one main office with three branches - two of which are located within King Soopers grocery stores. Customers can make deposits at any of the 65 FirstBank locations. Including FB Tech Center, this includes 22 banks and 43 branches. Nineteen (19) of the branches are conveniently located in King Soopers grocery stores. FirstBanks has a network of over 140 automated teller machines (ATMs).

Business hours are tailored to meet the needs of the community. Banking hours are as follows:

Main Lobby:

Monday through Friday - 9:00 a.m. to 6:00 p.m.
Saturday - 9:00 a.m. to 5:00 p.m.

Main Branch Walk-Up

Mon through Fri - 7:30 a.m to 6:00 p.m.
Saturday - 8:00 a.m. to 12:00 p.m.

King Soopers Branches:

Monday through Friday - 10:00 a.m. to 7:00 p.m.
Saturday - 9:00 a.m. to 2:00 p.m.

Bank officers are available after-hours to meet with customers. Customers can also use the bank's 24-hour telephone banking department that allows them to apply for loans, open new accounts, transfer funds, or get information 24 hours a day, 365 days a year.

FB Tech Center has not closed any branch locations, although the bank does have a branch closing policy should any closings be proposed in the future.

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

Assessment Factor D - Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).

- **FB Tech Center solicits credit applications from all segments of its delineated community.**

Broad base and special advertising and marketing efforts are designed to reach all types of individuals and groups. In order to reach its Hispanic market, the bank advertises in both English and Spanish. There is no evidence that the bank discourages or illegally prescreens applicants or potential applicants on a prohibited basis.

The Board and management have implemented adequate policies and procedures to ensure applicants are treated fairly during the credit application process. In addition, senior management

provides annual fair lending training for all personnel who are in contact with potential applicants.

Assessment Factor F - Evidence of prohibited discriminatory or other illegal credit practices.

- **The bank's level of compliance with antidiscrimination laws and regulations, including the Equal Credit Opportunity Act, the Fair Housing Act, the Home Mortgage Disclosure Act, and any agency regulations pertaining to nondiscriminatory treatment of credit applicants is very good.**

During a concurrent examination, we performed a comparative file analysis of 112 HMDA loans. We reviewed 100 approved loans to White applicants and 12 denied loans to minority applicants. We did not identify any instances in which a similarly situated applicant was denied credit based on race. We did not find any violations of fair lending laws or regulations.

The bank has a review process whereby all denied low-income applicants receive a second review prior to a final decision. Annually, the audit department also performs a comparative file analysis to determine if there is any disparate or discriminatory treatment of credit applicants based on any of the prohibited bases.

V. COMMUNITY DEVELOPMENT

Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.

- **The bank maintains sufficient involvement in development activities despite limited formal development and redevelopment programs in the community.**

The bank's community remains in the initial development phase and has not experienced any significant redevelopment projects at this time. As a result, bank investments in community development and redevelopment projects are limited. However, the bank participates in community development through the financing of commercial construction and development projects in its delineated community. In 1995, the bank originated six commercial development/construction loans totaling \$11 million, including a \$3.2 million loan to purchase and renovate a church facility located within the bank's delineated community. Through June 30, 1996, the bank originated six commercial development and construction loans totaling \$4.3 million.

The bank has participated in several affordable housing projects located outside of the delineated community. During the past two years, the bank originated \$4.6 million in affordable housing construction loans under a low income housing tax credit program. These loans directly benefitted low-and moderate-income individuals in the Denver metropolitan area.

The bank has invested in local, state and regional municipal bonds. Currently, the bank holds 31 municipal bond issues with a combined book value of \$9.8 million. Four of the bonds support projects located within the bank's community. However, the bank does not have any local issues

that primarily benefit low- or moderate-income individuals.

Assessment Factor K - The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.

- **The bank's ability to provide credit is unrestricted.**

FB Tech Center has no financial, legal, economic, or other factors that limit its ability to serve the community. The bank's lending activity demonstrates management's efforts in meeting the needs of the community that are consistent with its condition and size. Please refer to the **Community Profile** and **Bank Profile** sections of this report for additional information.

Assessment Factor L - Any other factors that, in the regulatory authority's judgment, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.

- **FB Tech Center supports the community through donations and by sponsoring local events.**

Although not specifically related to low-and moderate-income lending needs, the bank actively supports several community organizations throughout the Denver metropolitan area. Financial donations in 1995 totaled \$17,698. Through September 30, 1996, donations totaled \$22,845.

ADDITIONAL INFORMATION

Whenever possible, our review focused on all loan types. However, in some areas we focused primarily on residential mortgage loans which are reportable under the Home Mortgage Disclosure Act. You may obtain a copy of the HMDA statement at the local library. You may also obtain a copy by contacting Mary Reisher at FirstBank of Tech Center, N.A., 5105 Denver Tech Center Parkway, Englewood, Colorado 80111.