



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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Community Reinvestment Act Performance Evaluation

**Pacific Capital Bank, National Association
Charter Number: 24319**

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Office of the Comptroller of the Currency

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

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Overall CRA Rating

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

The following table indicates the performance level of **Pacific Capital Bank, National Association** with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Pacific Capital Bank, National Association) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- An excellent geographic distribution of HMDA loans and small loans to businesses and an excellent distribution of loans to businesses with revenues of less than \$1 million in the Santa Barbara and Ventura MSAs.
- An excellent distribution small loans to businesses by geography, a good distribution of loans to businesses with revenues of less than \$1 million, and an adequate distribution by borrower income and geography of HMDA loans, in the Monterey MSA.
- The positive impact of community development loans. The bank made 91 loans totaling almost \$146 million throughout the eight assessment areas. This represented over 26 percent of the bank's Tier One Capital.
- An excellent level of community development investments. The bank purchased over \$34 million in qualified community development investments and retained \$16 million in prior period investments representing 9 percent of the bank's Tier One Capital.
- An excellent distribution of branches and a satisfactory level of retail services throughout the bank's assessment areas.
- A satisfactory level of community development services targeted to LMI individuals within the assessment areas. Within the Full-Scope assessment areas, the bank provided 9,112 hours of community development service to over 78 organizations.

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 the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Description of Institution

Pacific Capital Bank, National Association (PCB or the bank) is an intrastate bank headquartered in Santa Barbara, California. As of June 30, 2007, PCB reported total assets of \$7.30 billion and total deposits of \$4.78 billion. Tier One Capital totaled \$557 million, which includes approximately \$151 million in intangible assets such as acquisition costs and goodwill. Gross loans, at \$5.44 billion, represent 83 percent of total assets. Real estate loans comprise 81 percent of the loan portfolio. Commercial loans represent the second largest category of loans, comprising 14 percent of the portfolio, while loans to individuals and agricultural lending represent 3.3 percent and 0.4 percent of the loan portfolio, respectively. PCB is a full service bank.

PCB is the result of the merger of two affiliated banks, First National Bank of Central California and Santa Barbara Bank & Trust, into a newly created charter, Pacific Capital Bank, National Association (N.A.) The banks were formerly held under the holding company, Pacific Capital Bancorp. The banks began operation as Pacific Capital Bank, N.A. as of March 29, 2002. Since its previous evaluation, PCB acquired two additional banks that operate under the names Santa Barbara Bank & Trust and First Bank of San Luis Obispo. On March 5, 2004 and August 1, 2005, Pacific Crest Capital, Inc. (PCCI) and First Bank of San Luis Obispo, respectively, merged under Pacific Capital Bank, N.A. Banking activities are conducted under six brand names; Pacific Capital Bank N.A., Santa Barbara Bank & Trust, First National Bank of Central California, South Valley National Bank, San Benito Bank, and First Bank of San Luis Obispo.

There are no legal, financial or other factors impeding the bank's ability to help meet the credit needs in its assessment areas.

PCB received a Satisfactory rating at its previous CRA evaluation dated June 7, 2004.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for our review of HMDA and CRA loan data included the period from January 1, 2003 through December 31, 2006. We performed a detailed analysis of the 2004 through 2006 data and included this information in the tables in Appendix C; we reviewed the 2003 data and concluded that there was no material difference. We did not review the consumer loans because, as allowed in the regulation, the bank chose not to have them evaluated. The evaluation period for our review of community development loans, qualified investments, and community development services was June 7, 2004 through September 10, 2007.

Data Integrity

We reviewed a representative sample of the bank's reported CRA and HMDA loans to determine the accuracy of the data submitted. This review determined there was a high level of accuracy.

Selection of Areas for Full-Scope Review

Based on the volume of loans in each assessment area (AA) relative to total loans originated, we chose the Monterey County AA, the Santa Barbara County AA, and the Ventura County AA for Full-Scope reviews. Los Angeles County, San Diego County, San Luis Obispo County, Santa Clara-San Benito Counties, and Santa Cruz County AAs were selected for Limited-Scope reviews. Santa Clara County and San Benito County were combined at the MSA level per regulatory requirements. San Diego County ceased to be an AA on October 6, 2006, when the bank sold its branch to a federal credit union. Please refer to Table 1 for data concerning volume and percentage of loans in each AA.

Ratings

The bank's overall rating is based primarily on those areas that received Full-Scope reviews. The Santa Barbara AA comprises 38 percent of the bank's total volume of loans. The Ventura AA comprises 20 percent of the bank's total volume of loans. The Monterey AA comprises 16 percent of the bank's total volume of loans. Therefore, the most weight was given to performance in the Santa Barbara AA.

Other

Community contacts were conducted as part of this examination. For this evaluation period the community contacts were positive concerning the bank's CRA activities and the bank's responsiveness to identified community credit needs. The information from these contacts is incorporated into our evaluation.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of illegal discrimination or other illegal credit practices.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test is rated "**Outstanding**". Based on Full-Scope reviews, the bank's performance in the Monterey assessment area (AA) is good, Santa Barbara AA is excellent, and Ventura AA is excellent.

Lending Activity

Refer to Table 1 - Lending Volume in Appendix C for the facts and data used to evaluate the bank's lending activity.

Overall lending activity is excellent. During the evaluation period, the bank made 7,962 reportable home mortgage and CRA loans totaling \$1.9 billion. In 2006, the bank ranked eleventh for CRA loans in the Monterey AA, eighth in the Santa Barbara AA, and twelfth in the Ventura AA. For HMDA loans, the bank's market share is not meaningful, thus we did not rate the HMDA performance. The bank had a 16 percent share of all FDIC insured deposits in the Monterey AA, 48 percent share of deposits in the Santa Barbara AA, and a 15 percent share of deposits in Ventura AA.

Lending levels reflect good responsiveness in relation to the area's credit needs and the bank's deposit market share. The level of lending activity relative to deposits is good considering the large number of mortgage brokers, other financial institutions and credit card companies with no deposit taking facilities that are lending in the various AAs. PCB offers a variety of loan products to be competitive in the markets.

We reviewed PCB's 2003 Performance Evaluation tables and found the data to be consistent with years 2004-2006. Therefore, we used the most current data to develop our conclusions for the bank.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

Monterey AA

Geographic distribution of HMDA lending in the Monterey assessment area is adequate. We did not rate performance in low-income geographies since there are no low-income tracts in this AA.

Home Purchase

The geographic distribution of home purchase loans in the Monterey AA is adequate. The bank's percentage of loans in moderate-income tracts is less than the percentage of owner-occupied houses in those tracts. The bank's market share of lending is not significant and therefore was not analyzed.

Home Improvement

The geographic distribution of home improvement loans in the Monterey AA is adequate. The bank's percentage of loans in moderate-income tracts is significantly less than the percentage of owner occupied houses in those tracts. The bank's market share of lending is not significant and therefore was not analyzed.

Refinance

The geographic distribution of refinance loans in the Monterey AA is poor. The bank's percentage of loans in moderate-income tracts is well below the percentage of owner-occupied houses in those tracts. The bank's market share of lending is not significant and therefore was not analyzed.

Multifamily Loans

Geographic distribution of multifamily loans in the Monterey AA is excellent. The bank's percentage of loans in moderate-income census tracts exceeds the demographics. The bank's market share of lending in moderate-income tracts is significantly greater than its overall market share.

Santa Barbara AA

Geographic Distribution of HMDA lending in the Santa Barbara assessment area is excellent.

Home Purchase

The geographic distribution of home purchase loans in the Santa Barbara AA is excellent. The bank percentage of loans to low-income geographies is excellent and exceeds demographics. The bank's percentage of loans in moderate-income census tracts is slightly less than the percentage of owner-occupied houses in those tracts. The bank's market share of lending is not significant and therefore was not analyzed.

Home Improvement

The geographic distribution of home improvement loans in the Santa Barbara AA is reasonable. The bank's percentage of loans to both low-income geographies is excellent and equal to demographics. The bank's market share of lending in low-income geographies is excellent and is equal to its overall market share. The percentage of loans in moderate-income geographies is reasonable and is slightly less than demographics. The market share of lending in low- and moderate-income geographies is less than its overall market share.

Refinance

The geographic distribution of refinance loans in the Santa Barbara AA is excellent. The percentage of bank loans to low-income geographies is excellent and exceeds demographics. The percentage of bank loans moderate-income census tracts is slightly less than the percentage of owner-occupied houses in those tracts. The bank's market share of lending is not significant and therefore was not analyzed.

Multifamily Loans

Geographic distribution of multifamily loans in the Santa Barbara AA is excellent. The bank's loans in both low- and moderate-income census tracts exceed demographics. Moderate-income census tracts represent the majority of multifamily units in the assessment area. Market share in low-income census tracts is less than overall market share. However, market share of lending in moderate-income census tracts significantly exceeds overall market share.

Ventura AA

Geographic Distribution of HMDA lending in the Ventura assessment area is excellent.

Home Purchase

Geographic distribution of home purchase loans in the Ventura AA is excellent. The bank's percentage of loans in both low-and moderate-income census tracts is significantly greater than the percentage of owner-occupied houses in those tracts. The bank's market share of lending is not significant and therefore was not analyzed.

Home improvement

The geographic distribution of home improvement loans in the Ventura AA is excellent. The bank's percentage of loans in both low- and moderate-income geographies is significantly greater than the percentage of owner-occupied houses. The market share of lending in low- and moderate-income geographies exceeds the overall market share.

Refinanced Loans

Geographic distribution of refinanced loans in the Ventura AA is excellent. The bank's percentage of loans in both low-and moderate-income census tracts is greater than the percentage of owner-occupied houses in those tracts. The bank's market share of lending is not significant and therefore was not analyzed.

Multifamily

The geographic distribution of multifamily loans in the Ventura AA is excellent. The bank's percentage of loans in both low- and moderate-income census tracts significantly exceeds the demographics in those tracts. The bank's market share in low-income tracts is greater than the overall market share. However, the market share in moderate-income tracts is less than its overall market share.

Small Loans to Businesses

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

Monterey AA

The geographic distribution of small loans to businesses in the Monterey AA is excellent. Since there are no low-income geographies this area was not rated. The percentage of small loans to businesses in moderate-income geographies exceeds the demographics. The bank's market share of lending in moderate-income geographies exceeds its overall market share.

Santa Barbara AA

The geographic distribution of small loans to businesses in the Santa Barbara AA is excellent. The percentage of small business in low-income geographies is less than 1 percent and although the bank has some lending there, the percentage of market share is too small to be meaningful. The percentage of small business loans in moderate-income geographies exceeds the percentage of businesses in moderate-income tracts. The market share of lending in moderate-income tracts exceeds the overall market share.

Ventura AA

The geographic distribution of small loans to businesses in the Ventura AA is excellent. The percentage of small business loans in both low- and moderate-income geographies is greater than the percentage of small businesses located in these tracts. Market share of lending in both low- and moderate-income tracts exceeded the bank's overall market share.

Small Loans to Farms

Refer to Table 7 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

Small loans to farms are an insignificant part of the bank's overall lending and were not considered in the overall rating.

Lending Gap Analysis

The examiners performed an analysis of the bank's loan patterns of small loans to businesses, utilizing a variety of techniques including mapping for the assessment areas. This analysis reveals gaps in the geographic distribution of these loans. The gaps exist throughout the assessment areas but are not specific to census tracts of any specific income category. The existence of gaps does not negatively impact the bank's rating.

Inside/Outside Ratio

Eighty percent of the bank's originated and purchased loans are within its designated assessment areas. The bank's performance in making loans inside its assessment areas has a positive impact on the overall analysis of geographic distribution.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

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

Monterey AA

The distribution of home mortgage lending by borrower income in the Monterey assessment area is adequate. The availability of housing affordable to low- and moderate-income families is extremely limited. The Salinas MSA, which comprises the Monterey AA, is considered the second least affordable housing market in the U.S. The bank's weak performance in this AA is mitigated by this performance context factor.

Home Purchase

Home purchase lending to low- and moderate-income borrowers is poor. The bank's level of lending to both low- and moderate-income borrowers is well below demographic data. The bank's market share of lending is not significant and therefore was not analyzed.

Home Improvement

Home improvement lending by borrower income is poor. The bank's home improvement loans to both low- and moderate-income borrowers are significantly below demographic data. The bank's market share of lending is not significant and therefore was not analyzed.

Refinance

Refinance lending by borrower income is adequate. The bank's refinance loans to low- and moderate-income borrowers are significantly below demographic data. The bank's overall market share of lending is not significant. However, the market share of loans to low-income borrowers is significant and exceeds the overall market share.

Santa Barbara AA

The distribution of home mortgage lending by borrower income in the Santa Barbara assessment area is adequate.

Home Purchase

Home purchase lending to low- and moderate-income borrowers is adequate. Home purchase lending in the Santa Barbara AA to both low- and moderate-income borrowers is significantly below the percentage of low- and moderate-income borrowers. Although the bank's overall market share of lending is not significant, the market share of loans to low-income and moderate-income borrowers is significant and exceeds its overall market share.

Home Improvement

Home improvement lending by borrower income is adequate. The bank's home improvement loans to moderate-income borrowers are slightly below the moderate-income borrowers. The bank's loans to low-income borrowers are significantly below peer, but with 12 percent of families below poverty level, lending to low-income borrowers is limited. The bank's market share of lending to both low- and moderate-income borrowers is greater than the overall market share.

Refinance

Refinance lending by borrower income is adequate. The bank's refinance loans to both low- and moderate-income borrowers are less than the percentage of low- and moderate-income borrowers. The bank's market share of lending to both low- and moderate-income borrowers is greater than its overall market share.

Ventura AA

Home mortgage lending in the Ventura assessment area is excellent.

Home Purchase

Home purchase lending to borrowers of different incomes is excellent. The bank's lending to low-income borrowers in the Ventura AA exceeds the percentage of moderate-income borrowers. The bank's lending to low-income borrowers is less than the demographics. The bank's market share of lending to both low- and moderate-income borrowers significantly exceeds the overall market share.

Home Improvement

Home improvement lending by borrower income is good. The bank's lending to low-income borrowers is significantly less than demographic data. The bank's lending to moderate-income borrowers is excellent and exceeds the demographic data. The bank's market share of lending to both low- to moderate-income borrowers exceeds the overall market share data.

Refinance

Refinance lending to borrowers of different incomes is excellent. The percentage of bank loans to both low- and moderate-income borrowers exceeds the demographic data. The bank's market share of lending to low- and moderate-income borrowers exceeds the overall market share.

Small Loans to Businesses

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

Monterey AA

The bank's distribution of small loans to businesses is good. The percentage of the bank's loans to businesses with revenues of \$1 million or less is less than the percentage of businesses in the community but still good for a bank of its size. The bank's market share of loans to businesses with revenues of \$1 million or less exceeds the overall market share.

Santa Barbara AA

The bank's distribution of small loans to businesses is excellent. The percentage of the bank's loans to businesses with revenues of \$1 million or less is slightly less than the percentage of businesses in the community. The bank's market share of loans to businesses with revenues of \$1 million or less exceeds the overall market share.

Ventura AA

The bank's distribution of small loans to businesses is excellent. The percentage of the bank's loans to businesses with revenues of \$1 million or less is slightly less than the percentage of businesses in the community. The bank's market share of loans to businesses with revenues of \$1 million or less exceeds the overall market share.

Small Loans to Farms

Refer to Table 12 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

Small loans to farms are an insignificant part of the bank's overall lending and were not considered in the overall rating.

Community Development Lending

Refer to Table 1 - Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development (CD) 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 multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

The bank's community development lending has a positive impact on the overall Lending Test rating. The bank made 91 loans totaling almost \$146 million throughout the eight assessment areas. This represents over 26 percent of the bank's Tier One Capital. Some of the loans having significant impact on the needs of the assessment areas are listed below.

The bank has provided an assortment of lines of credit, letters of credit, construction, and bridge financing to low- and moderate-income housing developers operating in Santa Clara, Santa Cruz, and Monterey. Bank loans have assisted in efforts to develop affordable housing units in the communities the bank serves. Through its membership in the Federal Home Loan Bank (FHLB) of San Francisco, the bank facilitated a grant for the Affordable Housing Program. The bank also assists an organization in its marketing efforts to LMI families by designing brochures and other marketing materials. .

The bank made loans to an organization that provides job training and job placement services to people who require special assistance because of disabilities. The bank also provides a place of employment for many of the graduates of the training program.

The bank made loans to an organization that coordinates community resources to help needy children, families and other organizations serving them. The bank refinanced needed transitional housing for LMI families.

Product Innovation and Flexibility

The bank participates with a number of public and private community development organizations to provide loans with flexible terms, alternative credit criteria and assistance with fees and down payments to low- and moderate-income borrowers. Many of the bank's community development loans can be considered complex because of the layered financing and the multiple activities that the bank coordinated to provide the required financing for the projects or organizations. The bank also participates with the SBA to provide loans to small business under the various SBA loan guarantee programs.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Los Angeles, San Luis Obispo, San Jose and San Diego AAs is consistent with the bank's overall "Outstanding" performance under the lending test.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test is rated "**Outstanding**". Based on full-scope reviews, the bank's performance in the Monterey, Santa Barbara, and Ventura assessment areas are excellent based on investment opportunities and the capacity to invest.

Investments

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

PCB's qualified investments and donations totaled \$5.0 million in the Monterey AA, \$15.8 million in the Santa Barbara AA, and \$13.7 million in the Ventura AA. Current period investments totaled \$4.6 million, \$14.8 million and \$6.9 million, respectively. Prior period investments totaled \$0.4 million, \$1.0 million, and \$6.9 million in the Monterey, Santa Barbara, and Ventura AAs, respectively. While none of the investments are considered innovative or complex, these investments are responsive to the credit needs and benefit each AA.

Examples of qualified investments and donations made during the evaluation period include:

- PCB participated in several tax credit funds for affordable housing. During the current review period, the bank invested a total of \$4.6 million, \$14.2million, and \$1.6 million in tax credit funds in the Monterey, Santa Barbara, and Ventura AAs, respectively. These funds provided a combined total of 219 affordable housing units.
- PCB purchased \$4.5 million in mortgage-backed security investments that provided approximately 24 loans for affordable housing to low- and moderate-income individuals. These investments have an ongoing effect on facilitating affordable housing to low- and moderate-income individuals.
- PCB made several cash donations totaling approximately \$460 thousand that benefited a variety of qualifying organizations that provide community services to low- and moderate-income individuals. Community service organizations include health care facilities, homeless shelters, battered women facilities, and youth programs.
- PCB developed a Personal Computer (PC) Donation Program. The program provides personal computer equipment to community service programs and/or organizations that provide services to low- and moderate-income individuals. PCB donated approximately \$65 thousand worth of computer equipment.

Grants

PCB provides grants to a variety of low- and moderate-income areas and programs. The bank also considers alternatives such as in-kind donations (PC Donation Program), assistance with fundraising events, and leadership roles in community development initiatives.

Broader Regional Area Investments

During the prior evaluation period, the bank made investments of \$647 thousand. These investments benefited broader regional geographies throughout Southern and Northern California communities. These funds met economic development and affordable housing needs in these areas.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Los Angeles, San Diego, San Luis Obispo, Santa Clara/San Benito, and Santa Cruz assessment areas is consistent with the bank's overall "**Outstanding**" performance under the Investment Test. PCB made qualified investments and donations with an aggregate total of \$14.8 million in these assessment areas.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated, "**High Satisfactory**". Based on the following factors, the bank's performance in all assessment areas is good.

- The distribution of branches provides an excellent response to the needs of low- and moderate-income geographies and individuals.
- Branch openings and closings did not adversely impact the availability or the bank's ability to serve the needs of all income geographies.
- Products and services are in-line with the needs of the communities and do not vary from location to location.
- The bank provides a satisfactory level of community development services throughout its assessment areas that are responsive to the communities' needs.

Retail Banking Services

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

Branch Distribution

The distribution of branches within the assessment areas is excellent. For the Monterey AA, 21 percent of the census tracts are designated as moderate, with 28.5 percent of the branches in this AA in these census tracts. For the Santa Barbara AA, 34.8 percent of the census tracts are designated as low- and moderate, with 15 percent of the branches in this AA in these census tracts. For the Ventura AA, 27.7 percent of the census tracts are designated as low- and moderate, with 33.3 percent of the branches in this AA in these census tracts. Although the majority of the branches in the Santa Barbara AA are in middle- and upper-income census tracts, they are still easily accessibility (in close proximity) to the low- and moderate-income census tracts. The low- and moderate-income census tracts where there are no branches are not a significant concern because these areas are mostly mountain/forest terrain, or an Air Force Base.

All branches are open from 9:00am - 5:00pm on Monday through Thursday, and from 9:00am - 6:00pm on Fridays. Additionally, over half of the branches in Santa Barbara and Ventura AAs, and 33 percent of the Monterey AA branches have Saturday banking hours. All branches offer the same products and services.

Branch Openings & Closings

Overall, branch openings and closings have not had a negative effect on low- and moderate-income geographies. During the review period PCB opened two branches in moderate-income geographies and closed one branch in a low-income geography. The San Diego branch closure (it was actually sold to a credit union) was because it was well outside of PCB's target market.

Alternative Delivery Systems

The bank does not have alternative delivery systems designed specifically to provide services to low- and moderate-income geographies and to low- and moderate-income individuals. PCB uses ATMS located at every branch as its alternative delivery system for retail banking services. Additionally, the bank has 19 off-site ATMs spread throughout the Santa Barbara, Ventura, and San Luis Obispo AAs. Of these 19 ATMs, 13 are in the Santa Barbara AA, with seven serving moderate-income census tracts where 27 percent of the AA's families reside. We consider the bank's use of ATMs in the Santa Barbara AA an effective alternative delivery system. The bank also offers online and telephone banking for no additional fee.

Community Development Services

The level of Community Development Services provided by the bank is satisfactory. All of the bank's qualified community development services target LMI individuals and are centered within its assessment areas. Within the Full-Scope assessment areas the bank provided 9,112 hours of community development service to over 78 organizations (five in Monterey, 44 in Santa Barbara, and 29 in Ventura). PCB's support to these organizations focuses on providing financial expertise to various local schools, affordable housing, and community service organizations. In addition, the bank provides community development services to many organizations in combination with community development loans and investments. A few of the more significant community development services provided by the bank are detailed below.

- Four bank employees volunteer in a housing authority sponsored volunteer income tax assistance program. These employees assist LMI residents within in the City of Santa Barbara with basic tax return preparation. Additionally, bank employees teach financial literacy classes through a "Family Self-Sufficiency Program". This program is designed to assist LMI families achieve economic independence and self-sufficiency through education, job training, and better employment. PCB has worked closely with the housing authority to augment its services to this organization with significant community development loans and investments in various projects developed by the housing authority.

- One loan officer serves as a member on an economic development organization's loan committee, and has been serving as the organization's interim loan officer. This organization is a local, non-profit dedicated to creating an equitable and just society through the economic empowerment of women. The organization has a Small Business Loan Fund that makes loans from \$1,000 to \$100 thousand to businesses that have been turned down by other financial institutions. Statistics show that the majority of its clients have been low- and moderate-income women.

- PCB participates in the San Francisco Federal Home Loan Bank Affordable Housing Program, with the bank's CRA Officer serving as a grant writer. This program facilitates the development of affordable rental housing and home-ownership opportunities for very low-, low- and moderate-income households. Through a competitive application process, the FHLB provides grants or subsidized interest rates on advances to members to finance their affordable housing initiatives.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on Limited-Scope reviews, the bank's performance under the Service Test in the Santa Cruz, Santa Clara/San Benito, and San Luis Obispo AAs is consistent with the bank's overall "**High Satisfactory**" performance under the Service Test.

We did not include a review of the Los Angeles and San Diego AAs in our analysis of the bank's services as the bank only opened the Los Angeles branches in early 2007, and the bank sold the San Diego branch in late 2006.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excludes CD Loans): 01/01/03 to 12/31/06 Investment and Service Tests and Community Development (CD) Loans: 06/07/04 to 09/10/07	
Financial Institution	Products Reviewed	
Pacific Capital Bank, National Association (PCB) Santa Barbara, California	HMDA and CRA Loans, Community Development Loans, Services and Investments	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	NA	NA
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Monterey County Santa Barbara County Ventura County	Full Scope Full Scope Full Scope	
Los Angeles County San Diego County San Luis Obispo County Santa Clara-San Benito Counties Santa Cruz County	Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope	

Appendix B: Market Profiles for Full-Scope Areas

Monterey County AA

Demographic Information for Full-Scope Area: (Monterey County MA)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	84	0	21.43	48.81	28.57	1.19
Population by Geography	401,762	0	26.32	48.43	25.25	0
Owner-Occupied Housing by Geography	66,266	0	13.83	45.09	41.08	0
Businesses by Geography	25,405	0	20.49	45.41	34.10	0
Farms by Geography	1,158	0	21.42	50.86	27.72	0
Family Distribution by Income Level	88,539	19.70	18.38	21.52	40.40	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	33,713	0	35.74	50.08	14.18	0
Median Family Income	= \$51,211					
HUD Adjusted Median Family Income for 2006	= \$62,200					
Households Below the Poverty Level	= 10%					
				Median Housing Value	= \$296,076	
				Unemployment Rate	= 3.90%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, and 2006 HUD updated Median Family Income.

The Monterey County AA is the bank's third largest market area and is located on the California coastline, 106 miles south of San Francisco and 241 miles north of Los Angeles. The County consists of the Monterey Peninsula and the Salinas Valley. PCB has 7 branches in this area providing the bank with 15 percent of its deposits and 14 percent of its loans. Each branch has at least one ATM available twenty-four hours a day. The bank ranks 11th in small business lending in the County with a 2.19 percent market share. The bank ranks sixty-fourth in home mortgage lending with a less than 1 percent market share. As of June 2006, the bank's deposit market share was 11.71 percent. There are 15 institutions with a physical presence in this market.

The MSA includes 84 tracts as of the 2000 census. Median housing values were over \$296 thousand in 2000 and 50.3% of the housing units were owner-occupied. Median family income for 2006 was \$62.2 thousand.

According to 2000 census data, the population was 401,762. Salinas is the largest city in Monterey County, and serves as the County's agricultural, industrial, financial, and government center. Unemployment rates vary more in Monterey County than in other California agricultural areas because tourism, another business sector with large seasonal fluctuations, plays a significant role in the County's economy. For example, the unemployment rate as of March 2006 was 7 percent, nearly 3 percent higher than the state's average.

Business Geodemographic Data dated 2006 shows that close to 68 percent of area businesses had sales of less than \$1 million. State and local government is the leading employer; closely followed by fishing and hunting, and farms. The largest civilian employers in the area are Dole Food Company, Inc., Tanimura & Antle, Inc., Fresh Express/Fresh Food, Escamilla & Sons, Inc., and the Salinas Valley Memorial Healthcare System.

Community contacts indicated a critical need for affordable housing at the low-, moderate- and middle-income levels. Housing affordability indexes rank the Salinas/Monterey MSA as one of the least affordable in the U.S. because of the high cost of housing versus the relatively low incomes of the residents.

Appendix B: Market Profiles for Full-Scope Areas

Santa Barbara County AA

Demographic Information for Full-Scope Area: (Santa Barbara County AA)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	86	4.65	30.23	33.72	31.40	0
Population by Geography	399,347	6.08	31.57	33.18	29.18	0
Owner-Occupied Housing by Geography	76,579	0.97	17.42	39.94	41.68	0
Businesses by Geography	31,465	2.75	37.14	31.39	28.72	0
Farms by Geography	1,266	1.90	25.75	31.83	40.52	0
Family Distribution by Income Level	90,314	20.00	18.61	20.45	40.95	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	34,865	7.30	41.83	33.16	17.71	0
Median Family Income	= \$54,109					
HUD Adjusted Median Family Income for 2006	= \$65,800					
Households Below the Poverty Level	= 12%					
				Median Housing Value	= \$323,962	
				Unemployment Rate	= 3.26%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, and 2006 HUD updated Median Family Income.

The Santa Barbara County AA is the bank's largest market area and is located approximately 100 miles north of the city of Los Angeles and is bordered on the east by Ventura County, on the northeast by Kern County, on the north by San Luis Obispo County, and on the south and west by the Pacific Ocean. PCB has 20 branches providing the bank with 47 percent of its deposits and 40 percent of its loans. Each branch has at least one ATM available twenty-four hours a day. The bank also has 13 stand alone ATMs throughout the assessment area. The bank ranks eighth in small business lending in the county with a 6 percent market share. The bank ranks sixteenth in home mortgage lending with a 1.32 percent market share. As of June 2006, the bank's deposit market share was 25.64 percent. There are 24 institutions with a physical presence in this market.

The MSA includes 86 tracts as of the 2000 census. Median housing values were over \$323 thousand in 2000 and 53.6% of the housing units were owner-occupied. Median family income for 2006 was \$65.8 thousand.

According to 2000 census data, the county's population is 399,347. The most populous cities are Santa Maria and Santa Barbara. According to Moody's Report, the unemployment rates in these two cities were comparable to California and U.S. rates during the evaluation period.

Business Geodemographic Data dated 2006 shows that more than 67.5 percent of area businesses had sales of less than \$1 million. State and local government is the leading employer. Other major industries are agriculture and services. The largest civilian employers in the area are University of California Santa Barbara, Vandenberg Air Force Base, Santa Barbara Cottage Hospital, and Santa Barbara City College.

Santa Barbara County is consistently listed among the top 25 least affordable housing markets nationwide. The high cost of housing is a significant factor in the economy. Building restrictions, no growth ordinances and large tracts of unavailable land contribute to the high cost and short supply of housing in the area. Community groups verified the critical need for affordable housing for low-, moderate-, and middle-income populations.

Appendix B: Market Profiles for Full-Scope Areas

Ventura County AA

Demographic Information for Full-Scope Area: (Ventura County AA)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	155	4.52	23.23	45.81	26.45	0
Population by Geography	753,197	3.86	23.98	44.41	27.75	0
Owner-Occupied Housing by Geography	164,373	1.20	15.46	46.06	37.29	0
Businesses by Geography	56,604	3.84	18.63	50.26	27.28	0
Farms by Geography	1,572	4.33	21.95	54.07	19.66	0
Family Distribution by Income Level	184,378	19.55	18.43	22.09	39.92	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	70,030	6.15	32.34	45.40	16.11	0
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below the Poverty Level	= \$64,779 = \$79,500 = 7%				Median Housing Value = \$252,173 Unemployment Rate = 2.54%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, and 2006 HUD updated Median Family Income.

The Ventura County AA is the bank's second largest market area and is located northwest of Los Angeles County. PCB has 12 branches providing the bank with 15 percent of its deposits and 28 percent of its loans. Each branch has an ATM available 24 hours a day. There are four stand alone ATMs in the assessment area. The bank ranks 12th in small business lending in the county with a 1.19 percent market share. The bank ranks fifty-third in home mortgage lending with a less than 1 percent market share. As of June 2006, the bank's deposit market share was 5.88 percent. There are 33 institutions with a physical presence in this market.

The MSA includes 155 tracts as of the 2000 census. Median housing values were over \$252 thousand in 2000 and 65.3 percent of the housing units were owner-occupied. Median family income for 2006 was \$79.5 thousand.

According to 2000 census data, the county's population is 753,197. The most populous cities are Ventura, Oxnard, Thousand Oaks, and Simi Valley. According to Moody's Report, the unemployment rates of these cities were slightly higher than California and U.S. rates during the evaluation period.

Business Geodemographic Data dated 2006 shows that close to 68 percent of area businesses had sales of less than \$1 million. Agriculture is the leading industry with approximately 6 percent of the area's employment directly or indirectly tied to agriculture through either farming or food manufacturing. Other major industries are services, military and federal government, nondepository credit intermediation, and pharmaceutical and medicine manufacturing. The largest civilian employers in the area are the Point Hueneme Naval Base Ventura County/Point Mugu, Amgen, Inc., Boeing Co.-Rocketdyne, Countrywide Home Loans, WellPoint Health Networks, Inc., and Verizon Communications, Inc.

Our community contacts indicated the need for homebuyer education classes, single family and multi-family loans, multi-family predevelopment loans, and micro-loans for startup or at-home businesses. There was also a need for recoverable grants for land acquisition and soft costs for affordable housing developments.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (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/AA; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

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

Table 12. Borrower Distribution of Small Loans to Farms - Compares the percentage distribution of the number of small loans (less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

Table 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/AA.

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

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.

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 1. Lending Volume

LENDING VOLUME		Geography: PACIFIC CAPITAL BANK						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
MA/Assessment Area (2006):	% 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:												
Monterey 2006	15.84	250	96,679	840	166,864	14	3,559	14	61,813	1,118	328,915	15.98
Santa Barbara 2006	38.09	1,261	500,090	1,872	245,838	42	7,738	37	37,062	3,212	790,728	47.78
Ventura 2006	19.92	831	245,695	1,108	149,558	23	7,300	22	11,000	1,984	413,553	14.92
Limited Review:												
Los Angeles 2006	5.87	123	55,824	189	56,069	0	0	2	10,000	314	121,893	4.31
San Diego 2006	0.57	12	4,274	12	7,573	0	0	0	0	24	11,847	0.00
San Luis Obispo 2006	5.95	175	62,633	228	58,980	6	1,700	1	150	410	123,463	3.56
Santa Clara-San Benito 2006	11.81	197	84,483	601	129,897	17	3,660	14	27,139	829	245,179	10.96
Santa Cruz 2006	1.95	50	15,162	99	20,982	12	3,868	2	500	163	40,512	2.50

* Loan Data as of December 31, 2006. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from June 7, 2004 to September 10, 2007.

*** Deposit Data as of August 23, 2007. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: PACIFIC CAPITAL BANK								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner-Occupied Units***	% BANK Loans****	% Owner-Occupied Units***	% BANK Loans	% Owner-Occupied Units***	% BANK Loans	% Owner-Occupied Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Monterey 2006	52	7.09	0.00	0.00	13.83	9.62	45.09	48.08	41.08	42.31	0.14	0.00	0.00	0.15	0.22
Santa Barbara 2006	296	40.38	0.97	1.35	17.42	12.50	39.94	35.14	41.68	51.01	0.78	0.00	0.46	0.66	1.49
Ventura 2006	223	30.42	1.20	7.17	15.46	26.46	46.06	55.61	37.29	10.76	0.22	0.84	0.28	0.26	0.08
Limited Review:															
Los Angeles 2006	21	2.86	1.91	0.00	15.46	4.76	31.30	14.29	51.33	80.95	0.00	0.00	0.00	0.00	0.00
San Diego 2006	7	0.95	2.30	0.00	14.03	14.29	41.01	28.57	42.66	57.14	0.00	0.00	0.00	0.00	0.00
San Luis Obispo 2006	65	8.87	0.00	0.00	10.27	9.23	75.43	69.23	14.31	21.54	0.21	0.00	0.23	0.15	0.68
Santa Clara-San Benito 2006	52	7.09	1.13	3.85	16.54	36.54	47.80	44.23	34.53	15.38	0.04	0.06	0.05	0.02	0.04
Santa Cruz 2006	17	2.32	0.00	0.00	20.21	70.59	40.44	0.00	39.35	29.41	0.06	0.00	0.17	0.00	0.04

* Based on 2005 Peer Mortgage Data (Western)

** 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 2000 Census information.

**** Data shown includes only 1-4 family and manufactured housing (Property type of 1 or 2)

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: PACIFIC CAPITAL BANK				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner-Occupied Units***	% BANK Loans****	% Owner-Occupied Units***	% BANK Loans	% Owner-Occupied Units***	% BANK Loans	% Owner-Occupied Units***	% BANK Loans						
Full Review:																
Monterey 2006	61	9.71	0.00	0.00	13.83	8.20	45.09	59.02	41.08	32.79	0.86	0.00	0.00	0.98	1.19	
Santa Barbara 2006	314	50.00	0.97	0.96	17.42	15.92	39.94	28.66	41.68	54.46	5.78	5.13	2.69	3.94	10.63	
Ventura 2006	173	27.55	1.20	3.47	15.46	24.28	46.06	47.98	37.29	24.28	1.20	4.29	1.94	1.12	0.74	
Limited Review:																
Los Angeles 2006	16	2.55	1.91	0.00	15.46	6.25	31.30	18.75	51.33	75.00	0.00	0.00	0.00	0.00	0.01	
San Diego 2006	3	0.48	2.30	0.00	14.03	33.33	41.01	33.33	42.66	33.33	0.02	0.00	0.00	0.02	0.02	
San Luis Obispo 2006	23	3.66	0.00	0.00	10.27	8.70	75.43	73.91	14.31	17.39	0.38	0.00	0.00	0.34	1.01	
Santa Clara-San Benito 2006	33	5.25	1.13	0.00	16.54	57.58	47.80	30.30	34.53	12.12	0.13	0.00	0.26	0.13	0.00	
Santa Cruz 2006	5	0.80	0.00	0.00	20.21	60.00	40.44	20.00	39.35	20.00	0.11	0.00	0.00	0.00	0.32	

* Based on 2005 Peer Mortgage Data (Western)

** 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 2000 Census information.

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

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: PACIFIC CAPITAL BANK				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner-Occupied Units***	% BANK Loans****	% Owner-Occupied Units***	% BANK Loans	% Owner-Occupied Units***	% BANK Loans	% Owner-Occupied Units***	% BANK Loans						
Full Review:																
Monterey 2006	114	8.48	0.00	0.00	13.83	3.51	45.09	45.61	41.08	50.88	0.23	0.00	0.00	0.20	0.40	
Santa Barbara 2006	570	42.38	0.97	1.05	17.42	14.04	39.94	34.74	41.68	50.18	0.93	0.36	0.47	0.79	1.54	
Ventura 2006	384	28.55	1.20	2.08	15.46	20.57	46.06	52.60	37.29	24.74	0.23	0.16	0.30	0.27	0.13	
Limited Review:																
Los Angeles 2006	76	5.65	1.91	2.63	15.46	6.58	31.30	26.32	51.33	64.47	0.00	0.00	0.00	0.00	0.00	
San Diego 2006	2	0.15	2.30	0.00	14.03	0.00	41.01	100.00	42.66	0.00	0.00	0.00	0.00	0.00	0.00	
San Luis Obispo 2006	74	5.50	0.00	0.00	10.27	10.81	75.43	60.81	14.31	28.38	0.18	0.00	0.00	0.16	0.51	
Santa Clara-San Benito 2006	101	7.51	1.13	3.96	16.54	43.56	47.80	37.62	34.53	14.85	0.04	0.07	0.10	0.03	0.00	
Santa Cruz 2006	24	1.78	0.00	0.00	20.21	41.67	40.44	33.33	39.35	25.00	0.07	0.00	0.04	0.06	0.09	

* Based on 2005 Peer Mortgage Data (Western)

** 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 2000 Census information.

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

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY (MF)		Geography: PACIFIC CAPITAL BANK								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Monterey 2006	23	11.92	0.00	0.00	28.29	30.43	58.50	65.22	13.21	4.35	9.72	0.00	15.63	6.06	0.00
Santa Barbara 2006	81	41.97	12.99	19.75	41.94	45.68	28.08	24.69	16.99	9.88	28.44	17.65	35.19	18.52	36.36
Ventura 2006	51	26.42	3.57	17.65	34.60	45.10	47.43	35.29	14.41	1.96	18.07	57.14	12.20	17.14	0.00
Limited Review:															
Los Angeles 2006	10	5.18	12.96	0.00	31.74	40.00	28.34	60.00	26.96	0.00	0.03	0.00	0.00	0.12	0.00
San Diego 2006	0	0.00	11.77	0.00	32.61	0.00	37.33	0.00	18.29	0.00	0.00	0.00	0.00	0.00	0.00
San Luis Obispo 2006	13	6.74	0.00	0.00	34.31	30.77	64.12	69.23	1.56	0.00	10.34	0.00	9.09	12.50	0.00
Santa Clara -San Benito 2006	11	5.70	6.94	45.45	26.10	36.36	53.65	18.18	13.30	0.00	1.15	2.70	1.38	0.63	0.00
Santa Cruz 2006	4	2.07	0.00	0.00	43.78	75.00	44.77	25.00	11.45	0.00	8.11	0.00	7.69	11.11	0.00

* Based on 2005 Peer Mortgage Data (Western)

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

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

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: PACIFIC CAPITAL BANK				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					Market Share (%) by Geography				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans						
Full Review:																
Monterey 2006	840	16.98	0.00	0.00	20.49	23.45	45.41	42.14	34.10	34.40	1.55	0.00	2.35	1.65	1.35	
Santa Barbara 2006	1,872	37.83	2.75	2.08	37.14	37.98	31.39	31.62	28.72	28.31	2.57	2.40	3.20	2.67	2.24	
Ventura 2006	1,108	22.39	3.84	5.51	18.63	21.12	50.26	52.98	27.28	20.40	0.69	1.77	1.08	0.78	0.37	
Limited Review:																
Los Angeles 2006	188	3.80	7.76	2.66	20.54	14.89	26.26	21.28	44.69	61.17	0.01	0.01	0.01	0.01	0.01	
San Diego 2006	12	0.24	5.03	0.00	21.69	16.67	37.28	58.33	35.96	25.00	0.00	0.00	0.00	0.00	0.00	
San Luis Obispo 2006	228	4.61	0.00	0.00	21.86	24.12	66.01	52.19	12.12	23.68	0.99	0.00	1.59	0.79	1.47	
Santa Clara-San Benito 2006	601	12.15	3.01	7.99	23.96	51.41	43.21	34.78	29.83	5.82	0.18	0.71	0.44	0.13	0.04	
Santa Cruz 2006	99	2.00	0.00	0.00	21.88	53.54	46.83	34.34	31.30	12.12	0.17	0.00	0.47	0.15	0.02	

* Based on 2006 Peer Small Business Data -- US and Puerto Rico (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 (2006).

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: PACIFIC CAPITAL BANK Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006															
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Monterey 2006	14	12.28	0.00	0.00	21.42	42.86	50.86	35.71	27.72	21.43	1.43	0.00	2.63	1.67	1.30
Santa Barbara 2006	42	36.84	1.90	0.00	25.75	19.05	31.83	45.24	40.52	35.71	4.02	0.00	2.25	3.60	7.45
Ventura 2006	23	20.18	4.33	8.70	21.95	8.70	54.07	65.22	19.66	17.39	2.03	12.50	0.00	2.92	1.20
Limited Review:															
Los Angeles 2006	0	0.00	3.54	0.00	14.80	0.00	31.11	0.00	50.18	0.00	0.00	0.00	0.00	0.00	0.00
San Diego 2006	0	0.00	3.29	0.00	18.64	0.00	40.23	0.00	37.82	0.00	0.00	0.00	0.00	0.00	0.00
San Luis Obispo 2006	6	5.26	0.00	0.00	13.41	0.00	73.19	100.00	13.41	0.00	0.86	0.00	0.00	1.18	0.00
Santa Clara-San Benito 2006	17	14.91	2.20	0.00	32.13	58.82	43.06	41.18	22.61	0.00	1.97	0.00	2.08	3.07	0.00
Santa Cruz 2006	12	10.53	0.00	0.00	25.48	66.67	41.39	33.33	33.13	0.00	3.87	0.00	8.77	3.33	0.00

* Based on 2006 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 (2006).

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: PACIFIC CAPITAL BANK								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ¹	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Monterey 2006	52	7.09	19.70	2.13	18.38	4.26	21.52	23.40	40.40	70.21	0.14	0.00	0.00	1.27	0.07
Santa Barbara 2006	296	40.38	20.00	1.92	18.61	9.58	20.45	19.16	40.95	69.35	0.85	10.26	4.76	1.19	0.64
Ventura 2006	223	30.42	19.55	10.33	18.43	32.86	22.09	23.47	39.92	33.33	0.25	8.40	1.60	0.49	0.08
Limited Review:															
Los Angeles 2006	21	2.86	23.87	0.00	16.49	0.00	17.40	5.00	42.24	95.00	0.00	0.00	0.00	0.01	0.00
San Diego 2006	7	0.95	21.02	0.00	17.91	0.00	20.09	40.00	40.98	60.00	0.00	0.00	0.00	0.01	0.00
San Luis Obispo 2006	65	8.87	18.57	10.00	18.88	21.67	22.65	23.33	39.90	45.00	0.23	6.98	1.99	0.38	0.10
Santa Clara-San Benito 2006	52	7.09	20.54	11.36	18.11	9.09	21.70	13.64	39.66	65.91	0.04	0.28	0.12	0.02	0.03
Santa Cruz 2006	17	2.32	19.96	6.67	17.98	26.67	21.23	40.00	40.83	26.67	0.06	0.00	0.50	0.00	0.05

* Based on 2005 Peer Mortgage Data (Western)

** As a percentage of loans with borrower income information available. No information was available for 9.3% of loans originated and purchased by bank.

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

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

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

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: PACIFIC CAPITAL BANK				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families ²	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Monterey 2006	61	9.71	19.70	5.17	18.38	5.17	21.52	24.14	40.40	65.52	0.79	0.00	0.97	2.43	0.42	
Santa Barbara 2006	314	50.00	20.00	5.80	18.61	15.70	20.45	20.48	40.95	58.02	5.96	17.39	7.26	6.51	5.08	
Ventura 2006	173	27.55	19.55	7.50	18.43	16.25	22.09	23.75	39.92	52.50	1.16	2.41	1.53	1.07	1.02	
Limited Review:																
Los Angeles 2006	16	2.55	23.87	0.00	16.49	0.00	17.40	0.00	42.24	100.00	0.00	0.00	0.00	0.00	0.00	
San Diego 2006	3	0.48	21.02	0.00	17.91	0.00	20.09	0.00	40.98	0.00	0.00	0.00	0.00	0.00	0.00	
San Luis Obispo 2006	23	3.66	18.57	0.00	18.88	0.00	22.65	17.39	39.90	82.61	0.42	0.00	0.00	0.32	0.54	
Santa Clara-San Benito 2006	33	5.25	20.54	18.75	18.11	12.50	21.70	25.00	39.66	43.75	0.12	0.56	0.23	0.06	0.07	
Santa Cruz 2006	5	0.80	19.96	20.00	17.98	40.00	21.23	0.00	40.83	40.00	0.12	0.00	0.00	0.00	0.17	

* Based on 2005 Peer Mortgage Data (Western)

** As a percentage of loans with borrower income information available. No information was available for 6.5% of loans originated and purchased by bank.

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

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

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

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: PACIFIC CAPITAL BANK				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006					Market Share				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families ³	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans**						
Full Review:																
Monterey 2006	114	8.48	19.70	3.06	18.38	5.10	21.52	14.29	40.40	77.55	0.24	1.09	0.12	0.33	0.21	
Santa Barbara 2006	570	42.38	20.00	4.59	18.61	9.75	20.45	18.36	40.95	67.30	1.06	2.10	1.18	1.04	1.02	
Ventura 2006	384	28.55	19.55	6.98	18.43	15.64	22.09	21.79	39.92	55.59	0.24	0.89	0.44	0.21	0.19	
Limited Review:																
Los Angeles 2006	76	5.65	23.87	0.00	16.49	1.33	17.40	8.00	42.24	90.67	0.00	0.00	0.00	0.00	0.00	
San Diego 2006	2	0.15	21.02	0.00	17.91	0.00	20.09	0.00	40.98	100.00	0.00	0.00	0.00	0.00	0.00	
San Luis Obispo 2006	74	5.50	18.57	2.90	18.88	10.14	22.65	5.80	39.90	81.16	0.18	0.00	0.11	0.05	0.24	
Santa Clara-San Benito 2006	101	7.51	20.54	3.26	18.11	10.87	21.70	23.91	39.66	61.96	0.05	0.16	0.09	0.02	0.04	
Santa Cruz 2006	24	1.78	19.96	5.00	17.98	10.00	21.23	25.00	40.83	60.00	0.06	0.00	0.00	0.06	0.07	

* Based on 2005 Peer Mortgage Data (Western)

** As a percentage of loans with borrower income information available. No information was available for 8.1% of loans originated and purchased by bank.

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

**** 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.

³ Data shown includes only 1-4 family and manufactured housing. (Property type of 1 or 2)

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: PACIFIC CAPITAL BANK			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$ 1 Million or Less
Full Review:									
Monterey 2006	840	16.97	67.97	45.12	54.88	20.00	25.12	1.55	1.76
Santa Barbara 2006	1,872	37.83	67.28	63.89	71.37	14.10	14.53	2.57	4.75
Ventura 2006	1,108	22.39	67.91	60.20	75.18	11.10	13.72	0.69	1.08
Limited Review:									
Los Angeles 2006	189	3.82	66.28	58.20	50.79	5.82	43.39	0.01	0.01
San Diego 2006	12	0.24	67.92	33.33	0.00	0.00	100.00	0.00	0.00
San Luis Obispo 2006	228	4.61	69.44	50.88	43.86	24.12	32.02	0.99	1.38
Santa Clara-San Benito 2006	601	12.14	64.98	50.58	57.90	15.97	26.12	0.18	0.22
Santa Cruz 2006	99	2.00	71.20	35.35	50.51	23.23	26.26	0.17	0.20

* Based on 2006 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 - 2006).

**** 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 0.14% of small loans to businesses originated and purchased by the bank.

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: PACIFIC CAPITAL BANK			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Monterey 2006	14	12.28	71.16	35.71	21.43	35.71	42.86	1.43	0.67
Santa Barbara 2006	42	36.84	83.41	42.86	38.10	42.86	19.05	4.02	3.31
Ventura 2006	23	20.18	81.93	34.78	8.70	26.09	65.22	2.03	1.50
Limited Review:									
Los Angeles 2006	0	0.00	88.38	0.00	0.00	0.00	0.00	0.00	0.00
San Diego 2006	0	0.00	87.90	0.00	0.00	0.00	0.00	0.00	0.00
San Luis Obispo 2006	6	5.26	88.06	33.33	16.67	16.67	66.67	0.86	1.16
Santa Clara-San Benito 2006	17	14.91	87.02	47.06	47.06	23.53	29.41	1.97	1.61
Santa Cruz 2006	12	10.53	84.57	16.67	16.67	25.00	58.33	3.87	2.25

* Based on 2006 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 - 2006).

**** 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 1.75% of small loans to farms originated and purchased by the bank.

Institution ID: PACIFIC CAPITAL BANK, N.A.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: PACIFIC CAPITAL BANK				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006			
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:									
Monterey 2006	1	381	3	4,622	4	5,003	9.85	1	135
Santa Barbara 2006	1	1,026	110	14,776	111	15,802	31.10	1	15,132
Ventura 2006	5	6,865	49	6,873	55	13,738	27.04	1	1,898
Limited Review:									
Los Angeles 2006	0	0	9	2,016	9	2,016	3.97	3	510
San Diego 2006	0	0	1	246	1	246	0.48	1	4
San Luis Obispo 2006	0	0	2	830	2	830	1.63	0	0
Santa Clara-San Benito 2006	3	7,322	3	2,884	6	10,206	20.09	2	838
Santa Cruz 2006	0	0	1	1,475	1	1,475	2.90	1	25
Statewide	3	845	4	647	7	1,492	2.94	0	0

* 'Prior Period Investments' means investments made in a previous 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.

Institution ID: PACIFIC CAPITAL BANK, N.A.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: PACIFIC CAPITAL BANK										Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2006							
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:																	
Monterey 2006	15.98	6	12.24	0.00	16.67	50.00	33.33	1	0	0	0	1	0	0.00	26.32	48.43	25.25
Santa Barbara 2006	47.78	20	40.82	0.00	15.00	45.00	40.00	1	0	0	0	0	1	6.08	31.57	33.18	29.18
Ventura 2006	14.92	12	24.49	8.33	25.00	58.33	8.33	1	0	0	0	1	0	3.86	23.98	44.41	27.75
Limited Review:																	
Los Angeles 2006	4.31	2	4.08	0.00	0.00	0.00	100.00	0	0	0	0	0	0	8.00	29.44	30.88	31.58
San Diego 2006	0.00	0	0.00	0.00	0.00	0.00	0.00	0	1	- 1	0	0	0	7.78	24.46	37.46	30.01
San Luis Obispo 2006	3.56	3	6.12	0.00	66.67	33.33	0.00	3	0	0	2	1	0	0.00	16.72	69.48	13.79
Santa Clara San Benito 2006	10.96	5	10.20	0.00	80.00	20.00	0.00	0	0	0	0	0	0	3.90	24.42	46.97	24.71
Santa Cruz 2006	2.50	1	2.04	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	31.25	39.43	29.32

