



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **Public Disclosure**

September 9, 2002

# **Community Reinvestment Act Performance Evaluation**

**Sunflower Bank, National Association  
Charter Number: 4742**

**2090 South Ohio  
Salina, KS 67401**

**Office of the Comptroller of the Currency**

**Kansas City North Field Office  
6700 Antioch Road Suite 450  
Merriam, KS 66204**

**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 **Sunflower Bank, National Association (Sunflower)** with respect to the Lending, Investment, and Service Tests:

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

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

The major factors that support this rating include:

- Sunflower’s distribution of loans by income level of geography is excellent.
- Sunflower’s level of community development lending is significant, based on the dollar volume, which has a positive impact on the Lending Test.
- Sunflower’s distribution of small loans to businesses and farms by income level of borrower is excellent.
- Sunflower offers flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals, which has a positive impact on the Lending Test.
- The level of retail banking and community development services is excellent.
- The level of qualified investments is adequate given opportunities in the assessment areas.

## 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.

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

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

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

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also

include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

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

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

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

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

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

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every 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 primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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

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

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

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

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

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

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

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 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

Sunflower Bank, National Association (Sunflower), is a \$903 million interstate bank headquartered in Salina, Kansas. Sunflower is a wholly owned subsidiary of Sunflower Banks, Inc., a \$903 million one-bank holding company also headquartered in Salina, Kansas. Sunflower has 22 branches located in 13 communities across central and western Kansas. In November 2001, Sunflower acquired First Canon Bancorp, Inc., which resulted in three additional branches located in Canon City, Colorado.

In April 2000, Sunflower opened a branch in Wichita, Kansas, an existing market. In April 2001, Sunflower closed a branch in Dodge City, Kansas due to the declining demand for services. The assessment area was not negatively impacted since another branch is also located in the same census tract.

Sunflower is a full service institution offering various loan and deposit products. Sunflower has eleven assessment areas (AAs) within the state of Kansas. For evaluation purposes, examiners combined contiguous non-MA AA's. Our evaluation did not include the Colorado AA since the branches have been open for less than 12 months.

Net loans as a percentage of total assets are 66 percent as of June 30, 2002. HMDA loans, small business loans, and small farm loans represent 47 percent, 33 percent, and 19 percent of reported loans originated during 1999-2001, respectively. By dollar volume, HMDA loans are 47 percent, small business loans are 42 percent, and small farm loans are 12 percent of reported loans originated during this time frame.

Real estate, commercial, consumer, and agriculture loans represent 70 percent, 14 percent, 10 percent, and 4 percent, respectively, of the total dollar amount of loans outstanding. Lease financing and other miscellaneous loans represent the remaining 2 percent. Tier 1 capital is \$73 million, which is 8 percent of total assets.

Sunflower has no legal, financial, or other factors that impede its ability to help meet the credit needs of its assessment areas. Sunflower's performance was rated "Outstanding" at its last CRA evaluation dated September 20, 1999.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period for the Lending Test (except Community Development (CD) loans) is 1999 – 2001. For the lending test, we evaluated HMDA, small business, and small farm loans originated and purchased. For CD loans, the Investment Test, and the Service Test, the evaluation period is September 21, 1999 to September 9, 2002.

### Data Integrity

In July 2002, we tested Sunflower's publicly filed information on HMDA, small business, and small farm loan information from 1999 – 2001 for accuracy. The test included an evaluation of the bank's processes to ensure data is reliable. We did not find any significant errors during this review. All data used to evaluate the bank's performance in its assessment areas (AA) is accurate.

Information regarding CD loans, investments, and services was evaluated during this examination.

### Selection of Areas for Full-Scope Review

Sunflower has eleven AAs. We combined the following contiguous non-MA AAs for evaluation purposes:

<b>Combined AA</b>	<b>Name of AA</b>
Saline and McPherson	Central
Barton, Ellis, Osborne, Russell	Western
Geary, Riley/Pottawattomie	Eastern
Ford, Thomas	Other Rural

We performed a full-scope review on the Central and Western AAs, which represents 63 percent of both loan and deposit activity. We performed limited scope procedures on the Eastern and Other Rural non-MA AAs, and the Wichita MA AA.

We did not evaluate the Colorado AA since these branches have been opened for less than twelve months.

Refer to Appendix A for additional information regarding AAs.

## **Ratings**

The bank's overall rating is based primarily on those areas that received full-scope reviews.

More weight is given to HMDA loans followed by small business loans. HMDA loans represent 47 percent of both the total number and dollar amount of loans originated during the evaluation period. More weight is given to the Central AA based on the higher volume of loans by both number and dollar volume. The primary HMDA loan product in the Central AA is refinanced loans followed by home purchase loans. For HMDA loans in the Western AA, the primary product is home purchase loans followed by home improvement loans. For both small business and small farm loans, more weight is given to the Western AA.

## **Other**

We conducted three community contacts during this evaluation. Two contacts were made in the Central AA with a government agency and a community development corporation. One contact was made in the Western AA with a government agency. We also reviewed one community contact with a government organization in the Western AA made within the last two months by the OCC.

Primary credit needs identified in the Western AA are commercial and residential construction loans, including affordable housing. In the Central AA, community contacts indicated that the primary credit needs are business development loans.

## Fair Lending Review

We performed a comparative file analysis review of denied individual Hispanic applicants to approved individual White applicants for home improvement loans. We analyzed each applicant's qualifications with the bank's underwriting standards by comparing application information, qualifications, and loan terms and we determined whether the bank treated each applicant as explicitly required by law. The bank utilizes a scorecard in the underwriting process of home improvement loans. Therefore, we included an analysis of the scorecard attributes, high-side and low-side overrides reports, and population stability reports designed to validate the predictability of the scorecard. Our review covered the period of July 1, 2001 to June 30, 2002.

We did not identify any violations of the substantive provisions of the anti-discrimination laws and regulations. We found no evidence or pattern of discriminatory practices or disparate treatment. We did not identify any policy or lending practice that would result in harm to the consumer.

## 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 Western AA and Central AA is excellent

#### Lending Activity

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

Lending activity is excellent. Sunflower's net loan-to-deposit ratio is 87.54 percent as of June 30, 2002.

Sunflower is ranked first in deposits within the Western AA with a 15 percent market share. This compares to a number one ranking in home purchase and home improvement loans with overall market shares of 17 percent and 64 percent, respectively. Sunflower is also ranked first in small business and small farm loans with overall market shares of 17 percent and 32 percent, respectively. Sunflower is ranked fourth in refinanced loans; however, this is not a primary product.

In the Central AA, Sunflower is ranked second in deposits with a 12 percent market share. This compares to a number two ranking in home purchase and refinanced loans with an overall market share of 11 percent and 10 percent, respectively. Sunflower is ranked number one in home improvement loans with an overall market share of 41 percent. For small business and small farm loans, Sunflower is ranked number two with overall market shares of 11 percent and 28 percent, respectively.

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

Sunflower's overall distribution of loans by geography is excellent. A majority of loans were originated in the AAs. There are no low-income areas in the Western and Central AAs.

#### *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.

The overall geographic distribution of home mortgage loans is good.

Sunflower demonstrates excellent performance in moderate-income tracts for home purchase loan originations in both the Western and Central AAs. The percentage of loans in the moderate-income geographies exceeds demographics. Market share in moderate-income tracts also exceeds the overall market share in these AAs.

For home improvement loans, performance is good in the Central AA. The percentage of bank loans is near to demographics. Sunflower is also ranked first in moderate-income tracts for home improvement loans even though the market share is below the overall market share. Performance is excellent in the Western AA as the percentage of bank loans exceeds demographics and the market share in moderate-income geographies exceeds the overall market share.

Sunflower demonstrates adequate performance for refinanced loans in the Central AA. The percentage of bank loans in moderate-income tracts is below demographics and the market share in the moderate-income geographies is below the overall market share. Performance is excellent in the Western AA with the percentage of bank loans exceeding demographics in moderate-income tracts. The market share in moderate-income geographies also exceeds the overall market share.

An analysis of multifamily loans is not meaningful due to the limited number of originations.

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

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

The overall distribution of small loans to businesses is excellent.

Sunflower demonstrates excellent performance in both the Western and Central AAs. In both AAs, the percentage of bank loans in moderate-income geographies exceeds demographics. In addition, the market share in moderate-income geographies exceeds the overall market share for both AAs.

### ***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.

The overall distribution of small loans to farms is excellent.

Sunflower demonstrates excellent performance in both the Western and Central AAs. The percentage of bank loans in moderate-income tracts exceeds demographics in the Western AA. In the Central AA, the percentage of bank loans in moderate-income tracts is near to demographics. For both AAs, the market share in moderate-income geographies exceeds the overall market share.

### **Lending Gap Analysis**

Maps and reports were reviewed to identify any gaps in the geographic distribution of home mortgage, small loans to businesses, and small loans to farms. No unexplained or conspicuous gaps were identified.

***Inside/Outside Ratio***

A majority of total loans originated and purchased are within the bank's AAs.

For the period 1999-2001, 77 percent of the number of all loans reviewed originated in the AAs. By product type, the percentage of home mortgage, small business, and small farm loans within the AAs was 87 percent, 67 percent, and 73 percent, respectively.

The bank's performance was a positive factor in the overall analysis of the geographic distribution of lending.

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

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

***Home Mortgage Loans***

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

The overall distribution of home purchase loans by income level of the borrower is adequate. In the Central AA, Sunflower demonstrates adequate performance to low-income individuals for home purchase loans considering that 7 percent of families are below the poverty level. Performance to moderate-income individuals for home purchase loans is also adequate. In the Western AA, performance to low-income individuals for home purchase loans is adequate considering that 10 percent of families are below the poverty level. The percentage of bank loans to moderate-income individuals is also adequate. In the Central and Western AAs, the market share to both low- and moderate-income individuals is below the bank's overall market share.

The overall distribution of home improvement loans by income level of the borrower is excellent. For home improvement loans, performance in the Central AA to low-income individuals is good considering the percent of families below the poverty level. Also, the market share to low-income individuals exceeds the bank's overall market share. The percentage of bank loans to moderate-income individuals is near to demographics and performance is considered excellent. In the Western AA, performance to low-income individuals is also good considering the percent of families below the poverty level. Even though the percentage of bank loans to moderate-individuals is below demographics, performance is considered excellent given the market share information. In both the Central and Western AAs, the market share to moderate-income individuals is above the overall market share.

The overall distribution of refinanced loans by income level of the borrower is good. Sunflower demonstrates adequate performance to low-income individuals for refinanced loans in the Central AA considering the percent of families below poverty level. Performance is good to moderate-income individuals. The market share of refinanced loans to moderate-income individuals exceeds the bank's overall market share. In the Western AA, performance to low-income individuals is excellent considering the percent of families below the poverty level. Also, the market share of refinanced loans to low-income individuals in the Western AA is

almost double the bank's overall market share. The percentage of loans to moderate-income individuals in the Western AA is adequate.

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

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

The overall distribution of small loans to businesses of different sizes is excellent. The percentage of bank loans to businesses with revenues of \$1 million or less exceeds demographics in the Western AA and performance is excellent. The market share of loans to businesses with revenues of \$1 million or less exceeds the bank's overall market share. In the Central AA, performance is good. While the percentage of loans to businesses with revenues of \$1 million or less is below demographics, the market share for these loans exceeds the overall market share.

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

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

The overall distribution of small loans to farms of different sizes is excellent. In the Western AA, performance is excellent. The percentage of loans to farms with revenues of \$1 million or less exceeds demographics and the market share substantially meets the overall market share. In the Central AA, performance is also excellent. The percentage of loans to farms with revenues of \$1 million or less substantially meets demographics and the market share exceeds the overall market share.

## **Community Development Lending**

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

CD Lending performance is excellent and had a positive impact on the Lending Test conclusions. During the period September 21, 1999 to September 9, 2002, the bank made eight CD loans totaling \$17.6 million in the full-scope AAs.

In the Central AA, Sunflower originated five CD loans for \$11.6 million. In the Western AA, Sunflower originated three CD loans for \$6 million. These loans were for loan amounts over \$1 million to eligible businesses that helped either create or retain a significant number of jobs to low- and moderate-income individuals.

## **Product Innovation and Flexibility**

Sunflower makes use of flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals. The following products are offered:

**Affordable Housing Loan Program:** This is a flexible program that assists low- and moderate-income first-time homebuyers with financing up to 100% of the purchase price of \$60,000 or less. This loan product offers reduced and waived closing costs with a fixed rate for 25 years. Sunflower does not track loan origination performance for this product.

**Down Home Loan:** This is a flexible program that enables low- and moderate-income individuals to obtain home loans with only a 3 percent down payment due at closing. Sunflower does not track loan origination performance for this product.

**Loans Originated and Sold as B Paper:** Sunflower originates and sells B paper loans in order to provide options to individuals with non-standard needs. A majority of loans originated are to low- and moderate-income individuals. During the evaluation period, Sunflower originated six loans totaling \$683 thousand.

**Beginning Farmer Loans - Kansas Development Finance Authority:** Through this flexible program, Sunflower receives tax-free interest for small farm loans and passes the savings on to the borrowers, who pay lower rates. During the evaluation period, Sunflower originated two loans totaling \$182 thousand.

**FmHA Guaranteed Loan Program:** Through this flexible program, the bank is able to make small farm loans to individuals with financial struggles. During the evaluation period, Sunflower originated two loans totaling \$182 thousand.

**Title 1 HUD loans:** Through this flexible loan product, low- and moderate-income borrowers are able to obtain unsecured home improvement loans. Sunflower originated 21 loans for \$89 thousand during the evaluation period.

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

Based on limited-scope reviews, the bank's performance under the lending test in the Other Rural non-MA AA is not inconsistent with the bank's overall "Outstanding" performance under the lending test. In the Eastern non-MA and the Wichita MA AAs, the bank's performance is weaker than the bank's overall performance. In the Eastern AA, the geographic distribution of loans is adequate and the distribution of loans by income level of the borrower is good. In the Wichita AA, the distribution of loans by geography and income level of the borrower is adequate.

Refer to Tables 1 through 13 in appendix C for the facts and data that support these conclusions.

## **INVESTMENT TEST**

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

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

The bank's performance under the investment test is rated "Low Satisfactory". Based on full-scope reviews, the bank's performance in the Central non-MA AAs is adequate. In the Western non-MA AA, the bank's performance is poor. More weight is given to the Central AA since there are more opportunities for investments.

Investments, by number, consist primarily of donations that help revitalize moderate-income areas targeted for redevelopment. In the Central AA, Sunflower donated \$15.5 thousand to organizations to help revitalize moderate-income areas in Salina as part of a targeted redevelopment plan. In addition, a \$90 thousand continuing investment with a Venture Capital company that assists Kansas businesses with expansion, acquisition, and turnaround efforts remains. In the Western AA, Sunflower donated \$3 thousand to an economic development organization that primarily provides financing to businesses with revenues less than \$1 million.

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

Based on limited-scope reviews, the bank's performance under the investment test in the Other Rural non-MA AA is stronger than the bank's overall "Low Satisfactory" performance. Sunflower invested \$700 thousand in a Qualified Zone Academy Bond to benefit the local school district for building improvements and school buses. In the Eastern non-MA AA and the Wichita MA AA the bank's performance is weaker than the bank's overall performance. Sunflower did not make any qualified investments in the Eastern non-MA AA. The number of qualified investments made in the Wichita MA AA is minimal.

Refer to Table 14 in appendix C for the facts and data that support these conclusions.

## **SERVICE TEST**

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

The bank's performance under the Service Test is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Central and Western non-MAs is excellent.

### **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.

Sunflower has excellent distribution of branches in the Central and Western AAs. The percentage of branches in moderate-income geographies exceeds demographics in both AAs. There are no low-income tracts in either the Central or Western AA. No branches were opened or closed in these AAs. There are no significant differences in hours of operation and services in branches located in moderate-income geographies.

Hours of operation are flexible and based on customer needs. In the Central AA, lobby hours on Monday-Friday range from 9:00 a.m. to 5:00 p.m. at most locations; one branch has lobby hours from 8:00 a.m. to 8:00 p.m. On Saturday, two branches have lobby hours that range

from 8:00 a.m. to 12:00 p.m. and one branch is open from 8:00 a.m. to 4:00 p.m. Extended drive-up hours are also available to customers. On Monday-Friday, drive-up hours range from 7:30 a.m. to 5:30 p.m. at most locations; one branch has drive-up hours from 7:30 a.m. to 8:00 p.m. On Saturday, drive-up hours range from 7:30 a.m. to 12:30 p.m. and one branch has hours from 8:00 a.m. to 4:00 p.m.

In the Western AA, lobby hours on Monday-Friday range from 9:00 a.m. to 4:00 p.m. at most locations. Sunflower has one supermarket branch with lobby hours from 9:00 a.m. to 8:00 p.m. on Monday-Friday. Most of the branch lobbies are closed on Saturday. However, Sunflower has one branch open from 8:00 a.m. to 12:00 p.m. and the supermarket branch is open from 9:00 a.m. to 5:00 p.m. Five branches offer extended drive-up hours. Four of the locations are open from 7:30 a.m. to 5:30 p.m. on Monday-Friday and from 8:00 a.m. to 12:00 p.m. on Saturday. One drive-up location is open from 8:00 a.m. to 4:30 p.m. on Monday-Thursday, on Friday until 5:30 p.m., and from 9:00 a.m. to 12:00 p.m. on Saturday.

Sunflowers ATM network is an effective alternative delivery system for delivering retail banking services to low- and moderate-income geographies and individuals. In the Central AA, five of ten ATMs (50 percent) are located in moderate-income geographies compared to 18 percent of the population located in these areas. Five ATMs in the Central AA also accept deposits. In the Western AA, one of six ATMs (17 percent) is located in a moderate-income geography compared to 12 percent of the population. This same facility is the only ATM in the Western AA that accepts deposits.

Sunflower offers a free checking account with no minimum balance requirements and no service charges. Individuals have unlimited check writing privileges, and receive an ATM and debit card. Sunflower also offers a Small Business Checking account for new or small businesses. A minimum of \$100 is required to open the account and a \$5.00 monthly maintenance fee is charged.

Sunflower has a 24-hour telephone banking system that is available to all customers. This system is also available in both English and Spanish. Customers are able to access their accounts, check balances, make loan payments, and transfer money. Sunflower also offers online Internet banking. Customers can access their accounts and transfer money at no charge. A small fee is charged for online bill payment services. These services do not impact the service test performance. Sunflower could not demonstrate the impact of these systems in low- and moderate-income geographies or the use of these systems by low- and moderate-income individuals.

## **Community Development Services**

Sunflower's performance in providing CD services is excellent.

In the Western AA, Sunflower provides numerous CD services through its employees. Financial services are provided to an adult GED program that provides education programs primarily benefiting low- and moderate-income (LMI) individuals, the United Way, economic development organizations that provides low-interest loans to start-up and small businesses, the Habitat for Humanity, programs that provide after-school activities at no cost for children that qualify for free or reduced school lunches, programs that provide free physical

examinations for LMI individuals and educational services for substance abusers, and organizations that provide affordable housing.

In the Central AA, Sunflower also provides several CD services through its employees. Financial services are provided to organizations that provide affordable housing, a local YMCA advisory board that focuses on providing childcare for low-income families, and the local United Way.

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

Based on limited-scope reviews, the bank's performance under the Service Test in the Eastern and Other Rural non MA AAs and the Wichita MA AA is not inconsistent with the bank's overall "Outstanding" performance under the Service Test.

Refer to Table 15 in appendix C for the facts and data that support these conclusions.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): (01/02/99 to 12/31/01) Investment and Service Tests and CD Loans: (09/21/99 to 09/09/02)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Sunflower Bank, National Association (Sunflower) Salina, Kansas	HMDA loans Small loans to businesses Small loans to farms Community Development loans Qualified Investments	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Western non MA AA Central non MA AA Eastern non MA AA  Other Rural non MA AA Wichita MA AA # 9040	Full-Scope Full-Scope Limited-Scope  Limited Scope Limited Scope	Barton, Ellis, Osborne, Russell Counties Saline and McPherson Counties Geary and Riley Counties, and one BNA in Pottawatomie County  Ford and Thomas Counties Entire MA

# Appendix B: Market Profiles for Full-Scope Areas

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## Table of Contents

### Market Profiles for Areas Receiving Full-Scope Reviews

Western non MA..... B-2

Central non MA ..... B-3

## Western

Demographic Information for Full-Scope Area: Western						
Demographic Characteristics	#	Low % Of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	18	0.00	16.67	72.22	11.11	0.00
Population by Geography	68,088	0.00	12.41	72.92	14.67	0.00
Owner-Occupied Housing by Geography	19,030	0.00	9.69	15.98	14.33	0.00
Businesses by Geography	4,301	0.00	14.72	74.87	10.42	0.00
Farms by Geography	759	0.00	17.65	78.52	3.82	0.00
Family Distribution by Income Level	18,494	17.86	18.78	23.55	39.81	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	6,776	0.00	14.20	76.68	9.12	0.00
Median Family Income = \$28,067						
HUD Adjusted Median Family Income for 2002 = \$44,200						
Households Below the Poverty Level = 14.99%						
			Median Housing Value = \$38,711			
			Unemployment Rate as of August 2002 = 2.15%			

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

Source: 1990 U.S. Census, and 2002 HUD updated MFI.

Sunflower's Western AA consists of Barton, Ellis, Osborne, and Russell Counties. This AA has 35 percent of total loan originations/purchases made during the evaluation period and 33 percent of total deposits. Sunflower has seven branches and six ATMs in the Western AA. Several financial institutions provide competition in this AA. Financial institutions headquartered in Kansas with at least two offices in the AA and less than fifteen offices outside the AA have total assets ranging from \$60 million to \$561 million.

Sunflower has a deposit market share ranking of number one with 15 percent of deposits in the AA. Sunflower is also first in market share for home purchase, home improvement, small loans to businesses, and small loans to farms.

Economic conditions are stable. Services, retail, and government sectors are major employers in the Western AA. Based on two recent community contacts, primary credit needs are commercial and residential construction loans, including affordable housing.

## Central

Demographic Information for Full-Scope Area: Central						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	19	0.00	15.79	42.11	42.11	0.00
Population by Geography	76,569	0.00	18.48	40.00	41.52	0.00
Owner-Occupied Housing by Geography	20,699	0.00	14.00	39.35	46.65	0.00
Businesses by Geography	4,186	0.00	32.58	35.07	32.35	0.00
Farms by Geography	651	0.00	4.76	44.24	51.00	0.00
Family Distribution by Income Level	21,056	13.45	16.93	23.85	45.78	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	6,396	0.00	29.22	43.06	27.72	0.00
Median Family Income = \$28,067						
HUD Adjusted Median Family Income for 2002 = \$44,200						
Households Below the Poverty Level = 10.90%						
			Median Housing Value = \$45,231			
			Unemployment Rate as of August 2002 = 2.40%			

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

Source: 1990 U.S. Census, and 2002 HUD updated MFI.

Sunflower's Central AA consists of Saline and McPherson Counties. This AA has 28 percent of total loan originations/purchases made during the evaluation period and 29 percent of total deposits. Sunflower has five branches and ten ATMs in the Central AA. Several financial institutions provide competition in this AA. Financial institutions headquartered in Kansas with at least two offices in the AA and less than twenty-five offices outside the AA have total assets ranging from \$53 million to \$561 million.

Sunflower ranks second in deposit market share with 12 percent of deposits in the AA. Sunflower is first in market share for home improvement loans. Sunflower is second in market share for home purchase, refinanced, small loans to businesses, and small loans to farms.

Economic conditions are good. Services (including agricultural) and manufacturing industries are major employers in the Central AA. Based on two recent community contacts, primary credit needs are business development loans.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

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

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

also presents market share information based on the most recent aggregate market data available.

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

Market share information is presented based on the most recent aggregate market data available.

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

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

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

## Table 1. Lending Volume

LENDING VOLUME		Geography: KANSAS				Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31, 2001						
MA/Assessment Area (2001):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Western	34.84	868	43,058	716	47,581	674	25,933	3	5,991	2,261	122,563	33.35
Central	27.97	1,145	81,007	429	39,604	236	11,692	5	11,612	1,815	143,915	29.19
<b>Limited Review:</b>												
Eastern	9.26	393	28,568	202	22,359	4	117	2	4,800	601	55,844	10.77
Other Rural	12.84	197	8,291	298	18,575	334	15,804	4	11,165	833	53,835	16.83
Wichita	15.10	462	53,956	502	64,280	7	355	9	32,717	980	149,308	9.87

\* Loan Data as of December 31, 2001. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is From September 21, 1999 to September 9, 2002.

\*\*\* Deposit Data as of December 31, 2001. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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

Geographic Distribution: HOME PURCHASE			Geography: KANSAS				Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31, 2001					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Western	333	26.56	0.00	0.00	9.69	15.62	75.98	57.66	14.33	26.73	17.35	0.00	18.28	15.75	21.17	
Central	421	33.57	0.00	0.00	14.00	14.01	39.35	25.65	46.65	60.33	10.91	0.00	11.11	7.97	13.51	
<b>Limited Review:</b>																
Eastern	187	14.91	0.38	2.67	13.64	20.32	44.26	33.16	41.72	43.85	5.13	0.00	4.67	4.06	6.38	
Other Rural	66	5.26	0.00	0.00	0.00	0.00	64.13	75.76	35.87	24.24	4.58	0.00	0.00	6.94	2.01	
Wichita	247	19.70	3.27	0.81	13.83	6.48	60.63	41.70	22.28	51.01	0.58	0.00	0.36	0.49	0.83	

\* Based on 2000 Peer Mortgage Data: Midwest Region.

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

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

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

Geographic Distribution: HOME IMPROVEMENT 2001			Geography: KANSAS				Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31,					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Western	309	36.92	0.00	0.00	9.69	9.71	75.98	74.11	14.33	16.18	64.16	0.00	75.00	65.38	54.84	
Central	294	35.13	0.00	0.00	14.00	13.61	39.35	26.19	46.65	60.20	40.76	0.00	30.00	42.42	42.61	
<b>Limited Review:</b>																
Eastern	75	8.96	0.38	2.67	13.64	20.00	44.26	38.67	41.72	38.67	14.38	0.00	25.00	9.84	16.67	
Other Rural	72	8.60	0.00	0.00	0.00	0.00	64.13	77.78	35.87	22.22	42.37	0.00	0.00	45.65	30.77	
Wichita	87	10.39	3.27	1.15	13.83	12.64	60.63	45.98	22.28	40.23	1.62	0.00	1.13	1.16	2.88	

\* Based on 2000 Peer Mortgage Data: Midwest Region.

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

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

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

Geographic Distribution: HOME MORTGAGE REFINANCE 31, 2001			Geography: KANSAS						Evaluation Period: JANUARY 1, 1999 TO DECEMBER						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Western	226	23.25	0.00	0.00	9.69	10.62	75.98	61.50	14.33	27.88	8.52	0.00	10.26	8.59	7.02
Central	429	44.14	0.00	0.00	14.00	9.32	39.35	24.24	46.65	66.43	9.73	0.00	6.00	11.31	9.80
<b>Limited Review:</b>															
Eastern	131	13.48	0.38	0.76	13.64	7.63	44.26	37.40	41.72	54.20	5.26	0.00	1.82	4.48	6.81
Other Rural	59	6.07	0.00	0.00	0.00	0.00	64.13	83.05	35.87	16.95	5.43	0.00	0.00	9.52	0.00
Wichita	127	13.07	3.27	0.79	13.83	2.36	60.63	48.82	22.28	48.03	0.24	0.00	0.00	0.20	0.47

\* Based on 2000 Peer Mortgage Data: Midwest Region.

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

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

## Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: KANSAS						Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31, 2001							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Central	1	50.00	0.00	0.00	39.66	0.00	17.00	100.00	43.33	0.00	25.00	0.00	0.00	33.33	0.00
Western	0	0.00	0.00	0.00	20.71	0.00	53.90	0.00	25.39	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Wichita	1	50.00	5.01	0.00	20.44	100.00	54.60	0.00	19.94	0.00	4.00	0.00	9.09	0.00	0.00
Other Rural	0	0.00	0.00	0.00	0.00	0.00	48.80	0.00	51.20	0.00	0.00	0.00	0.00	0.00	0.00
Eastern	0	0.00	8.89	0.00	32.18	0.00	28.29	0.00	30.64	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2000 Peer Mortgage Data: Midwest Region.

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

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information.

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

Geographic Distribution: SMALL LOANS TO BUSINESSES 2001			Geography: KANSAS						Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31,						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Western	716	33.35	0.00	0.00	14.72	16.90	74.87	72.35	10.42	10.75	17.06	0.00	17.65	18.69	13.51
Central	429	19.98	0.00	0.00	32.58	32.87	35.07	18.88	32.35	48.25	11.06	0.00	15.17	8.61	11.04
<b>Limited Review:</b>															
Eastern	202	9.41	3.85	1.49	39.92	30.20	29.68	37.62	26.55	30.69	4.44	5.56	3.31	4.49	5.71
Other Rural	298	13.88	0.00	0.00	0.00	0.00	72.19	71.48	27.81	28.52	18.20	0.00	0.00	17.59	23.14
Wichita	502	23.38	6.85	6.77	20.94	10.56	50.17	35.46	22.04	47.21	1.59	1.26	0.87	1.32	2.63

\* Based on 2000 Peer Small Business Data: US&PR.

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

\*\*\* Source Data - Dun and Bradstreet (2001).

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

Geographic Distribution: SMALL LOANS TO FARMS 2001			Geography: KANSAS						Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31,						
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Western	674	53.71	0.00	0.00	17.65	18.40	78.52	77.60	3.82	4.01	31.95	0.00	48.00	30.53	19.51
Central	236	18.80	0.00	0.00	4.76	4.24	44.24	15.68	51.00	80.08	28.27	0.00	50.00	13.95	30.30
<b>Limited Review:</b>															
Eastern	4	0.32	3.56	0.00	8.74	25.00	38.19	50.00	49.51	25.00	0.74	0.00	0.00	0.69	0.84
Other Rural	334	26.61	0.00	0.00	0.00	0.00	87.94	86.83	12.06	13.17	35.28	0.00	0.00	33.33	59.26
Wichita	7	0.56	0.86	28.57	3.80	0.00	78.13	57.14	17.20	14.29	0.57	20.00	0.00	0.00	2.78

\* Based on 2000 Peer Small Business Data: US&PR.

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

\*\*\* Source Data - Dun and Bradstreet (2001).

## Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: KANSAS						Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31, 2001							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families** *	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Western	333	26.56	17.86	8.18	18.78	12.12	23.55	26.06	39.81	53.64	20.9 1	16.0 0	8.51	18.5 4	29.2 5
Central	421	33.57	13.45	3.43	16.93	14.46	23.85	27.21	45.78	54.90	11.8 7	12.2 8	7.32	10.6 6	15.1 5
<b>Limited Review:</b>															
Eastern	187	14.91	19.27	6.49	21.15	17.84	22.29	21.62	37.29	54.05	6.61	6.98	4.32	5.21	8.12
Other Rural	66	5.26	15.75	9.09	19.83	12.12	22.50	30.30	41.92	48.48	5.56	6.06	2.20	7.48	6.31
Wichita	247	19.70	18.22	3.24	18.32	16.60	25.69	22.27	37.76	57.89	0.67	0.06	0.47	0.62	1.29

\* Based on 2000 Peer Mortgage Data: Midwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 1.44% of loans originated and purchased by BANK.

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

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

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

Borrower Distribution: HOME IMPROVEMENT			Geography: KANSAS				Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31, 2001					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****						
<b>Full Review:</b>																
Western	309	36.92	17.86	9.06	18.78	16.50	23.55	27.18	39.81	47.25	65.29	58.82	67.74	72.73	61.54	
Central	294	35.13	13.45	5.14	16.93	16.44	23.85	26.03	45.78	52.40	41.26	50.00	42.42	31.25	44.14	
<b>Limited Review:</b>																
Eastern	75	8.96	19.27	10.81	21.15	18.92	22.29	21.62	37.29	48.65	14.08	40.00	9.09	12.82	14.47	
Other Rural	72	8.60	15.75	12.50	19.83	12.50	22.50	23.61	41.92	51.39	43.10	85.71	20.00	33.33	44.83	
Wichita	87	10.39	18.22	14.94	18.32	12.64	25.69	22.99	37.76	49.43	1.64	1.07	0.85	0.81	3.14	

\* Based on 2000 Peer Mortgage Data: Midwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.36% of loans originated and purchased by BANK.

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

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

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

Borrower Distribution: HOME MORTGAGE REFINANCE 2001			Geography: KANSAS								Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31,				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Western	226	23.25	17.86	6.19	18.78	13.27	23.55	25.22	39.81	55.31	9.49	18.5 2	6.94	8.25	10.0 0
Central	429	44.14	13.45	2.84	16.93	11.37	23.85	21.09	45.78	64.69	11.5 1	7.69	11.7 6	5.70	15.3 3
<b>Limited Review:</b>															
Eastern	131	13.48	19.27	0.78	21.15	13.95	22.29	27.13	37.29	58.14	6.03	0.00	2.27	7.41	7.55
Other Rural	59	6.07	15.75	1.69	19.83	18.64	22.50	35.59	41.92	44.07	6.38	7.14	8.51	2.70	6.67
Wichita	127	13.07	18.22	3.15	18.32	12.60	25.69	28.35	37.76	55.91	0.29	0.14	0.08	0.28	0.53

\* Based on 2000 Peer Mortgage Data: Midwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.93% of loans originated and purchased by BANK.

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

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

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

Borrower Distribution: SMALL LOANS TO BUSINESSES 2001				Geography: KANSAS			Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31,			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share		
	#	% of Total**	% of Businesses***	% BANK****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less	
<b>Full Review:</b>										
Western	716	33.35	89.89	92.04	86.17	8.24	5.59	17.06	23.79	
Central	429	19.98	87.36	70.86	77.16	14.92	7.93	11.06	14.14	
<b>Limited Review:</b>										
Eastern	202	9.41	86.71	94.06	73.27	14.85	11.88	4.44	7.12	
Other Rural	298	13.88	89.65	86.91	85.91	9.73	4.36	18.20	25.93	
Wichita	502	23.38	85.00	56.77	65.14	20.92	13.94	1.59	2.24	

\* Based on 2000 Peer Small Business Data: US&PR.

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2001).

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

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

Borrower Distribution: SMALL LOANS TO FARMS		Geography: KANSAS			Evaluation Period: JANUARY 1, 1999 TO DECEMBER 31, 2001				
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
<b>Full Review:</b>									
Western	674	53.71	96.57	96.59	91.84	6.97	1.19	31.95	31.67
Central	236	18.80	96.93	98.31	88.14	10.59	1.27	28.27	28.62
<b>Limited Review:</b>									
Eastern	4	0.32	93.85	100.00	100.00	0.00	0.00	0.74	0.76
Other Rural	334	26.61	93.35	98.20	89.22	9.28	1.50	35.28	36.89
Wichita	7	0.56	93.78	57.14	85.71	14.29	0.00	0.57	0.38

\* Based on 2000 Peer Small Business Data: US&PR.

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

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2001).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

## Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: KANSAS				Evaluation Period: SEPTEMBER 21, 1999 TO SEPTEMBER 9, 2002			
MA/Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Western	0	0	5	4	5	4	0.48	0	0
Central	1	90	9	31	10	121	14.53	0	0
<b>Limited Review:</b>									
Eastern	0	0	0	0	0	0	0.00	0	0
Other Rural	0	0	4	707	4	707	84.87	0	0
Wichita	0	0	2	1	2	1	0.12	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS SEPTEMBER 21, 1999 TO SEPTEMBER 9, 2002								Geography: SUNFLOWER BANK				Evaluation Period:					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Western	33.35	7	31.82	0.00	14.29	85.71	0.00	0	0	0	0	0	0	0.00	12.41	72.92	14.67
Central	29.19	5	22.73	0.00	20.00	20.00	60.00	0	0	0	0	0	0	0.00	18.48	40.00	41.52
<b>Limited Review:</b>																	
Eastern	10.77	3	13.64	0.00	33.33	0.00	66.67	0	0	0	0	0	0	4.35	30.73	36.27	28.64
Other Rural	16.83	3	13.64	0.00	0.00	66.67	33.33	0	1	0	0	0	1	0.00	0.00	64.89	35.11
Wichita	9.87	4	18.18	25.00	0.00	25.00	50.00	1	0	1	0	0	0	5.44	17.21	57.37	19.99

