



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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**Community Reinvestment Act
Performance Evaluation**

**American Business Bank, National Association
Charter Number: 16723**

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Office of the Comptroller of the Currency

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

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Overall CRA Rating

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

The following table indicates the performance level of **American Business Bank, N.A.** with respect to the Lending, Investment, and Service Tests:

Performance Levels	American Business Bank, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- ABB has an excellent record of lending to small businesses in diverse geographies and has an adequate record of lending to borrowers of various revenue levels.
- ABB originated a good volume of community development loans in its largest assessment area that was responsive to the identified needs of the assessment area and had a positive impact on the lending test rating.
- ABB demonstrated good performance in providing investments in its largest assessment area and excellent performance in its secondary full-scope assessment area.
- ABB's branch delivery systems provide good accessibility to individuals and small businesses in low- and moderate-income geographies in its largest assessment area.

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 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 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

American Business Bank, N.A. (ABB) is a \$1.1 billion bank, headquartered in Denver, Colorado. The bank operates as an interstate bank with operations in the States of Colorado and Arizona. The bank originally began operations as The Women's Bank, N.A. The name was changed to Colorado Business Bank, N.A., in March 1995 in order to more accurately reflect the bank's customer base and commercial loan focus. In March 2001, the bank acquired First Capital Bank of Arizona. And in August 2001, Colorado Business Bank, N.A. became American Business Bank, N.A. However, the Colorado branches still operate under the name "Colorado Business Bank;" and the Arizona branches, which were formerly First Capital Bank of Arizona, operate under the name "Arizona Business Bank." ABB has no subsidiaries.

ABB is a wholly owned subsidiary of CoBiz, Inc., which is also headquartered in Denver, Colorado. As of December 31, 2002, CoBiz had total assets of \$1.1 billion. The holding company operates CoBiz Private Asset Management; CoBiz Connect, which offers employee benefits consulting and brokerage; and CoBiz Insurance. In July 2001, CoBiz Inc. acquired Green Manning & Bunch Ltd., a limited partnership investment banking firm. Concurrent with the acquisition, CoBiz GMB Inc., a wholly owned subsidiary of CoBiz Inc., was established as a general partner of Green Manning & Bunch Ltd.

ABB operates nine branches in Colorado and three in Arizona. Six of the Colorado branches are in the Denver Metropolitan Area (MA), two are in the Boulder MA, and one is in Eagle County, Colorado, a non-MA area. All the Arizona locations are in the Phoenix MA. The designated assessment areas (AA) include the following:

- Denver MA;
- Boulder-Longmont MA;
- Eagle County, Colorado; and
- Maricopa County, Arizona (Phoenix MA).

Additionally, the bank operates five Automated Teller Machines (ATMs) in its AAs.

ABB focuses on meeting the financial needs of professionals and lending to small- and medium-size businesses. Since 1995, the philosophies of ABB and CoBiz have emphasized filling this financial need in order to provide access to credit for small- and medium-size businesses, and to stimulate local economic growth and prosperity. In 2001, CoBiz identified a similar need in the Phoenix, Arizona market and completed acquisition of First Capital Bank to enter that market. Executive management provides flexible and creative loans tailored to individual and entrepreneurial business needs, consistent with safe and sound banking practices.

The bank's loan portfolio totals \$801 million, and consists primarily of commercial loans. Although it is not ABB's primary focus, the bank does make some personal loans,

primarily as an accommodation to existing business customers or their employees. Net loans represent 72% of the bank's total assets. About 65% of the bank's loan portfolio consists of commercial loans. Construction and development loans represent another 15%. Residential real estate loans and home equity loans represent 15% of the loan portfolio. Other types of consumer loans equal 2%. The bank has no agricultural loans. Loans are supported by net Tier One Capital of \$81 million.

There are no legal, financial, or other factors which would impede the bank's ability to help meet the needs of its assessment areas.

The last CRA examination for Colorado Business Bank was performed July 31, 1997. The bank received a "Satisfactory" rating. The last CRA examination for First Capital Bank, which operates as Arizona Business Bank, was December 15, 1997. The bank received an "Outstanding" rating. The examinations were conducted using the "Small Bank CRA" procedures, which primarily focus on the bank's lending activity.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated ABB's CRA performance using the Large Bank Tests in the revised CRA regulation. For the Lending Test, we considered loan originations beginning January 1, 2000, through December 31, 2002. For community development (CD) loans, investments, and services the evaluation period runs from July 21, 1997, to February 3, 2003.

Market comparisons for HMDA and small business lending are based on 2001 peer data. This is the most recent data available at the time of this evaluation.

We gave the greatest weight to small business loans, because this has been the bank's strategic focus. Small business loans are identified as a need in all the bank's AAs. We placed little emphasis on Home Mortgage Disclosure Act (HMDA) loans since ABB originates mortgage loans only as an accommodation to the bank's business customers and their employees and the volume of HMDA loans is nominal.

For the Investment and Service Tests, we evaluated investments and donations; retail services, including branch distribution and accessibility; and CD services.

Data Integrity

Prior to this CRA examination, we performed a data integrity examination to test the accuracy of ABB's publicly reported CRA loan and HMDA data. During the CRA examination, we reviewed the accuracy of other CRA performance data. We did not identify any significant errors in either the CRA or HMDA loan data.

Selection of Areas for Full-Scope Review

We performed full-scope reviews in each state where the bank has offices. Our review included full-scope reviews of the following AAs: the Denver MA in Colorado and Maricopa County (Phoenix MA) in Arizona. The bank has a substantial share of its deposits, facilities, and loans in Denver. Since the bank is small in comparison to many of its competitors, it does not have a significant market share in any AA. Refer to the "Scope" section under each State Rating for details regarding how the areas were selected.

Ratings

The bank's overall rating is a blend of the state ratings. We placed the most weight in arriving at our overall conclusions on the State of Colorado. This is based on the fact that ABB originated 91% of its loans and has 77% of its deposits in Colorado.

The state ratings are based primarily on those areas that received full-scope reviews. Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

Fair Lending Review

An analysis of the most recent public comments and consumer complaint information as well as HMDA and small business lending data was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in connection with the CRA evaluation this year. The latest comprehensive fair lending examination was performed in July 1997.

State Rating

State of Colorado

CRA Rating for Colorado:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	High Satisfactory

The major factors that support this rating include:

- ABB demonstrated good responsiveness to credit needs within the full-scope AA. The bank also made a significant volume of CD loans targeting identified community needs.
- ABB has an excellent record of lending to small businesses in diverse geographies and has an adequate record of lending to businesses of various revenue levels.
- ABB demonstrated good performance in providing investments that address low- and moderate-income (LMI) housing needs. ABB also played a leadership role in developing an investment in an effort to meet a specific credit need in its AA.
- ABB's branch delivery systems provide reasonable accessibility to all geographies and individuals of different income levels. In addition, the bank provided a good level of CD services.

Description of Institution's Operations in Colorado

As previously noted, the vast majority of ABB's operations are in Colorado. ABB operates nine full service branches and three ATMs in the State of Colorado. The branches are located in Denver, Littleton, Englewood, Golden, Boulder, and Edwards. The bank operates in its Colorado market under the name "Colorado Business Bank."

ABB has three AAs in Colorado, the Denver MA, Boulder MA, and Eagle County non-MA. Major banking competitors include Bank One, Wells Fargo, N.A., Guaranty Bank & Trust, Citywide Banks, Colorado State Bank & Trust, and WestStar Bank. In addition, the bank competes with large interstate mortgage companies and credit card lenders that do not take deposits from the area.

The Denver MA represents the bank's most significant market in Colorado with over 78% of the bank's deposits and 78% of the loans. The Boulder-Longmont MA accounts

for 18% of the bank's deposits and 20% of the loans; and the Eagle County non-MA has 4% of the bank's deposits and 2% of the loans.

Refer to the market profiles for the State of Colorado in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Colorado

The Denver MA received a full-scope review. The Boulder MA and Eagle County non-MA received limited-scope reviews. The ratings are based primarily on the results of the area that received a full-scope review. Refer to the tables in Appendix A for more information.

We reviewed 10 community contacts completed by the OCC or other regulatory agencies during the examination. Community contacts on file include representatives from organizations that promote small business development and affordable housing, and officials from the city and county of Denver.

The contacts said the greatest needs are for affordable housing, including construction of more housing units and financing at below market rates for LMI individuals and for small business owners. The contacts also said that technical support is needed for small business owners, educational programs are needed for LMI individuals seeking home ownership, and financial counseling is needed to help improve or develop healthy credit histories for LMI individuals.

ABB's strategic focus is providing credit and other financial products for small- and medium-size businesses. HMDA lending is primarily an accommodation for businesses and their employees. For this reason, we gave the most weight to small business performance to arrive at overall conclusions.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Colorado is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Denver MA is good.

Lending Activity

Refer to Table 1 in the State of Colorado section of Appendix D for the facts and data used to evaluate the bank's lending activity.

In the evaluation of the bank's lending performance, we gave more weight to small loans to businesses. This is due to the bank's heavier volume of small business loans versus home mortgage loans, which are nominal in number and dollar amount in comparison. Community development loans carried significant weight in the final analysis due to their inherently beneficial impact on segments of the community deemed most in need. The bank does not make agricultural loans.

Overall, ABB's lending volume in CRA reportable loans is considered good. In the Denver MA, the lending activity during the reporting period exceeded its deposit taking activity.

ABB's lending levels for small loans to businesses represents good responsiveness to area credit needs in the full-scope AA. June 2002 deposit market share data indicates that in the Denver MA, ABB held a 1.62% market share of deposits and ranked 11th among 88 FDIC-insured financial institutions. In comparison, the bank achieved a 1.60% market share in small loans to businesses during the same period and ranked 13th among 212 reporting lenders. These statistics show that in its most important loan product, the bank's lending activity was directly comparable to its deposit taking activity in the full-scope AA.

For HMDA lending products in the Denver AA, the bank had less than a 1% reportable market share when compared to other area lenders. This is below the bank's 1.62% market share for deposits in the AA. The highly competitive nature of the home mortgage lending market, coupled with the bank's business lending focus, are mitigating factors to the bank's weak performance.

Distribution of Loans by Income Level of the Geography

The geographic distribution of small loans to businesses reflects excellent penetration in the Denver AA, particularly in the LMI geographies. The geographic distribution of ABB's home mortgage loans in the Denver AA reflects low penetration in LMI geographies. However, as stated previously, ABB originates mortgage loans only as an accommodation to the bank's business customers and their employees.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the State of Colorado section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases. As noted in the tables, HMDA loan volume is low and conclusions carry little weight when assessing the bank's overall lending performance for geographic distribution. From January 1, 2000, through December 31, 2003, the bank extended 137 home mortgage loans, 3 of which were for multifamily housing. The low volume of demographic comparatives, coupled with low volumes of home purchase, home improvement, and home refinancing in the Denver AA can create a situation where one loan could be the difference between very poor or excellent performance.

Given the low volume of HMDA lending, analysis of the bank's home mortgage lending in the Denver AA is not meaningful. However, we did review geographic distribution for the HMDA reportable loans, including home purchase, home refinance, and home improvement. The bank does not have a reportable market share for any of these housing-related products. A review of the distribution indicates that these loans were originated primarily in middle- and upper-income census tracts. ABB originates these loans only as an accommodation to its business loan customers. .

We reviewed geographic distribution of multifamily loans in the Denver MA. Table 5 in the State of Colorado section of Appendix D reflects that the bank made a minimal number of reportable loans, concentrated in the middle- and upper-income geographies.

Small Loans to Businesses

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

The geographic distribution of small loans to businesses is excellent in the Denver AA. The distribution of loans in both LMI geographies substantially exceeds the demographics. Market share data for 2001 is consistent with the distribution analysis. This underscores the bank's market niche of serving the small- and medium-size business community.

Lending Gap Analysis

We reviewed reports detailing ABB's lending activity in the full-scope AA over the evaluation period for small loans to businesses and home mortgage loans (as applicable) to identify gaps in the geographic distribution. We did not identify any unexplained conspicuous gaps. Loans were originated in every census tract in the AA.

The absence of unexplained gaps in the bank's lending had a positive effect on our conclusion about the geographic distribution of ABB's lending activity.

Inside/Outside Ratio

A review of ABB's concentration of lending at the bank level revealed that a majority of the number and dollar volume of small loans to businesses, home mortgage loans, and CD loans originated or purchased by ABB over the evaluation period were within its AAs. Fully, 71% of the small loans to businesses by number and dollar volume were in the AA. By number, 94% of the home mortgage loans, and 86% of the dollar volume were in the AA. One hundred percent of the CD loans were made to borrowers within the bank's AAs.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of ABB's loans to businesses in the Denver MA reflects adequate dispersion among borrowers of different income levels. Distribution of home mortgage loans is not meaningful due to the bank's basic business lending philosophy and the provision of mortgage loans to accommodate business customers. As mentioned in a prior portion of this evaluation, ABB reported a nominal number of home mortgage loans in the Colorado AAs. When compared to the level of small business lending, no significant weight was attributed to the bank's lending patterns for home mortgage loans.

Home Mortgage Loans

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

ABB's borrower distribution of home mortgage loans is not meaningful due to the nominal number of home mortgage loans. When seen in the context of the bank's market niche for providing loans to small- and medium-sized businesses in the AA and the low volume of mortgage loans generated, this performance carries little weight in the overall Lending Test conclusion.

Small Loans to Businesses

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

The borrower distribution of loans to small businesses is adequate in the Denver AA. The percentage of loans to small businesses is below the percentage of small businesses in the area. However, over 50% of the bank's loans extended during the reporting period were for amounts of \$100 thousand or less. ABB's market share of small loans made to small businesses exceeds its overall market share for small loans to all businesses, indicating an emphasis on this market segment in the bank's commercial lending activities.

Community Development Lending

Refer to Table 1, Lending Volume in the State of Colorado section of Appendix D for the facts and data used to evaluate the bank's level of 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.

ABB made a significant volume of CD loans in the Denver AA. CD lending had a positive impact in the formulation of the final Lending Test conclusions.

The bank demonstrated good performance in making CD loans within the Denver MA. We compared CD loans to net Tier One Capital as one measure of ABB's capacity. Total CD loans originated in the Denver AA equal 10% of average Tier One Capital allocated to this AA by the percentage of deposits derived from the area. This indicates a good commitment of funds to meet community needs. The performance in this AA weighted heaviest in the overall determination of the bank's performance under the lending test, since a large percentage of the bank's loans and deposits are originated in this area. The bank's CD lending focused on addressing affordable housing and services for LMI individuals. The loans had a positive impact on the community by meeting these important needs. The following is a sample of the loans targeted at the most significant community needs:

- ABB provided \$1.6 million to renovate a building, which will provide some affordable multifamily housing units for LMI individuals. Half of the units are to be rented to LMI individuals.
- ABB provided \$600 thousand to a local CD organization that provides multifamily housing and counseling for single, teen-aged mothers and their children.
- ABB provided \$972 thousand to a local developer who renovated a historic building in an LMI CT. The city of Denver provided a majority of the financing. This property, which consists of 14 units, provides some affordable multifamily housing units for moderate-income individuals. The units were first offered to existing tenants at a slightly discounted price.

- ABB provided \$350 thousand to a real estate developer to develop a mixed commercial and affordable multifamily housing project in a blighted area. The borrower also received HUD mortgage and tax credits for development of this property.
- ABB provided \$50 thousand to a partnership, which provides affordable multifamily housing for individuals with AIDS.

Product Innovation and Flexibility

ABB does not offer any specific innovative or flexible loan programs. However, the lenders do work with individuals to tailor the bank's loan products to each borrower's specific needs.

Conclusions for Areas Receiving Limited-Scope Reviews

Refer to Tables 1 through 13 in the State of Colorado section of Appendix D for the facts and data that support these conclusions.

Based on limited-scope reviews, the bank's performance under the Lending Test in the Boulder MA and Eagle County non-MA is not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test in Colorado. In the Boulder MA, geographic distribution of small loans to businesses exceeds the percent of businesses in low-income areas and meets the percent of businesses in the moderate-income area. Borrower distribution of small loans to businesses in the Boulder MA is below area demographics. In the Eagle County non-MA, geographic distribution of small loans to businesses is not meaningful because all census tracts are upper income. Borrower distribution of small loans to businesses in the Eagle County non-MA exceeds the percent of businesses in the area. Overall, results of the limited-scope reviews had a positive effect on the evaluation for the bank's performance under the Lending Test.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

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

The bank's performance under the Investment Test in Colorado is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the

Denver MA is good. During the review period, the bank had \$4 million in investments. The bank's total investments equal 9% of Tier One Capital. This is considered a high level of investments, particularly considering the competition for CD investments in the AA.

Qualified investments consist of the following:

- \$315 thousand represents an investment to a local housing authority. The proceeds will be used to rehabilitate a 511-unit apartment building in the AA. At least 75% of the units must be rented to occupants who are LMI.
- \$1.6 million represents an investment in FNMA bonds. All of the funds provided mortgage financing for single-family homes for LMI individuals. A significant majority of the mortgages are in the bank's AA.
- \$850 thousand represents an investment in CHAFA bonds. All of the funds provided mortgage financing for single-family homes for LMI individuals. A significant majority of the mortgages are in the bank's AA.
- \$287 thousand represents a portion of an investment in a Small Business Investment Corporation (SBIC), which provides funds for size-eligible businesses in a greater regional area, including the bank's AA.

In addition, the bank extended 66 grants and donations totaling nearly \$126 thousand to organizations which focus on promoting economic development in LMI areas; providing affordable housing for LMI individuals; providing health, education, and other types of services for LMI individuals, and revitalizing and stabilizing LMI areas.

While none of the investments are considered innovative or complex, ABB did play a leadership role in the development of the SBIC, which is noted above.

Conclusions for Area Receiving Limited-Scope Reviews

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

Based on limited scope reviews, the bank's performance under the Investment Test in the Boulder-Longmont MA and Eagle County non-MA is not inconsistent with the bank's overall "High Satisfactory" performance under the Investment Test in Colorado. In fact, the bank's performance in both AAs is stronger than the bank's overall performance in the state. This had a positive affect in the bank's overall "Satisfactory" performance.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Colorado is rated "High Satisfactory." Based on a full-scope review of the Denver MA, the bank's performance is good.

Overall, ABB's branch delivery systems provide reasonable accessibility to geographies and individuals of different income levels. Alternative delivery systems enhance availability and have a positive impact on the level of bank's delivery systems. The bulk of banking services targets small- and medium-size businesses, the bank's product focus. ABB provides a good level of CD services that benefit the Denver AA.

Retail Banking Services

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

Service delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the full-scope AA. The bank has six branch locations in the Denver MA. There were no branch closures in the Denver MA during this evaluation period. The majority of these branches are located in middle- and upper-income geographies. To provide an avenue for increased access in the Denver MA, ABB has an agreement with US Bank, N.A. (USB) to offer an effective alternative system for delivering teller based services to individuals and businesses of all income levels. USB's ATM network is available to all ABB customers throughout the MA. Distribution of USB's ATMs located in LMI geographies exceeds the distribution of the population living in such geographies in the Denver MA. This expanded ATM service is offered to ABB customers for up to 10 monthly transactions free of charge. This had a positive effect on the conclusion regarding the Service Test.

ABB's hours and services offered in the Denver MA are good. Office hours and services are comparable among all locations regardless of the income level of the geography. Standard loan and deposit products are offered at all locations. Three branches in the Denver MA have Spanish-speaking employees to assist customers in overcoming language barriers in the service process. The bank also offers other alternative delivery systems, including Internet banking, telephone banking, and courier service. Since the bank could not provide specific information on how LMI individuals and geographies are impacted by these alternative delivery services, significant weight was not placed on them when drawing conclusions for the full-scope AA under the Service Test.

Community Development Services

ABB's performance in providing CD services is good in the Denver MA. Our community contacts confirmed that affordable housing, services for LMI individuals, and small business support are primary needs within the Denver MA. Although the bank's primary business focus is small- and medium-size businesses, its CD services encompass a wide variety of community organizations, including social services targeting LMI individuals. During the evaluation period, members of management and employees of the bank contributed approximately 1800 hours of service to qualifying community organizations.

Within the Denver MA, ABB offers financial expertise and support to various entities. The following highlights the bank's efforts:

- An officer of ABB is an active member of the board of trustees and chairman of the investment committee of a local foundation focusing on providing treatment and special education services to children in Colorado. As a member of the board, the officer provides valuable financial skills to the organization to direct its operations. The officer also dedicated significant time and expertise to a recent fundraising event for expansion of the foundation's facilities. The foundation provides a much-needed residential treatment program for youth placed through social services, where many are wards of the state.
- An officer serves as a board member for a housing corporation that provides transitional housing and support services for homeless youth. This agency is the only licensed homeless and runaway youth program in Colorado, focusing on providing shelter, medical services, education, and job placement.
- An officer of ABB serves as a board member providing technical expertise for a nonprofit development center. This organization acts as a sponsor for nonprofit projects, which offers financial advice and support, eventually helping the project spin off and become a freestanding nonprofit organization. Many of the projects target LMI individuals.

- A bank officer serves as a board member and fundraising chairman for a community services organization that focuses on providing financial assistance, free meals and clothing, and school supplies for LMI families and needy individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Refer to Table 13 in the State of Colorado section of Appendix D for the facts and data that support these conclusions.

Based on the limited-scope reviews in the Boulder MA and Eagle County non-MA, the bank's performance under the Service Test is not inconsistent with the bank's overall "High Satisfactory" performance for the service test in Colorado. The distribution of offices located in the AAs is reasonable and the level of retail banking services is consistent with those offered in the Denver AA. The bank did not have any qualifying CD services during the reporting period in the limited-scope areas. The absence of these services did not negatively impact the bank's overall rating under the Service Test.

State Rating

State of Arizona

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

The major factors that support this rating include the following:

- ABB has an excellent record of lending to small businesses in diverse geographies. However, the bank's record of lending to borrowers of various revenue levels is only adequate.
- ABB demonstrated excellent performance in providing investments and played a leadership role in developing an investment in its AA in an effort to meet a specific credit need in its AA.
- ABB's branch delivery systems provide adequate accessibility to individuals living in LMI geographies. ABB also provides some CD services in its AA.

Description of Institution's Operations in Arizona

Refer to the market profiles for the State of Arizona in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

ABB operates three full-service branches in Arizona. They are located in Phoenix, Surprise, and Tempe. The bank operates in its Arizona market under the name "Arizona Business Bank." This is still a new market for the bank. ABB's operations in Arizona account for 16% of total deposits and 9% of total loans.

ABB has only one AA in Arizona, the Maricopa County AA. (Maricopa County is one of two counties comprising the Phoenix MA.) ABB acquired and merged with First Capital Bank of Arizona in 2001. First Capital Bank's primary business focus was similar to American Business Bank, which is a target market of small- to medium-size businesses and professionals. The number of loans originated since ABB acquired the Arizona branches is low. The bank reported 201 small business loans, no farm loans, and only 5 HMDA loans since the branches were acquired in March 2001.

The bank's major competitors in this AA are Bank One, N.A.; M & I Bank; Wells Fargo, N.A.; and Bank of America, N.A. In addition, the bank competes with large interstate mortgage companies and credit card lenders that do not take deposits from the AA.

Scope of Evaluation in Arizona

ABB operates three branches in Arizona that are all located in the Maricopa County AA. As such, this AA received a full-scope review. The rating for Arizona is based on the review of this AA. Refer to the table in Appendix A for more information.

We reviewed 17 community contacts with small business organizations and non-profit affordable housing providers performed by the OCC and various other banking regulatory agencies. In summary, eight of the contacts were affordable housing providers; three were small business loan providers, three focused on economic development, and three focused on providing both affordable housing and small business loans. The contacts indicated that community development needs in the Phoenix-Mesa MA, which includes Maricopa County, are similar to those throughout the country. These revolve around affordable housing and small businesses. The contacts said that the greatest needs are for affordable housing, including construction of more housing units and affordable home loans, and small business loans.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Arizona is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Maricopa County (Phoenix MA) is adequate.

Lending Activity

Refer to Table 1, Lending Volume in the State of Arizona section of Appendix D for the facts and data used to evaluate the bank's lending activity.

In the evaluation of the bank's lending performance, we previously noted that we gave more weight to small loans to businesses. This is due to the heavier volume of small business loans versus home mortgage loans, as well as the need for such products.

HMDA loans carried no weight in our analysis of this AA. The number of HMDA loans originated in the AA since the merger is negligible.

ABB's lending levels for small loans to businesses represent adequate responsiveness to area credit needs in this AA. The June 2001 deposit market share data indicates that in the Phoenix MA, ABB held a 0.33% market share of deposits and ranked 19th among 55 financial institutions. In comparison, ABB has a 0.05% market share in small loans to businesses for the same period of time and ranked 43rd among 245 reporting lenders.

During this reporting period, the bank did not originate any farm loans in this AA.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

ABB originates HMDA loans only as an accommodation to its business loan customers. The bank originated five HMDA loans in the Maricopa County AA during the review period; one home purchase loan, one home refinance loan, and three home improvement loans. Although a review of the distribution of HMDA loans indicates that these loans were originated primarily in upper-income census tracts, the bank does not have a measurable market share for any type of HMDA loan in any of its census tracts. Given the low volume of HMDA lending, further analysis of the bank's home mortgage lending in the Maricopa County AA would not be meaningful.

Small Loans to Businesses

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

The geographic distribution of small loans to businesses in LMI census tracts is excellent. It significantly exceeds demographics. Market share in both LMI census tracts exceeds overall market share. However, the bank's overall market share and its market share in any census tract are both well below 1%.

Lending Gap Analysis

We reviewed reports detailing ABB's lending activity in the Maricopa County AA over the evaluation period for small loans to businesses and home mortgage loans (as applicable) to identify gaps in the geographic distribution. We did not identify any unexplained conspicuous gaps. Loans were originated in every census tract in the AA. The absence of unexplained gaps in the bank's lending had a positive effect on our conclusion about the geographic distribution of ABB's lending activity.

Inside/Outside Ratio

An analysis of the inside/outside ratio indicates that a majority of the number and dollar volume of loans ABB originates are in the AA. This analysis was performed at the bank level, rather than at the AA level. It indicates that 71% of both the dollar volume and number of small business loans were inside the bank's AA. In addition, 94% of the number and 86% of the dollar volume of HMDA loans were in ABB's AA. This performance factored positively into the overall analysis of ABB's lending.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of ABB's loans to businesses in the Maricopa County AA reflects adequate dispersion among borrowers of different income levels. As mentioned in a prior portion of this evaluation, ABB reported a negligible number of home mortgage loans in this AA. When compared to the level of small business lending, no weight was attributed to the bank's lending patterns for home mortgage loans in this AA.

Home Mortgage Loans

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

ABB originates HMDA loans only as an accommodation to its business loan customers. As noted above, the bank originated five HMDA loans in the Maricopa County AA during the evaluation period; one home purchase loan, one home refinance loan, and three home improvement loans. All of the loans the bank originated were to upper-income borrowers. The bank does not have a measurable market share in any of its census tracts. Given the low volume of HMDA lending, further analysis of the bank's home mortgage lending in the Maricopa County AA would not be meaningful.

Small Loans to Businesses

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

The distribution of loans to businesses of different sizes is adequate. The percentage of loans to small businesses is below demographics. However, almost 64% of the small business loans were for amounts of \$250,000 or less. ABB's market share of small loans made to small businesses slightly exceeds its overall market share. However, both are well below 1%.

Community Development Lending

Refer to Table 1, Lending Volume in the State of Arizona section of Appendix D for the facts and data used to evaluate the bank's level of 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 multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

ABB did not make any CD loans in the Maricopa County AA during the review period. This had a neutral effect on the evaluation under the bank's performance of the Lending Test.

Product Innovation and Flexibility

ABB does not have any innovative or flexible loan programs. However, the lenders do work with individuals to tailor the bank's loan products to each borrower's specific needs. This had a neutral effect on the evaluation under the bank's performance of the Lending Test.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

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

The bank's performance under the Investment Test in Arizona is rated "Outstanding." Based on a full-scope review, the bank's performance in the Maricopa County AA is

excellent. During the review period, the bank had almost \$2 million in investments. The bank's total investments equal 15% of Tier One Capital. This is considered a high level of investments, particularly considering the competition for CD investments in the AA.

Qualified investments consist of the following:

- \$1.1 million provided mortgage financing for LMI individuals.
- \$570 thousand provided financing for a multi-housing project; 98% is designated for LMI families.
- \$287 thousand represents a portion of an investment in an SBIC, which provides funds for size eligible businesses in a greater regional area, including the bank's AA.

While none of the investments is considered innovative or complex, ABB did play a leadership role in the development of the SBIC, which is noted above.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Arizona is rated "Low Satisfactory." Based on a full-scope review, the bank's performance in the Maricopa County MA is adequate.

Overall, ABB's branch delivery systems provide good accessibility to individuals living in LMI geographies. The bulk of banking services target small- and medium-size businesses, the bank's product focus. The bank provided a nominal level of CD services benefiting its AA, but this does not negatively impact the overall rating due to the short length of time the bank has been in the Arizona market. Branch distribution received the most weight in rating the bank's performance under the Service Test.

Retail Banking Services

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

Service delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the full-scope assessment area. ABB's level of deposits in the Maricopa County MA is 16% of total bank deposits. The bank has three branch locations in the Maricopa County MA. These branches were purchased in

June 2001. During the evaluation period, there were no branch closures in the AA. Each of the branches is located in a moderate-, middle-, or upper-income geography. To provide an avenue for increased access in the Maricopa County MA, ABB has an agreement with Wells Fargo, N.A., to offer an enhanced alternative system for delivering teller based services to individuals and businesses of all income levels. Wells Fargo's ATM network is available free of charge to all ABB customers throughout the MA. Distribution of Wells Fargo's ATMs located in the MA is adequate. There are no ATMs located in low-income geographies. The percentage of ATM's located in moderate-income geographies is also below the percentage of the residing population but some of these branches adjacent to LMI areas are located in high traffic areas or concentrations of shopping areas accessible by public transportation.

ABB's hours and services offered in the Maricopa County MA are comparable among all locations regardless of the income level of the geography. The branch located in the moderate-income area opens an hour earlier than the other branches in the AA and has drive-up facilities. Standard loan and deposit products are offered at all locations. The branch in Tempe, AZ employs a Spanish-speaking employee to assist customers in overcoming language barriers in the service process. The bulk of services target business customers, the bank's strategic focus. Other alternative delivery systems, such as telephone and Internet banking, bank-by-mail, and courier services are also available. Since the bank could not provide specific information on how LMI individuals and geographies are impacted by these alternative delivery services, significant weight was not placed on them when drawing conclusions for the full-scope AA under the Service Test.

Community Development Services

ABB's performance in providing CD services in the Maricopa County MA is adequate. Our community contacts confirmed that affordable housing and small business support are primary needs within the Maricopa County MA. Although the bank's primary focus is small- and medium-size businesses, the CD services performed since the purchase of these branches includes time and expertise given to community organizations, which provide social services that target LMI individuals.

Within the Maricopa County AA, ABB offers financial expertise and support to the following entities:

- An officer of ABB serves on the loan committee sponsored by the Community and Economic Development Department. This program provides financial assistance to new or expanding businesses that generate jobs for LMI individuals. The program is funded through block grants from the U.S. Department of Housing and Urban Development (HUD).

- A bank officer serves on the advisory board and provides technical expertise for a community services organization that focuses on providing free meals and clothing, housing for the homeless, utility bill payment assistance for the working poor, and financial counseling for LMI individuals.

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): (1/1/00 – 12/31/02) Investment and Service Tests and CD Loans: (7/21/97 – 2/03/03)	
Financial Institution		Products Reviewed
American Business Bank, N.A. (ABB) Denver, CO		Small business, home purchase, home improvement, home refinance, and CD loans.
Affiliate(s)	Affiliate Relationship	Products Reviewed
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Colorado Denver MA #2080 Boulder MA #2025 Eagle County Arizona Maricopa County (Phoenix MA) #6200	Full Scope Limited Scope Limited Scope Full Scope	

Appendix B: Summary of State Ratings

RATINGS: American Business Bank, N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/ Rating
American Business Bank, N.A.	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
State:				
Colorado	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Arizona	Low Satisfactory	Outstanding	Low Satisfactory	Satisfactory

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

Appendix C: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

State of Colorado C-2

State of Arizona C-2

State of Colorado

Denver MA #2080

Demographic Information for Full-Scope Area: (Name of Multistate Metropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	498	6.83	21.89	32.53	21.49	17.27
Population by Geography	1,622,980	6.86	23.97	43.35	25.82	0.00
Owner-Occupied Housing by Geography	399,963	3.67	19.89	45.25	31.19	0.00
Business by Geography	171,064	7.79	20.66	37.35	33.92	0.27
Farms by Geography	2,604	3.57	18.43	44.82	32.95	0.23
Family Distribution by Income Level	424,057	18.79	18.71	24.56	37.94	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	159,032	12.16	35.54	40.02	12.28	0.00
Median Family Income						
HUD Adjusted Median Family Income for 2002	= \$40,222					
Households Below the Poverty Level	= \$69,900					
	= 9.52%					
		Median Housing Value				= \$85,581
		Unemployment Rate				= 2.96%

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Denver AA is comprised of five contiguous counties including Adams, Arapahoe, Denver, Douglas, and Jefferson Counties. There are 498 census tracts within the AA. The AA meets the regulatory requirements and does not arbitrarily exclude low- or moderate-income areas.

The city of Denver is the state’s capital and the center of its economic activity. Other principal cities within the AA include Aurora, Brighton, Commerce City, Englewood, Golden, Lakewood, Littleton, Thornton, and Westminster. As of 2001, the population within the Denver MA is estimated at 1,622,980.

The Denver MA represents 72% of rated loans made during the evaluation period and 59% of total bank deposits. ABB has six offices and two ATMs serving the Denver AA.

Competition among the financial institutions in the AA is high. There are 89 banks operating 532 offices throughout the area. This does not include credit unions, mortgage companies, or finance companies that aggressively compete for loan

production. Some of the larger competitors include Wells Fargo Bank West, N.A.; U.S. Bank, N.A.; World Savings Bank, F.S.B.; Commercial Federal Bank; Bank One Colorado, N.A.; First Trust Corporation; Guaranty Bank and Trust Company; and Vectra Bank Colorado, N.A. Combined, these banks hold 62% of deposit market share within the Denver MA. ABB's market share is 1.62% with total deposits of \$485 million.

Despite its diversification, Denver's economy is stagnant. Combinations of a slowing economy and the events of September 11, 2001, have impacted Denver's economy in much the same way the national economy was affected. Employment is contracting in every industry except government. Cutbacks in transportation and telecommunications show a secondary affect on office markets through a negative absorption of space. Home prices are unchanged; but permits for building new homes are declining. Personal and business bankruptcies continue to rise. Weak tourism and extreme drought conditions will also weigh on the economy in the near term. However, the area has a well-developed transportation hub including the interstate highway system, railroad connections, and the Denver International Airport. This access to transportation along with the area's skilled workforce and an expansive research base support economic forecasts that Denver will remain attractive to new residents and capital investment.

The city and county of Denver has a HUD Empowerment Zone/Enterprise Community. Denver and other counties in the MA also have areas designated as Redevelopment Zones or Blighted Areas. These areas typically present greater opportunities for financial institutions for developing partnerships that encourage economic development. However, there appears to be little formal coordination of efforts among financial institutions, government entities, or nonprofit organizations. Denver has spent considerable resources on large municipal building projects during recent years. These projects include the new airport, several professional sports stadiums and facilities, light rail, government offices, retail and leisure activities centers, and the redevelopment of the old Stapleton airport. These projects have been funded using combinations of tax incentives, grants, bonds, and private funding sources. There has been little direct bank involvement.

There are four CD financial institutions in the MA. There are also at least five active CD corporations that work primarily with financing and technical support for small businesses. There are numerous private and public organizations that also assist with small business financing needs. Although the individual counties operate housing authorities, significant efforts have been concentrated toward economic development and municipal infrastructure.

Based on community contacts completed by the OCC and other regulatory agencies, we noted that there are a number of opportunities for bank involvement in community development activities. Please refer to the "Scope of Evaluation in Colorado" for additional details.

State of Arizona

Maricopa County (Phoenix MA) #6200

Demographic Information for Full-Scope Area: Maricopa County (Phoenix MA)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	466	5.79	23.18	38.20	31.97	0.86
Population by Geography	2,122,101	4.46	24.61	40.33	30.43	0.17
Owner-Occupied Housing by Geography	511,344	2.13	18.83	43.14	35.89	0.00
Business by Geography	168,787	4.82	19.96	36.47	38.17	0.58
Farms by Geography	2,981	2.58	17.58	44.45	35.36	0.03
Family Distribution by Income Level	552,909	19.01	18.06	23.20	39.74	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	204,950	7.60	36.30	40.77	15.33	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below the Poverty Level	= \$35,425 = \$57,900 = 10.9%	Median Housing Value Unemployment Rate		= \$87,219 = 3.05%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census, and 2002 HUD updated MFI.

American Business Bank includes Maricopa County, Arizona in its AA. (Maricopa County is one of two counties in the Phoenix MA.) The bank operates within the urban area of the county where the city of Phoenix is the center of economic activity. Other principal cities within the AA include Avondale, Buckeye, Chandler, Goodyear, Glendale, Mesa, Scottsdale, Surprise, Tempe and Wickenburg. In addition to the urban cities in the county, there is a large unincorporated area and several Indian reservations. The area is in an economic downturn with the high-tech sector losing a significant percentage of jobs. Office and industrial vacancy rates have risen as conditions have weakened. The declining employment is a major change from the 1990's when the region was among the nation's fastest growing regions.

Maricopa County is one of the largest counties in the country stretching 100 miles in diameter and covering 9,200 miles. The estimated population of Maricopa County is 2,122,101. Within Maricopa County there are 466 census tracts. The 2002 HUD updated median family income is \$57,900. The AA meets the regulatory requirements and does not arbitrarily exclude low- or moderate-income areas.

Competition among the financial institutions in the AA is high. There are 55 banks operating 569 offices throughout the area. This does not include credit unions, mortgage companies, or finance companies that aggressively compete for loan production. The prevailing competitors include Bank One, N.A.; Bank of America N.A.; and Wells Fargo Bank Arizona, N.A. Combined, these banks hold 70% of deposit market share within the AA. ABB's market share is less than 1% with total deposits of \$126 million.

The Maricopa County AA represents 9% of rated loans made during the assessment period and 16% of total bank deposits. ABB has three offices and one ATM serving the AA.

Maricopa County is also in the midst of a change that dominates the financial scene in most Western states. In the past nine years there have been several large bank mergers, which has resulted in a lack of local decision-making ability. A common complaint in discussions with governmental and community representatives is that many of the decisions made, which range from loan approvals to branch closures, no longer reflect a sensitivity to the county or even the state.

Based on community contacts completed by the OCC and other regulatory agencies, we noted that there are a number of opportunities for bank involvement in community development activities. Please refer to the "Scope of Evaluation in Arizona" for additional detail.

Appendix D: Tables of Performance Data

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APPENDIX D: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As Vol. 66, No. 134,.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, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.
- Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.
- A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As Vol. 66, No.134, 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.

State of Colorado: Table 1 - Lending Volume

LENDING VOLUME		Geography: COLORADO						Evaluation Period: JANUARY 1, 2000 TO December 31, 2002				
MA/Assessment Area (2003):	% 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:												
De	78.28	100	13,077	2,164	382,956	0	0	7	4,787	2,271	400,820	77.52
Limited Review:												
Bou	19.48	31	4,284	534	92,390	0	0	0	0	565	96,674	17.65
Eagle County -	2.24	6	698	58	9,089	0	0	1	372	65	10,159	4.83

* Loan Data as of December 31, 2002. Rated area refers to the state rating area.

** The evaluation period for Community Development Loans is From July 21, 1997, to February 3, 2003.

*** Deposit Data as of January 01, 2003. Rated Area refers to either the state or institution, as appropriate.

State of Colorado: Table 2 - Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: COLORADO								Evaluation Period: JANUARY 1, 2000 TO December 31, 2002					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Denver MA	23	82.14	3.67	0.00	19.89	4.35	45.25	30.43	31.19	60.87	0.01	0.00	0.01	0.01	0.02
Limited Review:															
Boulder MA	4	14.29	0.02	0.00	15.38	25.00	52.22	0.00	32.38	75.00	0.01	0.00	0.00	0.00	0.04
Eagle County - CO NonMA	1	3.57	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Western Region 1.

** 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.

State of Colorado: Table 3 - Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 2002		Geography: COLORADO								Evaluation Period: JANUARY 1, 2000 TO December 31,					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Denver MA	56	70.00	3.67	0.00	19.89	14.29	45.25	19.64	31.19	66.07	0.20	0.00	0.00	0.12	0.43
Limited Review:															
Boulder MA	21	26.25	0.02	0.00	15.38	0.00	52.22	38.10	32.38	61.90	0.63	0.00	0.00	0.45	1.39
Eagle County - NonMA	3	3.75	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Western Region 1.

** 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.

State of Colorado: Table 4 - Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE 31, 2002			Geography: COLORADO								Evaluation Period: JANUARY 1, 2000 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
Full Review:															
Denver MA	18	78.26	3.67	0.00	19.89	5.56	45.25	33.33	31.19	61.11	0.00	0.00	0.00	0.00	0.01
Limited Review:															
Boulder MA	3	13.04	0.02	0.00	15.38	33.33	52.22	0.00	32.38	66.67	0.01	0.00	0.03	0.00	0.01
Eagle County - NonMA	2	8.70	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	0.03	0.00	0.00	0.00	0.03

* Based on 2001 Peer Mortgage Data: Western Region 1.

** 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.

State of Colorado: Table 5 - Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: COLORADO						Evaluation Period: JANUARY 1, 2000 TO December 31, 2002							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units ***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Denver MA	3	50.00	12.36	0.00	35.84	0.00	40.34	33.33	11.46	66.67	0.46	0.00	0.00	0.00	4.76
Limited Review:															
Boulder MA	3	50.00	4.21	0.00	33.45	33.33	46.71	33.33	15.63	33.33	4.26	0.00	0.00	2.94	33.33
Eagle County - NonMA	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Western Region 1.

** 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.

State of Colorado: Table 6 - Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES 31, 2002			Geography: COLORADO								Evaluation Period: JANUARY 1, 2000 TO December 31, 2002				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Denver MA	2,164	78.52	7.79	8.01	20.66	29.94	37.35	31.00	33.92	31.05	1.60	1.71	2.11	1.37	1.52
Limited Review:															
Boulder MA	534	19.38	1.01	1.88	19.81	19.40	56.79	59.51	22.30	19.21	2.40	6.56	1.97	2.71	2.01
Eagle County – NonMA	58	2.10	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	2.93	0.00	0.00	0.00	1.08

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

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

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

State of Colorado: Table 7 - Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: COLORADO								Evaluation Period: JANUARY 1, 2000 TO December 31, 2002				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Denver MA	0	0.00	3.57	0.00	18.43	0.00	44.82	0.00	32.95	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Boulder MA	0	0.00	0.00	0.00	14.06	0.00	56.24	0.00	29.70	0.00	0.00	0.00	0.00	0.00	0.00
Eagle County - NonMA	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00

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

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

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

State of Colorado: Table 8 - Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: COLORADO				Evaluation Period: JANUARY 1, 2000 TO December 31, 2002								
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Denver MA	23	82.14	18.79	4.35	18.71	0.00	24.56	13.04	37.94	82.61	0.02	0.02	0.00	0.01	0.03
Limited Review:															
American Biz Bank - Boulder MA	4	14.29	18.09	0.00	18.09	0.00	25.55	0.00	38.28	100.00	0.01	0.00	0.00	0.00	0.03
Eagle County - NonMA	1	3.57	8.15	0.00	9.46	100.00	19.53	0.00	62.86	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Western Region 1.

** As a percentage of loans with borrower income information available. No information was available for 0.00% 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.

State of Colorado: Table 9 - Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT 2002			Geography: COLORADO				Evaluation Period: JANUARY 1, 2000 TO December 31,					Market Share*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
Full Review:																
Denver MA	56	70.00	18.79	3.70	18.71	7.41	24.56	12.96	37.94	75.93	0.20	0.11	0.04	0.11	0.37	
Limited Review:																
Boulder MA	21	26.25	18.09	0.00	18.09	23.81	25.55	33.33	38.28	42.86	0.66	0.00	1.15	0.00	1.13	
Eagle County - NonMA	3	3.75	8.15	50.00	9.46	0.00	19.53	0.00	62.86	50.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2001 Peer Mortgage Data: Western Region 1.

** As a percentage of loans with borrower income information available. No information was available for 3.75% of loans originated and purchased by BANK.

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

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

State of Colorado: Table 10 - Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE 31, 2002			Geography: COLORADO						Evaluation Period: JANUARY 1, 2000 TO December						
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
Full Review:															
Denver MA	18	78.26	18.79	5.88	18.71	5.88	24.56	11.76	37.94	76.47	0.01	0.00	0.00	0.00	0.01
Limited Review:															
Boulder MA	3	13.04	18.09	33.33	18.09	0.00	25.55	33.33	38.28	33.33	0.01	0.00	0.00	0.02	0.01
Eagle County – NonMA	2	8.70	8.15	0.00	9.46	0.00	19.53	0.00	62.86	100.00	0.04	0.00	0.00	0.00	0.05

* Based on 2001 Peer Mortgage Data: Western Region 1.

** As a percentage of loans with borrower income information available. No information was available for 4.35% 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.

State of Colorado: Table 11 - Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES 31, 2002					Geography: COLORADO			Evaluation Period: JANUARY 1, 2000 TO December	
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:									
Denver MA	2,164	78.52	63.51	52.54	54.53	25.23	20.24	1.60	2.18
Limited Review:									
Boulder MA	534	19.38	63.51	56.37	59.36	23.22	17.42	2.40	3.36
Eagle County - NonMA	58	2.10	64.49	68.97	63.79	15.52	20.69	2.93	4.22

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

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

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

**** 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 3.85% of small loans to businesses originated and purchased by the bank.

State of Colorado: Table 12 - Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			Geography: COLORADO		Evaluation Period: JANUARY 1, 2000 TO December 31, 2002				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Denver MA	0	0.00	89.98	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:									
Boulder MA	0	0.00	92.09	0.00	0.00	0.00	0.00	0.00	0.00
Eagle County - NonMA	0	0.00	84.75	0.00	0.00	0.00	0.00	0.00	0.00

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

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

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

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

State of Colorado: Table 14 - Qualified Investments

QUALIFIED INVESTMENTS		Geography: COLORADO				Evaluation Period: July 21, 1997 to February 3, 2003			
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:									
Denver MA	0	0	76	4,192	76	4,192	55.00	0	0
Limited Review:									
Boulder MA	0	0	29	2,710	29	2,710	36.00	0	0
Eagle County – NonMA	0	0	19	688	19	688	9.00	0	0

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

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

State of Colorado: Table 15 - Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: COLORADO				Evaluation Period: July 21, 1997 – February 3, 2003					
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:																	
Denver MA	77.52	6	67.00	0.00	17.00	33.00	50.00	2					+	6.86	23.97	43.35	25.82
Limited Review:																	
Boulder MA	17.65	2	22.00	0.00	0.00	100.00	0.00	1	1					3.03	17.92	51.96	26.62
Eagle County - NonMA	4.83	1	11.00	0.00	0.00	0.00	100.00	1					+	0.00	0.00	0.00	100.00

State of Arizona: Table 1 - Lending Volume

LENDING VOLUME		Geography: PHOENIX, AZ						Evaluation Period: JANUARY 1, 2000 TO December 31, 2002				
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
American Biz Bank - Pho	100.00	5	435	201	51,387	0	0	0	0	206	51,822	100.00

* Loan Data as of December 31, 2002. Rated area refers to the state rating area.

** The evaluation period for Community Development Loans is From July 21, 1997, to February 3, 2003.

*** Deposit Data as of January 1, 2003. Rated Area refers either to the state or institution, as appropriate.

State of Arizona: Table 2 - Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: ARIZONA						Evaluation Period: JANUARY 1, 1999 TO JANUARY 1, 2003							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
American Biz Bank - Phoenix MA	1	100.00	2.13	0.00	18.83	0.00	43.14	0.00	35.89	100.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Western Region 1.

** 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.

State of Arizona: Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 2002		Geography: ARIZONA						Evaluation Period: JANUARY 1, 2000 TO December 31,							
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
American Biz Bank - Phoenix MA	3	100.00	2.13	0.00	18.83	0.00	43.14	0.00	35.89	100.00	0.02	0.00	0.00	0.00	0.05

* Based on 2001 Peer Mortgage Data: Western Region 1.

** 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.

State of Arizona: Table 4 - Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE 2002			Geography: ARIZONA						Evaluation Period: JANUARY 1, 2000 TO December 31,						
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
Full Review:															
American Biz Bank - Phoenix MA	1	100.00	2.13	0.00	18.83	0.00	43.14	100.00	35.89	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Western Region 1.

** 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.

State of Arizona: Table 5 - Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: ARIZONA						Evaluation Period: JANUARY 1, 2000 TO December 31, 2002							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units ***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
American Biz Bank - Phoenix MA	0	0.00	3.63	0.00	37.65	0.00	39.89	0.00	18.78	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Western Region 1.

** 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.

State of Arizona: Table 6 - Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: PHOENIX, AZ								Evaluation Period: JANUARY 1, 2000 TO December 31, 2002				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
American Biz Bank - Phoenix MA	201	100.00	4.82	9.05	19.96	26.63	36.47	43.72	38.17	20.60	0.05	0.17	0.12	0.04	0.03

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

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

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

State of Arizona: Table 7 - Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: PHOENIX, AZ						Evaluation Period: JANUARY 1, 2000 TO December 31, 2002						
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
American Biz Bank - Phoenix MA	0	0.00	2.58	0.00	17.58	0.00	44.45	0.00	35.36	0.00	0.00	0.00	0.00	0.00	0.00

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

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

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

State of Arizona: Table 8 - Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: ARIZONA						Evaluation Period: JANUARY 1, 2000 TO December 31, 2002							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
American Biz Bank - Phoenix MA	1	100.00	19.01	0.00	18.06	0.00	23.20	0.00	39.74	100.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Western Region 1.

** As a percentage of loans with borrower income information available. No information was available for 0.00% 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.

State of Arizona: Table 9 - Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: ARIZONA						Evaluation Period: JANUARY 1, 2000 TO December 31, 2002							
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
American Biz Bank - Phoenix MA	3	100.00	19.01	0.00	18.06	0.00	23.20	0.00	39.74	100.00	0.02	0.00	0.00	0.00	0.04

* Based on 2001 Peer Mortgage Data: Western Region 1.

** As a percentage of loans with borrower income information available. No information was available for 0.00% of loans originated and purchased by BANK.

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

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

State of Arizona: Table 10 - Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE 2002		Geography: ARIZONA								Evaluation Period: JANUARY 1, 2000 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
Full Review:															
American Biz Bank - Phoenix MA	1	100.00	19.01	0.00	18.06	0.00	23.20	0.00	39.74	100.00	0.00	0.00	0.00	0.00	0.00

* Based on 2001 Peer Mortgage Data: Western Region 1.

** As a percentage of loans with borrower income information available. No information was available for 0.00% 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.

State of Arizona: Table 11 - Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES 31, 2002				Geography: PHOENIX, AZ			Evaluation Period: JANUARY 1, 2000 TO December		
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:									
American Biz Bank - Phoenix MA	201	100.00	67.96	49.25	44.28	19.40	36.32	0.05	0.08

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

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

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

**** 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 1.99% of small loans to businesses originated and purchased by the bank.

State of Arizona: Table12 - Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			Geography: PHOENIX, AZ		Evaluation Period: JANUARY 1, 2000 TO December 31, 2002				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
American Biz Bank - Phoenix MA	0	0.00	83.43	0.00	0.00	0.00	0.00	0.00	0.00

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

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

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

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

State of Arizona: Table 14 - Qualified Investments

QUALIFIED INVESTMENTS		Geography: PHOENIX, AZ				Evaluation Period: July 21, 1997 to February 3, 2003			
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:									
American Biz Bank - Phoenix MA	0	0	3	1,914	3	1,914	100.00	0	0

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

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

State of Arizona: Table 15 - Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: PHOENIX, AZ				Evaluation Period: July 21, 1997 to February 3, 2003					
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:																	
American Biz Bank - Phoenix MA	100.00	3	100	0.00	33.34	33.33	33.33	3	0	0	+	+	+	4.46	24.61	40.33	30.43