



**LARGE BANK**

---

Comptroller of the Currency  
Administrator of National Banks

---

Washington, DC 20219

## **PUBLIC DISCLOSURE**

March 16, 2009

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Northern Trust, National Association  
Charter Number: 17487

700 Brickell Avenue  
Miami, Florida 33131

Office of the Comptroller of the Currency

Midsized Bank Supervision  
440 South LaSalle Street  
Chicago, Illinois 60605

**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.

## Table of Contents

OVERALL CRA RATING .....	2
DEFINITIONS AND COMMON ABBREVIATIONS .....	3
DESCRIPTION OF INSTITUTION .....	7
SCOPE OF THE EVALUATION .....	9
FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW .....	11
STATE OF FLORIDA RATING .....	12
STATE OF TEXAS RATING .....	31
STATE OF ARIZONA RATING .....	40
STATE OF CALIFORNIA RATING .....	49
STATE OF COLORADO RATING .....	64
APPENDIX A: SCOPE OF EXAMINATION .....	A-1
APPENDIX B: SUMMARY OF STATE RATINGS .....	B-1
APPENDIX C: MARKET PROFILES FOR FULL-SCOPE AREAS .....	C-1
APPENDIX D: TABLES OF PERFORMANCE DATA .....	D-1

## Overall CRA Rating

**Institution’s CRA Rating:** This institution is rated “**Outstanding.**”

The following table indicates the performance level of **Northern Trust, National Association (NTNA)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Northern Trust, National Association (NTNA) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- Lending activity that reflects good responsiveness to the credit needs of the bank’s rating areas.
- Good geographic distribution of loans and good distribution of loans among borrowers of different income levels and businesses of different sizes.
- Excellent level of community development loans that had a significantly positive impact on the Lending Test Rating.
- Excellent level of qualified investments that are responsive to rating area needs.
- High level of community development services.
- Service delivery systems that are accessible to geographies and individuals of varied income levels.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical 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.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved non-metropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Description of Institution

Northern Trust, National Association (NTNA) is a midsize, interstate bank headquartered in Miami, Florida. It is a subsidiary of Northern Trust Corporation (NTC). NTC, and its affiliates, are leading providers of asset servicing, asset management, fund administration and banking solutions for affluent individuals worldwide. NTC is an \$82 billion multi-bank holding company located in Chicago, Illinois, with \$3.6 trillion in trust assets, subsidiaries in 18 states and includes 15 international offices.

NTNA is the successor bank to the former Northern Trust Bank of Florida, N.A. ) and its current operating configuration is the result of merger activity with its three nationally chartered affiliates. The following mergers were made during the Evaluation Period.

- Northern Trust Bank of Texas, N.A. was merged into Northern Trust Bank of Florida, N.A. on August 28, 2006 and the name was changed to Northern Trust N.A.;
- Northern Trust Bank of Arizona, N.A., an interstate bank with a branch in Colorado, was merged into Northern Trust, N.A. on October 23, 2006;
- Northern Trust Bank of California, N.A. was merged into Northern Trust, N.A. on October 23, 2006;

NTNA's business strategy focuses primarily on trust administration and private banking services. The bank's approach is not to compete on the basis of the number or array of banking products, but to compete on the basis of comprehensive relationships and quality of service. The bank's customer base is primarily comprised of trust customers and banking businesses, both of which are developed through cross selling to and referrals from existing customers. Loan product offerings include mortgage loans for one-to-four family and multi-family residences, home equity lines of credit, commercial loans and lines of credit, and consumer loans. Deposit product offerings consist of various interest-bearing and non-interest-bearing accounts for personal and business use.

As of December 31, 2008, the bank had total assets of \$11.7 billion, with \$7.4 billion in deposits and \$976 million in Tier 1 capital. Trust assets under administration total almost \$43 billion. The bank's net loans equate to \$10.8 billion. The loan portfolio is comprised of real estate loans (75 percent), commercial and industrial loans (13 percent), and loans to individuals (7 percent) and other loans (5 percent). Real estate loans consist of one-to-four family residential loans (74 percent), commercial real estate loans (19 percent), construction and development loans (5 percent), and multi-family residential loans (2 percent).

The bank delivers trust and banking services through 54 branch offices, nine limited services offices, and 21 automated teller machines (ATMs) in the five states of Florida, Texas, Arizona, Colorado and California. The bank's market encompasses 35 counties in these states, which are delineated as its 19 assessment areas (AAs). Branches in Florida are located in Broward, Collier, Hillsborough, Indian River, Lee, Manatee, Martin, Miami-Dade, Palm Beach, Pinellas, and Sarasota counties. With the exception of Indian River County, the bank's AAs represent metropolitan statistical areas. Branches in Texas are located in Dallas, Harris, Montgomery, and Travis counties. Branches in Arizona are located in Maricopa and Pima counties. The Colorado branch is in Denver county. Branches in California are located in Los Angeles, Marin, Orange, Riverside, San Diego, San Francisco, Santa Clara, and Santa Barbara counties.



NTNA's approach to community reinvestment is similar to its overall business strategy. The bank builds and maintains relationships with local community organizations and leaders to help meet the credit and community development needs of its AAs. These relationships are based on the bank's same high quality service standards. Most of the bank's affordable mortgage loan business is generated by referrals from partnerships with these organizations. Other community reinvestment activities, such as community development investments and services, are also manifested from these relationships.

There are no legal, financial, or other impediments that would prevent the bank from meeting the credit needs of its AAs. While the bank receives intense competition from nationwide and regional banks, mortgage companies, and credit card lenders, it is capable of meeting the needs of its AAs in a manner consistent with its resources and business strategy.

Since inception, NTNA has reflected the prior rating of Northern Trust Bank of Florida, N.A.; NTBF's charter was the successor charter used for the combined banks. NTBF was rated "Satisfactory" at its last CRA evaluation dated January 3, 2005. The last evaluation reflected the NTBF's lending performance from January 1, 2001 through December 31, 2003; community development lending, investment and retail service performance from August 20, 2001 through December 31, 2004; and community development service performance from January 1, 2001 through December 31, 2004.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

With noted exceptions, the overall Evaluation Period is January 1, 2004 through December 31, 2008. The exceptions are as follow.

- In the State of Florida rating area, the evaluation period for community development (CD) loans, Investments, and Retail Banking portions of the Service Test is January 1, 2004 through March 16, 2009. The Evaluation Period for CD portions of the Service Test is January 1, 2005 through March 16, 2009.
- In the State of Texas, State of Arizona, State of Colorado, and State of California rating areas, the Evaluation Period for the Lending Test is January 1, 2007 through December 31, 2008. The Evaluation period for CD loans, Investments and Services is January 1, 2007 through March 16, 2009.

A limited number of multi-family loans and no small loans to farms were originated during the evaluation period. Multi-family loans and other optional loans were not meaningful to overall performance, due to low activity levels.

### Data Integrity

We assessed NTNA's processes and internal controls for collecting, reporting, and verifying the accuracy of data on home mortgage loans, small loans to businesses, and CD loans. We also assessed management's processes and controls for identifying and reporting qualified investments and CD services. We found the bank's processes to be adequate and control weaknesses, where they were identified, to have been corrected. Data used in this evaluation was accurate.

### Selection of Areas for Full-Scope Review

For purposes of this Evaluation, five individual state ratings are blended into NTNA's overall Evaluation. In each state where the bank has an office, a sample of assessment areas (AAs) within that state was selected for full-scope review. These full-scope areas were selected based on the highest percentage of deposits. Refer to the "Scope" section under each state rating for details regarding how the areas were selected and why they are representative.

### Ratings

For purposes of this Evaluation, five individual state ratings are rolled-up and become NTNA's overall Evaluation.

The bank's overall rating is a blend of the weighted state ratings. The state ratings are weighted, in overall conclusions, based upon deposits generated. Florida has the highest

levels of deposits among the five rating areas at 59 percent. Florida's rating carries the most overall weight in the Evaluation.

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

## **Fair Lending or Other Illegal Credit Practices Review**

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## State Rating

### State of Florida

**CRA Rating for Florida: “Outstanding”**

**The Lending Test is rated: “Outstanding”**

**The Investment Test is rated: “Outstanding”**

**The Service Test is rated: “High Satisfactory”**

The major factors that support this rating include:

- Lending activity that reflects good responsiveness to the credit needs of the bank’s assessment areas.
- Good geographic distribution of loans and good distribution of loans among borrowers of different income levels and businesses of different sizes.
- Excellent level of community development loans that is strong enough to positively impact the overall Lending Test rating.
- Excellent level of qualified investments that is responsive to assessment area needs.
- High level of community development services.
- Service delivery systems that are assessable to geographies and individuals of varied income levels.

### Description of Institution’s Operations in Florida

The state of Florida represents the largest and most established market for the bank. Originally chartered as Northern Trust Bank of Florida, N.A. in 1982, the bank merged operations from other states into the Florida bank beginning in August 2006 and changed the name of the bank to Northern Trust, N.A (NTNA).

The bank operates 30 branches in the southern portion of the state of Florida. These branches represent 59 percent of the bank’s total deposits as June 30, 2008 and 73 percent of the loans analyzed at this examination. Within the state of Florida, NTNA has a deposit market share of .95 percent as of June 30, 2008, with Miami-Dade County reporting the most deposits.

The bank is not a traditional retail focused institution marketing a wide variety of deposit and loan products through a large network of branch facilities. In Florida, as in the other states where it operates, NTNA’s business strategy focuses primarily on trust administration and private banking services. The bank’s customer base is generally comprised of trust customers and banking businesses, both of which are developed through cross selling to and referrals

from existing customers. To meet its CRA obligations the bank has established a well-defined CRA strategy. To meet lending needs within its AAs, the bank has developed an affordable Home Ownership Loan Product that it markets through relationships established with local community organizations. The bank also purchases loans from these organizations and recently began directly funding loans at closing for some community organizations. Emphasis is also placed on CD loans and investments as well as CD services, which can be delivered without the benefit of an extensive retail branch network.

Refer to the Market Profile for the State of Florida in Appendix C for detailed demographics and other performance context information for the AA that received a full-scope review.

## Scope of Evaluation in Florida

The bank has seven AAs in Florida. We chose MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA for a full-scope review. MSA 33100 is comprised of three Metropolitan Divisions (MDs), including: MD 33124 (Miami-Miami Beach-Kendall, FL) which consists of Miami-Dade County, MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL) which consists of Broward County, and MD 48424 (West Palm Beach-Boca Raton-Boynton Beach, FL) which consists of Palm Beach County. Each MD is evaluated individually and is referred to hereafter by its county name. In Florida, MSA 33100 represents 64 percent of the bank's deposits and 47 percent of loan activity evaluated at this examination. The remaining six AAs received a limited-scope review. They include:

- All of MSA 42260 (Sarasota-Bradenton-Venice, FL) including Manatee and Sarasota Counties.
- All of MSA 15980 (Cape Coral-Fort Myers, FL) including Lee County.
- All of MSA 34940 (Naples-Marco Island, FL) including Collier County.
- Part of MSA 38940 (Port St. Lucie-Fort Pierce, FL) including Martin County.
- All of MSA 42680 (Sebastian-Vero Beach, FL) including Indian River County.
- Part of MSA 45300 (Tampa-St. Petersburg-Clearwater, FL) including Hillsborough and Pinellas Counties.

Our ratings are based primarily on conclusions reached in the evaluation of the bank's performance in the full-scope AA. Refer to Appendix A for additional information regarding the AAs receiving full- and limited-scope reviews.

The overall rating for the full-scope MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is a consolidation of conclusions reached for each of the MD's that comprise the MSA. We placed the most weight on performance in Miami-Dade County. Miami-Dade County represents 68 percent of the deposits in the overall MSA and 52 percent of lending activity.

Under the Lending Test, we placed somewhat more weight on home mortgage lending. Home mortgage lending represents 59 percent of lending activity evaluated and is the focus of the bank's CRA strategy. Regarding home mortgage lending, significantly more weight was given to home purchase loans, which represent 76 percent of mortgage lending activity. Home improvement loans and multi-family housing loans were not meaningful to overall performance due to low activity levels and no analysis was conducted. Also, the bank's market share of home mortgage loans and small loans to businesses is not significant enough to perform a

meaningful analysis. As a result, we did not consider market share data in evaluating the bank's geographic and borrower distribution of loans.

As part of our evaluation of the bank's CRA performance, we contacted three community based organizations in order to determine the area's economic conditions as well as general banking and CD needs. All three organizations deal primarily with affordable housing for low- and moderate-income individuals. One group particularly focused on affordable housing as it relates to the current foreclosure crisis in the AA. The contacts agreed that affordable housing for people with low- and moderate-income is in short supply and that demand is rising as the foreclosure crisis escalates. Affordable rental housing is most important. One contact also noted that the need for shelter and housing for the homeless is becoming increasingly more important. Also, there is a need for foreclosure counseling and job training. Unemployment rates are growing in the AA, particularly in the major cities such as Miami, Ft. Lauderdale, and West Palm Beach.

Refer to the Market Profiles for the state of Florida in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

## **LENDING TEST**

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

The bank's performance under the Lending Test in Florida is rated "Outstanding" given the positive impact of CD lending. Based on a full-scope review, the bank's performance in the overall MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is excellent, given the positive impact of CD lending. Performance was excellent in the Broward County, Miami-Dade-County, and Palm Beach County MDs that comprise the overall MSA AA, given the positive impact of CD lending.

### **Lending Activity**

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

*The bank's lending activity in the state of Florida is good, given performance context. Overall, the bank's lending activity in the full-scope MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is good, given performance context. Lending activity is good in the Broward, Miami-Dade, and Palm Beach County MDs, given performance context.*

#### **MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL)/Broward County**

*Overall, lending activity in Broward County is good, given performance context. Lending activity is good for both home mortgage loans and small loans to businesses, given performance context.*

Considering performance context, home mortgage lending activity is good. NTNA's market share and rank for home mortgage loans is significantly lower than its deposit market share

and rank, however, this performance is good when consideration is given to several performance context factors. NTNA is not a traditional retail focused institution and it does not actively market a variety of home mortgage products as do other lenders in the AA. The bank's CRA strategy focuses on home purchase loans, and to a much lesser extent refinance loans, in low- and moderate-income geographies and to low- and moderate-income borrowers through its Neighborhood Home Ownership Loan product (NHOL). This product represents the majority of the bank's home purchase loans. Refinance loans under the NHOL product are limited to loans for home improvement purposes. Also, as a portfolio lender, the bank has the ability to modify rates of its existing home mortgage loans without refinancing the mortgage, further limiting the volume of such loans. Home mortgage loans other than NHOLs are generally extended as an adjunct to the bank's overall wealth management and trust business strategy. This overall strategy makes it very difficult for the bank's deposit and loan market shares to be comparable.

In addition, the AA is highly competitive with a large number of lenders reporting home mortgage loan lending activity. These lenders include multiple non-bank lenders that do not take deposits in the AA, as well as, large banks with a nationwide presence that offer a wide variety of home mortgage loan products. For a further discussion on performance context issues, please see the Market Profile in Appendix C. For further discussion on the (NHOL) product please see the Product Innovation and Flexibility section of the Lending Test.

FDIC data as of June 30, 2007 shows that NTNA had a deposit market share of .94 percent and was ranked 12<sup>th</sup> among 62 financial institutions reporting deposits in Broward County. Deposit market share is dominated by Bank of America and Wachovia who rank 1<sup>st</sup> and 2<sup>nd</sup> respectively and have a combined deposit market share of 44 percent.

For home purchase loans, NTNA's market share (by number), based on aggregate data from 2007 (the most recent data available) is .08 percent, and the bank is ranked 95<sup>th</sup> of 527 lenders reporting such loans in the county. For refinance loans, the bank has a market share of .07 percent (by number) and is ranked 114<sup>th</sup> of 569 lenders reporting such loans in the county. For both home mortgage products, the top 10 lenders represent the majority of market share. For home mortgage loans, the top 10 lenders represent 57 percent of all loans reported and for refinance loans they represent 52 percent of loans reported.

Market share and rank for home purchase loans in low-and moderate-income geographies, the bank's CRA target market, are higher. For home purchase loans in low-income geographies the bank has a .46 percent market share and is ranked 46<sup>th</sup>. In moderate-income geographies the bank market share is .10 percent and it is ranked 84<sup>th</sup>.

Given performance context, lending activity for small loans to businesses is good even though the bank's market share and rank of small loans to businesses is somewhat lower than its deposit market share and rank.

Performance context issues described in the discussion of home purchase loans also impact the bank's market share and rank for small loans to businesses. The bank does not have a small business lending program nor does it offer a special small loan product for businesses as part of its CRA strategy. Loans are originated through branch locations and are primarily made to service professionals and the companies of existing banking and trust clients.



Based on 2007 aggregate data (the most recent that is available) the bank's market share of small loans to businesses is .61 percent (based on dollar volume) and the bank is ranked 21<sup>st</sup> of 145 lenders reporting such loans in the county. Market share and rank are based on the dollar volume of loans rather than number of loans because of the inclusion of credit card lenders in the reporting. Credit card lenders originate a large number of loans, but the dollar volume is significantly smaller. For example, the top six reporters of small loans to businesses are all credit card lenders that combined have a market share of 85 percent based on number of loans but only 39 percent based on dollar volume. Therefore, a comparison based on dollar volume of loans is more meaningful.

MD 33124 (Miami-Miami Beach-Kendall, FL)/Miami-Dade County

*Overall, lending activity in Miami-Dade County is good, given the same performance context factors discussed for Broward County.* Lending activity is good for home mortgage loans, given performance context. Lending activity for small loans to businesses is good.

Considering performance context, home mortgage lending activity is good. NTNA's market share and rank for home mortgage loans is significantly lower than its deposit market share and rank, however, this performance is good when consideration is given to the same performance context factors discussed for Broward County.

FDIC data as of June 30, 2007 shows that NTNA had a deposit market share of 1.82 percent and was ranked 12<sup>th</sup> among 75 financial institutions reporting deposits in the Miami-Dade County. Deposit market share is dominated by Wachovia and Bank of America who rank 1<sup>st</sup> and 2<sup>nd</sup> respectively and have a combined deposit market share of 26 percent.

For home purchase loans, NTNA's market share (by number), based on aggregate data from 2007 (the most recent data available) is .26 percent, and the bank is ranked 52<sup>nd</sup> of 476 lenders reporting such loans in Miami-Dade County. For refinance loans, the bank has a market share of .02 percent (by number) and is ranked 182<sup>nd</sup> of 560 lenders reporting such loans in Miami-Dade County. For both home mortgage products, the top 10 lenders represent the majority of market share. For home mortgage loans, the top 10 lenders represent 60 percent of all loans reported and for refinance loans they represent 54 percent of loans reported.

Market share and rank for home purchase loans in low- and moderate-income geographies, the bank's CRA target market, are higher. For home purchase loans in low-income geographies the bank has a 1.22 percent market share and is ranked 16<sup>th</sup>. In moderate-income geographies, the bank market share is .30 percent, and it is ranked 57<sup>th</sup>.

Given the same performance context factors described for Broward County, lending activity for small loans to businesses is good even though the bank's market share and rank of small loans to businesses is somewhat lower than its deposit market share and rank.

Based on 2007 aggregate data (the most recent that is available), the bank's market share of loans to small businesses is 1.13 percent (based on dollar volume) and the bank is ranked 24<sup>th</sup> of 140 lenders reporting such loans in the AA. Market share and rank are based on the dollar volume of loans rather than number of loans because of the inclusion of credit card lenders in the reporting. Credit card lenders originate a large number of loans, but the dollar volume is

significantly smaller. For example, the top six reporters of small loans to businesses are all credit card lenders that combined have a market share of 83 percent based on number of loans but only 30 percent based on dollar volume. Therefore, a comparison based on dollar volume of loans is more meaningful.

MD 48424 (West Palm Beach-Boca Raton, FL)/Palm Beach County

*Overall, lending activity in Palm Beach County is good, given the same performance context factors discussed for Broward County.* Lending activity is good for both home mortgage and small loans to businesses, given performance context.

Given performance context, home mortgage lending activity is good. NTNA's market share and rank for home mortgage loans is significantly lower than its deposit market share and rank, however, this performance is good when consideration is given to the same performance context factors discussed for Broward County.

FDIC data as of June 30, 2007 shows that NTNA had a deposit market share of 1.44 percent and was ranked 14<sup>th</sup> among 66 financial institutions reporting deposits in Palm Beach County. Deposit market share is dominated by Wachovia and Bank of America who rank 1<sup>st</sup> and 2<sup>nd</sup>, respectively, and have a combined deposit market share of 35 percent.

For home purchase loans, NTNA's market share (by number), based on aggregate data from 2007 (the most recent data available) is .14 percent, and the bank is ranked 85<sup>th</sup> of 532 lenders reporting such loans in the county. For refinance loans, the bank has a market share of .08 percent (by number) and is ranked 107<sup>th</sup> of 553 lenders reporting such loans in the county. For both home mortgage products the top 10 lenders represent the majority of market share. For home mortgage loans, the top 10 lenders represent 53 percent of all loans reported and for refinance loans they represent 51 percent of loans reported.

Lending activity for small loans to businesses is good. The bank's market share and rank of small loans to businesses is near to its deposit market share and rank.

Based on 2007 aggregate data (the most recent that is available), the bank's market share of small loans to businesses is 1.37 percent (based on dollar volume) and the bank is ranked 15<sup>th</sup> of 163 lenders reporting small business loans in the county. Market share and rank are based on the dollar volume of loans rather than number of loans because of the inclusion of credit card lenders in the reporting. Credit card lenders originate a large number of loans, but the dollar volume is significantly smaller. For example, the top six reporters of small loans to businesses are all credit card lenders that combined have a market share of 85 percent based on number of loans but only 37 percent based on dollar volume. Therefore, a comparison based on dollar volume of loans is more meaningful.

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

*The bank's geographic distribution of loans in Florida is good.* The geographic distribution of home mortgage loans is excellent and the geographic distribution of small loans to businesses is adequate. Overall, the bank's geographic distribution of loans in the full-scope MSA 33100

(Miami-Ft. Lauderdale-Palm Beach, FL) AA is good. Geographic distribution is good in the Broward, Miami-Dade and Palm Beach County MDs.

### ***Home Mortgage Loans***

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

*Overall, the geographic distribution of home mortgage loans in the full-scope MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is excellent given the bank's strong performance in Miami-Dade County. The geographic distribution of home mortgage loans in Miami-Dade County is excellent. The geographic distribution of home mortgage loans in Broward County and Palm Beach County is good.*

#### *MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL)/Broward County*

*Overall, the geographic distribution of home mortgage loans in Broward County is good. The distribution of both home purchase and refinance loans is good.*

The percentage of home purchase loans in low-income geographies significantly exceeds the percentage of owner-occupied housing units in those geographies. In moderate-income geographies the percentage of home purchase loans is somewhat lower than the percentage of owner-occupied housing units in those geographies. For refinance loans, the percentage of loans in low-income geographies is somewhat lower than the percentage of owner-occupied housing units in those geographies and in moderate-income geographies the percentage of refinance loans exceeds the percentage of owner-occupied housing units.

#### *MD 33124 (Miami-Miami Beach-Kendall, FL)/Miami-Dade County*

*Overall, the geographic distribution of home mortgage loans in Miami-Dade County is excellent. The geographic distribution of home purchase and refinance loans is excellent.*

In both low- and moderate-income geographies, the percentage of home purchase loans significantly exceeds the percentage of owner-occupied housing units in those geographies. For refinance loans, the percentage of loans in low-income geographies exceeds the percentage of owner-occupied housing units in those geographies and in moderate-income geographies the percentage of refinance loans is somewhat lower than the percentage of owner-occupied housing units.

#### *MD 48424 (West Palm Beach-Boca Raton, FL)/Palm Beach County*

*Overall, the geographic distribution of home mortgage loans in Palm Beach County is good. The geographic distribution of home purchase loans is good and the geographic distribution of refinance loans is adequate.*

The percentage of home purchase loans in low-income geographies significantly exceeds the percentage of owner-occupied housing units in those geographies. In moderate-income geographies the percentage of home purchase loans is somewhat lower than the percentage

of owner-occupied housing units in those geographies. For refinance loans, the bank did not originate or purchase any refinance loans in low-income geographies. In moderate-income geographies the percentage of refinance loans is somewhat lower than the percentage of owner-occupied housing units.

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

Refer to Table 6 in the state of Florida 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.

*Overall, the geographic distribution of small loans to businesses in the MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is adequate. The geographic distribution of small loans to businesses is adequate in Miami-Dade County and good in Broward and Palm Beach Counties.*

#### **MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL/Broward County)**

*The geographic distribution of the bank's small loans to businesses is good. The percentage of small loans to businesses in low-income geographies exceeds the percentage of businesses in those geographies. The percentage of small loans to businesses in moderate-income geographies is somewhat lower than the percentage of businesses in those geographies.*

#### **MD 33124 (Miami-Miami Beach-Kendall, FL/Miami-Dade County)**

*The geographic distribution of the bank's small loans to businesses is adequate. The percentage of small loans to businesses in low-income geographies exceeds the percentage of businesses in those geographies. The percentage of small loans to businesses in moderate-income geographies is lower than the percentage of businesses in those geographies.*

#### **MD 48424 (West Palm Beach-Boca Raton, FL/Palm Beach County)**

*The geographic distribution of the bank's small loans to businesses is good. The percentage of small loans to businesses in low-income geographies significantly exceeds the percentage of businesses in those geographies. The percentage of small loans to businesses in moderate-income geographies is somewhat lower than the percentage of businesses in those geographies.*

### ***Lending Gap Analysis***

NTNA's reports detailing lending activity over the evaluation period for home mortgage and small loans to businesses were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

### ***Inside/Outside Ratio***

This portion of the evaluation is performed at the bank level rather than the state or AA level. A substantial majority of home mortgage and small loans to businesses originated/purchased by NTNA over the evaluation period were within its combined AAs. Overall, 89 percent of loans by number and 83 percent by dollar amount were inside the bank's combined AAs. By product, 87 percent of home purchase loans by number and 81 percent by dollar were inside the combined AAs and 85 percent of refinance loans by number and 78 percent by dollar amount were inside the combined AAs. For small loans to businesses, 94 percent by number and 93 percent by dollar amount were inside the bank's combined AAs. This performance was positively factored into the overall analysis of the distribution of loans by income level of the geography.

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

*The bank's distribution of loans by income level of the borrower in Florida is good. The distribution of home mortgage loans by the income level of the borrower is excellent and the distribution of small loans to businesses is adequate. Overall, the bank's distribution of loans by the income level of the borrower in the full-scope MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is good. Borrower distribution is good in the Broward, Miami-Dade, and Palm Beach Counties.*

### ***Home Mortgage Loans***

Refer to Tables 8 and 10 in the state of Florida 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.

*Overall, the distribution of home mortgage loans by the income level of the borrower in the MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is excellent, given performance context. The distribution of home mortgage loans by income level of the borrower is excellent in Miami-Dade County, given performance context. The distribution of home mortgage loans by income level of the borrower is good in Broward and Palm Beach Counties, given performance context.*

Performance context issues have made it difficult to provide home mortgage loans to low-income borrowers in the overall MSA AA. For this reason, more weight was given to lending to moderate-income borrowers in reaching our conclusions.

Starting in 2003, housing prices began to surge throughout all portions of the MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA. The median price of existing single-family homes increased 25 to 30 percent between 2003 and 2006. Income levels did not keep pace and low-income families were almost virtually shut out of the housing market unless sufficient subsidies were available. As home prices decline during the current housing and economic crisis, however, homes are more affordable. In addition, the AA's high poverty rates further limit the ability of many low-income families to become homeowners, even with the assistance of subsidy programs and special mortgage products. High property taxes and homeowner's insurance costs also contribute to the inability of low-income borrowers to become home owners.

Also, it should be noted that the demand for refinance loans by low-income families is generally very limited. Many times low-income families have taken advantage of various subsidy programs and special mortgage products that have very low interest rates that would not make it necessary for them to refinance for a lower interest rate. Also, some special programs do not allow for refinancing. For further discussion on performance context issues, please see the Market Profiles in Appendix C.

MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL)/Broward County

*Overall, the distribution of home mortgage loans by the income level of the borrower in MD 22744/Broward County is good, given performance context.* The distribution of home purchase loans is good, and the distribution of refinance loans is good, given performance context.

The percentage of home purchase loans to low-income borrowers is lower than the percentage of low-income families, but consistent with performance context. The percentage of home purchase loans to moderate-income borrowers is near to the percentage of moderate-income families in the AA. For refinance loans, the percentage of loans to low-income borrowers is somewhat lower than the percentage of low-income families, and refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families.

MD 33124 (Miami-Miami Beach-Kendall, FL)/Miami-Dade County

*Overall, the distribution of home mortgage loans by income level of the borrower in MD 33124/Miami-Dade County is excellent.* The distribution of home purchase loans is excellent generally due to the greater availability of subsidy programs in Miami-Dade County that can be combined with the bank's Neighborhood Home Ownership loan product. The distribution of refinance loans is good considering performance context issues.

The percentage of home purchase loans to low-income borrowers is near to the percentage of low-income families. The percentage of home purchase loans to moderate-income borrowers significantly exceeds the percentage of moderate-income families. For refinance loans, the percentage of loans to low-income borrowers is significantly lower than the percentage of low-income families, and refinance loans to moderate-income borrowers is near to the percentage of moderate-income families.

MD 48424 (West Palm Beach-Boca Raton, FL)/Palm Beach County

*Overall, the distribution of home mortgage loans by income level of the borrower in MD 48424/Palm Beach County is good.* The distribution of home purchase loans is good, and the distribution of refinance loans is good.

The percentage of home purchase loans to low-income borrowers is somewhat lower than the percentage of low-income families. The percentage of home purchase loans to moderate-income borrowers is near to the percentage of moderate-income families. For refinance loans, the percentage of loans to low-income borrowers is lower than the percentage of low-income families, and refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA.

### **Small Loans to Businesses**

Refer to Table 11 in the state of Florida 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.

*Overall, the borrower distribution of small loans to businesses in the full-scope MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is adequate. The distribution is adequate in Broward and Miami-Dade Counties and poor in Palm Beach County.*

#### MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL)/Broward County

*The distribution of small loans to businesses throughout Broward County is adequate. The bank's percentage of small loans to small businesses (businesses with annual revenues of \$1 million or less) is below the percentage of small businesses located in Broward County. Approximately 40 percent of the bank's small loans to businesses are for amounts of \$100 thousand or less, and 71 percent are for amounts of \$250 thousand or less.*

#### MD 33124 (Miami-Miami Beach-Kendall, FL)/Miami-Dade County

*The distribution of small loans to businesses throughout Miami-Dade County is adequate. The bank's percentage of small loans to small businesses (businesses with annual revenues of \$1 million or less) is lower than the percentage of small businesses located in Miami-Dade County. Approximately 39 percent of the bank's small loans to businesses are for amounts of \$100 thousand or less, and 65 percent are for amounts of \$250 thousand or less.*

#### MD 48424 (West Palm Beach-Boca Raton, FL)/Palm Beach County

*The distribution of small loans to businesses throughout Palm Beach County is poor. The bank's percentage of small loans to small businesses (businesses with annual revenues of \$1 million or less) is lower than the percentage of small businesses located in Palm Beach County. By loan amount, only 37 percent of the bank's small loans to businesses are for amounts of \$100 thousand or less and 61 percent are for amounts of \$250 thousand or less.*

### **Community Development Lending**

Refer to Table 1 Lending Volume in the state of Florida section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multi-family 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.

Overall, the bank's CD lending activity in the full-scope MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is excellent, and it has a significantly positive impact on the overall Lending Test rating. Performance is excellent in each of Broward, Miami-Dade, and Palm

Beach County MDs that comprise the overall MSA AA, and that performance has a significantly positive impact on overall Lending Test conclusions.

MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL)/Broward County

*NTNA has an excellent level of CD loans in the Broward County MD. This performance has a positive impact on the overall Lending Test conclusion for Broward County.*

During the CD evaluation period, the bank made 23 CD loans to eight different organizations operating in Broward County, totaling \$14 million dollars. The vast majority (96 percent) of funds was provided to organizations supplying community services to low- and moderate-income persons including emergency shelter, treatment centers, financial literacy training, and other social services in the county. Remaining funds were provided to a non-profit CDC that develops and rehabilitates single family homes for low- and moderate-income families and to a borrower providing 96 rental housing units affordable to low- and moderate-income residents.

MD 33124 (Miami-Miami Beach-Kendall, FL)/Miami-Dade County

*NTNA has an excellent level of CD loans in the Miami-Dade County MD. This performance has a positive impact on the overall Lending Test conclusion for Miami-Dade County, given the high level of responsiveness these loans have to the most pressing CD needs in the MD.*

During the CD evaluation period, the bank made 23 CD loans to 16 different organizations operating in the Miami-Dade AA, totaling \$21.9 million dollars. The vast majority (91 percent) of funds were used to assist with affordable housing needs. According to community contacts made for this and other examinations conducted in the county, the most pressing need is affordable housing, particularly rental housing, affordable to low- and moderate-income residents. Remaining CD loan activity helped to meet community service needs.

Twenty of the bank's 23 CD loans were to affordable housing entities including local Community Development Corporations (CDCs), the Miami Beach CDC, and individual purchasers of multi-family properties. Four loans totaling \$879 thousand represent participations with the First Housing Development Corporation, a statewide affordable housing organization. These participations helped to provide 747 units of affordable rental housing. Overall, the bank's affordable housing CD loans helped to provide 991 units of rental housing affordable to low- and moderate-income persons and 14 units of affordable owner-occupied housing units.

MD 48424 (West Palm Beach-Boca Raton, FL)/Palm Beach County

*NTNA has an excellent level of CD loans in the Palm Beach County MD. This performance had a positive impact on the overall Lending Test conclusion for Palm Beach County.*

During the CD evaluation period, the bank made 10 CD loans to four different organizations operating in Palm Beach County, totaling \$14 million dollars. Of the dollar volume of loans, 43 percent (\$6 million) helped revitalize and stabilize facilities of two community service organizations damaged during Hurricane Wilma. Approximately 40 percent (\$5.5 million) of CD loan dollars helped meet economic development needs through the renovation of a commercial business structure in a low-income geography which was then rented to local



community service organizations providing support to low- and moderate-income persons and jobs for low- and moderate-income workers. The remaining 17 percent of CD loan dollars was provided to community service organizations that provide services to low- and moderate-income persons including temporary housing and employment assistance.

## **Product Innovation and Flexibility**

The bank makes extensive use of flexible mortgage programs to help meet the credit needs of its AA. NTNA's use of these flexible programs has a positive impact on conclusions under the Lending Test.

Throughout all portions of the MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA, NTNA offers the Neighborhood Home Ownership Loan product. This flexible, fixed rate product is available for home purchase loans or for cash-out refinances for home improvement purposes. Applicants must qualify as low- or moderate-income borrowers, or the property must be located in a low- or moderate-income geography. There are no points, application fees, or a requirement for private mortgage insurance even though the maximum loan-to-value ratio is 97 percent. There is a modest \$1,000 closing cost credit associated with the product.

Loans originated under this program are included with the bank's home purchase loans that were analyzed under other portions of the Lending Test.

### *MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL)/Broward County*

During the evaluation period, NTNA originated 52 Neighborhood Home Ownership Loans totaling \$5.1 million in Broward County.

### *MD 33124 (Miami-Miami Beach-Kendall, FL)/Miami-Dade County*

During the evaluation period, NTNA originated 247 Neighborhood Home Ownership Loans totaling \$19.5 million in Miami-Dade County. These loans are frequently combined with local programs to further assist low- and moderate-income borrowers. They include the Miami-Dade County Surtax Loan Program, City of Miami Homebuyer Assistance Program, Metro Miami Action Plan Housing Assistance Program, and the City of North Miami Homeownership Assistance Program. Generally, these local programs provide either a subsidy to the borrower or low interest "soft-second" mortgages.

### *MD 48424 (West Palm Beach-Boca Raton, FL)/Palm Beach County*

During the evaluation period, NTNA originated 47 Neighborhood Home Ownership Loans totaling \$5.7 million in Palm Beach County.

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

Based on limited-scope reviews, the bank's performance under the Lending Test in MSA 15980 (Cape Coral-Fort Myers, FL), MSA 34940 (Naples-Marco Island, FL), MSA 38940 (Martin County, FL only), MSA 42260 (Sarasota-Bradenton-Venice, FL), MSA 42680

(Sebastian-Vero Beach, FL), and MSA 45300 (Hillsborough & Pinellas Counties only) is weaker than the bank's overall "Outstanding" performance in the state. Weaker performance is due to lower performance for geographic distribution of loans in low- and moderate-income geographies and lower performance to low- and moderate-income borrowers and small business. Each limited-scope area also reflects a lower level of CD lending as well.

While performance in the limited-scope AAs was taken into consideration, it did not negatively impact the overall Lending Test conclusions. Refer to the Tables in the state of Florida section of Appendix D for the facts and data that support these conclusions.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

*The bank's performance under the Investment Test in Florida is rated "Outstanding." NTNA has an excellent dollar amount of investments. While a vast majority of investments (excluding donations) were on the books of the bank only a short period of time during the Evaluation Period, the level of investments is very strong.*

Based on a full-scope review, the bank's performance in the MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is excellent. Refer to Table 14 in the state of Florida section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

#### MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL)/Broward County

*Investment performance in the Broward County AA is excellent.*

During the Evaluation Period, the bank reflects nine qualified investments totaling \$3 million in the Broward County MD. Virtually all investment dollars are related to MBSs purchased in August 2008 for \$2.978 million. This security is backed by 22 mortgages to low- and moderate-income borrowers in Broward County. MBSs are important because they provide needed liquidity to lending institutions so that additional mortgages can be funded, and they meet the identified need for affordable housing financing for low- and moderate-income families. The remaining eight investments constitute grants to organizations whose primary focus meets one of definitions of community development.

In addition, Broward County benefited from approximately 52 percent of the MSA MBS investments discussed below. These investments are noted in the state of Florida Table 14 and benefit all three of the MDs that comprise MSA 33100.

#### MD 33124 (Miami-Miami Beach-Kendall, FL)/Miami-Dade County

*Investment performance in the Miami-Dade County AA is excellent.*

During the Evaluation Period, the bank has 43 qualified investments totaling \$30.8 million in Miami-Dade County. Virtually all investment dollars are related to two LIHTCs purchased during the Evaluation Period. The first LIHTC was purchased in June 2007 for \$10.2 million and the second in January 2009 for \$20 million. LIHTCs help to provide rental housing

affordable to low- and moderate-income persons. The remaining 41 investments constitute grants to organizations whose primary focus meets one of definitions of community development.

In addition, Miami-Dade County benefited from approximately 39 percent of the MSA MBS investments discussed below and detailed in the state of Florida Table 14. These investments benefit all three of the MDs that comprise MSA 33100.

*MD 48424 (West Palm Beach-Boca Raton, FL)/Palm Beach County*

*Investment performance in Palm Beach County is excellent.*

At this examination, the bank had 15 qualified investments totaling \$12 million in Palm Beach County . Of total investment dollars, 56 percent or \$6.7 million represent a LIHTC from the prior period. Prior period investments were originated during previous examination Evaluation Periods and remain on the books of the bank. The housing programs initiated through the LIHTC continue to provide affordable rental housing to low- and moderate-income residents in the county. These investments continue to support identified needs in the MD and have an ongoing, positive impact.

During the current Evaluation Period (August 2008), the bank purchased two MBSs totaling \$5.2 million. These securities are backed by 35 mortgages to low- and moderate-income borrowers in Palm Beach County. Mortgage-backed securities are important because they provide needed liquidity to lending institutions so that additional mortgages can be funded, and they meet the identified need for affordable housing financing for low- and moderate-income families. The remaining 12 investments constitute grants to organizations whose primary focus meets one of definitions of community development.

In addition, Palm Beach County benefited from approximately 10 percent of the MSA mortgage backed security investments discussed below. These investments are noted in the state of Florida Table 14 and benefit all three of the MDs that comprise MSA 33100.

In addition to the investments shown on Table 14, the bank has a qualified investment in a regional private equity real estate fund that serves the Southeast Region of Florida. The fund acquires and improves shopping centers in low- and moderate-income geographies thus revitalizing and stabilizing the area and providing additional jobs. The fund has the potential to benefit one or more of the bank's AAs and several of its current projects are within the bank's AA. In February 2008, the bank committed \$5 million to this investment and funded \$1.3 million. This qualified investment is given positive consideration in reaching a conclusion regarding the bank's investment performance in Florida.

NTNA also made a qualified investment of \$2.1 million in March 2007 in a Low Income Housing Tax Credit (LIHTC) in Polk County Florida, which is outside the bank's Florida AAs and has no potential benefit. LIHTCs help to provide rental housing, affordable to low- and moderate-income persons. This investment receives positive consideration in reaching a conclusion regarding the bank's investment performance in Florida because the bank's investment performance in its Florida MDs is more than adequate.

Finally, two of the bank's mortgage-backed securities (MBSs), for which the collateral is a pool of 39 mortgage loans to low- and moderate-income borrowers, is backed by mortgages on properties located in all three of the MDs that comprise the bank's overall full-scope MSA AA. These investments are presented in Table 14 under MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL). The two qualified investments, made in July and August 2008, total \$5.5 million. The impact of the MSA investment is taken into consideration when reaching conclusions about performance in each of the MDs.

Overall, the bank's community development investments address identified critical needs for affordable housing. Investments are not considered innovative or complex for a bank of this size. Private investors routinely provide these types of qualified investments. For a discussion of investment opportunities, see the Market Profile in Appendix C.

### Statewide Investments

The bank has six investments in organizations whose activities benefit the entire state of Florida, including the bank's MDs. Three investments are prior period investments. Prior period investments were originated during previous examination evaluation periods and remain on the books of the bank. These investments continue to support identified needs in the MD and have an ongoing, positive impact.

Two prior period investments, totaling \$1 million, are equity investments made by the bank's holding company in the Florida Community Loan Fund. The Fund is a certified community development financial institution (CDFI) whose primary mission continues to be the provision of loans on affordable terms and technical assistance to meet affordable housing needs in Florida's low-income communities. The other prior period investment is a \$10 thousand equity investment in First Housing Development Corporation of Florida (FHDCF). The investment, made by the bank's holding company, represents 728 shares of stock. FHDCF is an affordable housing lender owned by its member banks that continues to stimulate development and/or rehabilitation of multi-family housing for low-and moderate-income persons in Florida.

Three statewide investments were made during the current Evaluation Period. In September 2008, an additional investment of \$1 million was made in the Florida Community Loan Fund. The remaining two current period investments represent grants to the two organizations discussed here. Statewide investments are given positive consideration in reaching the overall rating for the Investment Test.

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

Based on limited-scope reviews, the bank's performance under the Investment Test in MSA 42260 (Sarasota-Bradenton-Venice, FL) and MSA 45300 (Hillsborough & Pinellas Counties only) is not inconsistent with the bank's overall "Outstanding" performance under the Investment Test in the state. In MSA 15980 (Cape Coral-Fort Myers, FL), MSA 34940 (Naples-Marco Island, FL), MSA 38940 (Martin County Only), and MSA 42680 (Sebastian-Vero Beach, FL), bank performance is weaker than the bank's overall performance in the state, because of lower volumes of investments.

Performance in the limited-scope assessment areas is taken into consideration, but it does not impact the overall conclusion. The AAs that had weaker performance represent less than 20 percent of the bank's presence in the state of Florida. Refer to the Table 14 in the state of Florida section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

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

*The bank's performance under the Service Test in Florida is rated "High Satisfactory."* Based on a full-scope review, the bank's performance in the overall MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is good. Performance in each MD (Broward, Miami-Dade, and Palm Beach County) is good.

### **Retail Banking Services**

The bank's retail service delivery systems are good and are accessible to geographies and individuals of different income levels. Refer to Table 15 in the state of Florida 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. Within the overall full-scope MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA, the bank operates 13 branches, three in Broward County, six in Miami-Dade County, and four in Palm Beach County. None of these locations is in a low- or moderate-income geography. However, based on 2000 Census data, one branch in the Miami-Dade MD is located adjacent to or near low- or moderate-income geographies. Also, the bank's lending activity showed that it served geographies and individuals of all income levels. As discussed in the Lending Test Section, the bank has a good dispersion of home mortgage loans to both low- and moderate-income geographies and low- and moderate-income borrowers, primarily through its network of partnerships with CD organizations. This had a significant positive impact on our conclusion of the retail delivery systems. The bank did not open or close any branches in the overall full-scope MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA during the Evaluation Period, so that element was not considered in our evaluation.

NTNA offers various alternative systems for delivering retail banking services throughout its full-scope AA. Two branches, one in Broward County and one in Miami-Dade, have ATMs and the bank is a member of the major ATM networks allowing customers access to their accounts at any participating ATM. The bank also offers telephone and on-line banking, direct deposit, and bank-by-mail services. Because no data was available concerning the effectiveness of the alternative delivery systems to low- and moderate-income geographies or individuals, we did not place significant weight on those systems in the overall Service Test conclusion.

Products, services, and business hours are adequate to meet the stated business objectives of the institution and do not vary from one location to another.

### **Community Development Services**

The bank's provision of CD services in the full-scope MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL) AA is good. NTNA provides a relatively high level of community development services through out the full-scope AA that are responsive to AA needs, particularly those related to affordable housing. The provision of CD services is good in the Broward, Miami-Dade, and Palm Beach County portions of the full-scope AA.

In addition, a senior officer of the bank provides technical assistance on financial matters to two statewide affordable housing organizations that help meet affordable housing needs in the bank's AA by serving on the board of directors and multiple committees including the loan, audit, and executive committees. During the evaluation period, this officer provided 260 hours of CD service to these organizations. Positive consideration was given to these activities in evaluating the bank's CD service performance.

MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL)/Broward County

A good level of services was provided in the MD during the evaluation period, which included seven different bank representatives providing technical assistance on financial matters to 15 different organizations whose mission meets the definition of CD. During the evaluation period, 800 hours of CD service time was provided to these organizations that primarily serve community service and affordable housing needs. Notable examples include:

**Broward Affordable Housing Task Force:** A bank representative serves on the board of directors and on the finance committee of this non-profit organization that advocates for affordable housing through a partnership of both the public and private sectors.

**Covenant House Inc.:** A bank representative serves on the board of directors and the finance committee of this community service organization that provides basic shelter and social services to the homeless.

MD 33124 (Miami-Miami Beach-Kendall, FL)/Miami-Dade County

A good level of services was provided in the MD during the evaluation period, which included 22 different bank representatives providing technical assistance on financial matters to 19 different organizations whose mission meets the definition of CD. Overall, 1,200 hours of CD service time was provided to these organizations, the majority of which meet affordable housing needs. Notable examples include:

**Camillus House:** A bank representative is on the board of directors of this community organization that provides housing and social services, including health care, to the homeless, a growing need in the county.

**Miami Habitat for Humanity:** Six bank representatives help conduct financial literacy and home buyer education programs at this non-profit organization whose primary mission is providing owner-occupied housing that is affordable to low- and moderate-income families.

MD 48424 (West Palm Beach-Boca Raton, FL)/Palm Beach County

A good level of services was provided in the MD during the evaluation period, which included eight different bank representatives providing technical assistance on financial matters to eight different organizations whose mission meets the definition of CD. Overall, 1,000 hours of CD service time was provided to these organizations, the majority of which meet community service needs in the county. Notable examples include:

**Commission on Affordable Housing:** A bank representative serves as a financial counselor for low- and moderate-income first time homebuyers who are receiving subsidies under the commission's program.

**Community Child Care Center:** A bank representative serves on the finance committee of this organization that provides pre-school education and child care services to children of low-income parents.

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

Based on limited-scope reviews, the bank's performance under the Service Test in MSA 15980 (Cape Coral-Fort Myers, FL) and MSA 45300 (Hillsborough & Pinellas Counties, FL only) is stronger than the bank's overall "*High Satisfactory*" performance in the state due to excellent branch distribution. Performance under the Service Test in MSA 34940 (Naples-Marco Island, FL), MSA 38940 (Martin County, FL only), MSA 42260 (Sarasota-Bradenton-Venice, FL), and MSA 42680 (Sebastian-Vero Beach, FL) is not inconsistent with the bank's overall "High Satisfactory" performance.

The bank's performance in the limited-scope AAs was taken into consideration, but did not impact, negatively or positively, the overall Service Test conclusion. Refer to Table 15 in the state of Florida section of Appendix D for the facts and data that support these conclusions.

## State Rating

### State of Texas

**CRA Rating for Texas:** “Satisfactory”

**The Lending Test is rated:** “High Satisfactory”

**The Investment Test is rated:** “Outstanding”

**The Service Test is rated:** “High Satisfactory”

The major factors that support this rating include:

- Lending activity reflects good responsiveness to the credit needs of the bank’s assessment area.
- Good geographic distribution of loans and good distribution of loans among borrowers of different income levels and businesses of different sizes.
- Excellent level of qualified investments that are responsive to assessment area needs.
- Service delivery systems are accessible to geographies and individuals of different income levels.
- Adequate level of community development services.

### Description of Institution’s Operations in Texas

The state of Texas represents the second largest market for the bank. Originally chartered as Northern Trust Bank of Texas, N.A., the bank merged its operations into the Florida bank beginning in August 2006 and changed the name of the bank to Northern Trust, N.A. (NTNA).

The bank has three AAs in Texas consisting of Metropolitan Division (MD) 19124 (Dallas-Plano-Irving, TX), portions of MSA 12420 (Austin-Round Rock, TX) and portions of MSA 26420 (Houston-Sugarland, TX). The bank operates eight branches in Dallas, Montgomery, and Travis Counties. These branches represent 16 percent of the overall bank’s deposits and eight percent of the loans analyzed at this examination. Within the state of Texas, NTNA has a deposit market share 0.6 percent as of June 30, 2008, with Dallas County reporting the most deposits.

The bank is not a traditional retail focused institution marketing a wide variety of deposit and loan products through a large network of branch facilities. In Texas, as in the other states where it operates, NTNA’s business strategy focuses primarily on trust administration and private banking services. The bank’s customer base is generally comprised of trust customers and banking businesses, both of which are developed through cross selling to and referrals from existing customers. To meet its CRA obligations the bank has established a well defined



CRA strategy. To meet lending needs within its AAs, the bank has developed an affordable Home Ownership Loan Product that it markets through relationships established with local community organizations. The bank also purchases loans from these organizations. Emphasis is also placed on Community Development (CD) loans and investments as well as CD services, which can be delivered without the benefit of an extensive retail branch network.

Refer to the Market Profiles for the State of Texas in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## Scope of Evaluation in Texas

The bank has three AAs in Texas. Metropolitan Division (MD) 19124 (Dallas-Plano-Irving, TX), hereafter referred to as Dallas County, was selected for a full-scope review. In Texas, MD 19124 represents 60 percent of the bank's deposits and 43 percent of loan activity evaluated at this examination. The remaining two AA's include portions of MSA 12420 (Austin-Round Rock, TX) and portions of MSA 26420 (Houston-Sugarland, TX) which both received limited-scope reviews.

Our ratings are based primarily on conclusions reached in the evaluation of the bank's performance in the full-scope AA. Refer to Appendix A for additional information regarding the bank's AAs receiving full- and limited-scope reviews.

Under the Lending Test, we placed somewhat more weight on home mortgage lending. Home mortgage lending represents 75 percent of total lending activity, and it is the focus of the bank's CRA strategy. Regarding home mortgage lending, significantly more weight was given to home purchase loans, which represent 87 percent of mortgage lending activity. Home improvement, home refinance, and multi-family housing loans were not meaningful to overall performance due to low activity levels and no analysis was conducted. Also, the bank's market share of home mortgage loans and small loans to businesses is not significant enough to perform a meaningful analysis. As a result, we did not consider market share data in evaluating the bank's geographic and borrower distribution of loans.

As part of our evaluation of the bank's CRA performance we contacted two community based organizations in order to determine the area's economic conditions as well as general banking and credit needs. Both organizations deal primarily with affordable housing for low- and moderate-income individuals and the revitalization and stabilization of low-income neighborhoods. The contacts agreed that affordable housing for low-and moderate-income individuals is in short supply and that demand is rising as the foreclosure crisis escalates. The cost to rehabilitate homes often exceeds the homes' resale value. Flexible loan terms that provide long-term financing of rehabilitation costs and financing for home purchases are critical credit needs. Also, credit education for lower income families is important to the success of new and prospective low-income homebuyers. Banks can provide assistance through financial assistance programs and volunteer help for educational programs. Other credit needs identified include small business financing programs. The need for affordable housing and small business related credit, investments and services was considered in our evaluation performance in Dallas County under the Lending, Investment and Service Tests.

Refer to the Market Profiles for the State of Texas in Appendix C for detailed demographics and other performance context information for the AA that received full-scope review.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

*The bank's performance under the Lending Test in Texas is rated "High Satisfactory."* Based on a full-scope review, the bank's performance in Dallas County is good.

### Lending Activity

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

*The bank's lending activity in the state of Texas is good, given the performance context.* Overall, the bank's lending activity in the full-scope review of Dallas County is good., given the performance context. Lending activity is good for home purchase and small loans to businesses., given performance context.

Considering performance context, home mortgage lending activity is good. NTNA's market share and rank for home mortgage loans is significantly lower than its deposit market share and rank, however, this performance is good when consideration is given to several performance context factors. NTNA is not a traditional retail focused institution, and it does not actively market a variety of home mortgage products as do other lenders. The CRA strategy focuses on home purchase loans, and to a much lesser extent home improvement and refinance loans. In low- and moderate-income geographies and to low- and moderate-income borrowers, the bank attains success through its Neighborhood Home Ownership Loan product (NHOL). This product represents the majority of the bank's home purchase loans. Refinance loans under the NHOL product are limited to loans for home improvement purposes. Also, as a portfolio lender, the bank has the ability to modify rates of its existing home mortgage loans without refinancing the mortgage, further limiting the volume of such loans. Home mortgage loans, other than NHOLs, are generally extended as an adjunct to the bank's overall wealth management and trust strategy. This business strategy makes it very difficult for the bank's deposit and loan market shares to be comparable.

In addition, Dallas County is highly competitive with a large number of lenders reporting home mortgage loan lending activity. These lenders include many non-bank lenders that do not take deposits in the AA as well as large banks with a nationwide presence that offer a wide variety of home mortgage loan products. For a further discussion on the NOHL product, please see the Product Innovation and Flexibility section of the Lending Test.

FDIC data as of June 30, 2007 shows that NTNA had a deposit market share of 0.64 percent and was ranked 20<sup>th</sup> among 104 financial institutions reporting deposits in Dallas County. Deposit market share is dominated by Bank of America, N.A. and JP Morgan Chase Bank, N.A. who rank 1<sup>st</sup> and 2<sup>nd</sup> respectively and have a combined deposit market share of 60 percent.

For home purchase loans, NTNA's market share (by number), based on aggregate data from 2007 (the most recent data available) is 0.14 percent and the bank is ranked 89<sup>th</sup> out of 529 lenders reporting such loans in Dallas County. The top ten lenders represent 53 percent of overall market share for the AA.

Market share and rank for home purchase loans in low-and moderate-income geographies, the bank's CRA target market, are higher. For home purchase loans in low-income geographies, the bank has a 0.57 percent market share and is ranked 34<sup>th</sup>. In moderate-income geographies the bank's market share is 0.25 and is ranked 60<sup>th</sup>.

Given the performance context, lending activity for small loans to businesses is good even though the bank's market share and rank of small loans to businesses is somewhat lower than its deposit market share and rank.

Performance context issues affecting home mortgage loan performance also impact the bank's market share and rank for small loans to businesses. The bank does not have a small business lending program nor does it offer a special small loan product for businesses as part of its CRA strategy. Loans are originated through branch locations and are primarily made to service professionals and the companies of existing banking and trust clients.

Based on 2007 aggregate data (the most recent that is available), the bank's market share for small loans to businesses is 0.37 percent (based on dollar volume) and the bank is ranked 40<sup>th</sup> among 70 lenders reporting such loans. Market share and rank are based on the dollar volume of loans rather than the number of loans because of the inclusion of credit card lenders in the reporting. Credit card lenders originated a large number of loans, but the dollar volume is significantly smaller. For example, the top five reporters of small loans to businesses are all credit card lenders which have a combined market share of 71 percent (based on the number of loans), but they have a 20 percent market share in dollar volume. Therefore, a comparison based on dollar volume of loans is more meaningful.

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

*The bank's geographic distribution of loans in Texas is good.* The geographic distribution of loans in Dallas County is good. The geographic distribution of home mortgage loans is excellent and the geographic distribution of small loans to businesses is good.

### ***Home Mortgage Loans***

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

*The geographic distribution of home mortgage loans in Dallas County is excellent.* The percentage of home purchase loans in low-income geographies significantly exceeds the percentage of owner-occupied housing units. The percentage of home purchase loans in moderate-income geographies exceeds the percentage of owner-occupied housing units.

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

Refer to Table 6 in the state of Texas 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.

*NTNA's geographic distribution of small loans to businesses in Dallas County is good. The percentage of small loans to businesses in low-income geographies is lower, and in moderate-income geographies exceeds the percentage of businesses within those geographies.*

### ***Lending Gap Analysis***

NTNA's reports detailing lending activity over the evaluation period for home mortgage loans and small loans to businesses were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

### ***Inside/Outside Ratio***

This portion of the evaluation is performed at the bank level rather than the state or AA level. A substantial majority of home mortgage and small loans to businesses originated/purchased by NTNA over the evaluation period were within its combined AAs. Overall, 89 percent of loans by number and 83 percent by dollar amount were inside the bank's combined AAs. By product, 87 percent of home purchase loans by number and 81 percent by dollar were inside the combined AAs and 85 percent of refinance loans by number and 78 percent by dollar amount were inside the combined AAs. For small loans to businesses, 94 percent by number and 93 percent by dollar amount were inside the bank's combined AAs. This performance was positively factored into the overall analysis of the distribution of loans by income level of the geography.

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

*The bank's distribution of loans by income level of the borrower in Texas is good. The distribution of loans by income level of the borrower in Dallas County is good. The borrower distribution of home mortgage loans is good, and the borrower distribution of small loans to businesses is adequate.*

### ***Home Mortgage Loans***

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

*The bank's distribution of home mortgage loans is good among borrowers of different income levels located in Dallas County. The percentage of the bank's home purchase loans to low-income borrowers exceeds the percentage of low-income families. The percentage of home*

purchase loans to moderate-income borrowers is somewhat lower than the percentage of moderate-income families.

### **Small Loans to Businesses**

Refer to Table 11 in the state of Texas 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 small loans to businesses is adequate, given performance context.* The portion of small loans to small businesses (businesses with revenues of \$1 million or less) is lower than the portion of businesses defined as such. Considering NTNA does not have a small business banking unit, does not offer Small Business Administration loans, and generally extends business loans of any size as an adjunct to its overall wealth management business strategy, this distribution is adequate. A majority of small loans to businesses (65 percent) are for amounts of \$250 thousand or less.

### **Community Development Lending**

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

CD lending in the state of Texas has a neutral impact on the overall Lending Test. The bank's CD lending in Dallas County has a neutral impact on overall Lending Test conclusions. The level of CD loans originated during the Evaluation Period is insufficient to positively impact the overall Lending Test rating.

During the evaluation period, NTNA originated seven CD loans totaling \$2.7 million in Dallas County. NTNA originated six loans totaling \$2.2 million to support nonprofit organizations whose purpose is to provide affordable housing to low-and moderate-income families. The loan proceeds were used to fund operations and construction costs associated with acquiring and building affordable homes. The need for affordable housing has been recognized as a community credit need in the AA. In addition, a loan for \$500 thousand was originated to a nonprofit organization whose purpose is to redevelop distressed low-income areas in Dallas County. Proceeds were used to fund the purchase of property that will be developed into a community wellness center specializing in preventative medicine and recovery from work-related injuries and accidents.

### **Product Innovation and Flexibility**

The bank makes good use of flexible mortgage programs to help meet the credit needs of Dallas County. NTNA's use of these flexible programs has a positive impact on conclusions under the Lending Test.

Throughout Dallas County, NTNA offers the Neighborhood Home Ownership Loan product. This flexible, fixed rate product is available for home purchase loans or for cash-out refinance

loans for home improvement purposes. Applicants must be low-or moderate-income or the property must be located in a low- or moderate-income geography. There are no points, application fees, or requirements for private mortgage insurance even though the maximum loan-to value ratio is 97 percent. There is also a modest \$1,000 closing cost credit associated with the product.

During the evaluation period, NTNA originated 33 Neighborhood Home Ownership Loans totaling \$2.3 million in Dallas County. Loans originated under this program are included with the bank's home purchase loans that were analyzed under other portions of the Lending Test.

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

Based on a limited-scope review, the bank's performance under the Lending Test in the Austin-Round Rock MSA is not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test in the state. In the Houston Sugarland MSA, bank performance is weaker than the bank's overall "High Satisfactory" performance in the state. Refer to the tables in the state of Texas section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

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

*The bank's performance under the Investment Test in Texas is rated "Outstanding."* Based on a full-scope review, the bank's performance in Dallas County is excellent.

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

Overall, the bank's CD investments are responsive to needs of the AA, primarily addressing affordable housing. Affordable housing needs are considered critical throughout the AA. Investments are not considered innovative or complex for a bank this size. Private investors routinely provide these types of qualified investments. However, the market for Low Income Housing Tax Credits (LIHTCs) has dropped considerably within the Evaluation Period. Refer to the Market Profile for the state of Texas in Appendix C for additional information on CD needs and opportunities.

Qualifying investments are comprised of LIHTC and donations that have a positive impact on the community as they meet the most pressing identified need in Dallas County. During the Evaluation Period, the bank purchased one LIHTC in the amount of \$4.9 million in Dallas County. In addition, the bank holds nine other LIHTCs totaling \$10.8 million that were funded in the prior Evaluation Period and remain on the books of the bank. LIHTCs are important because they help provide affordable rental housing to low-and moderate-income persons. Also, the bank made six donations totaling \$15 thousand to various CD organizations whose mission meets one of the definitions of CD.

#### Statewide Investments

In addition to investments in the full-scope AA, the bank has 11 investments in organizations whose activities benefit the entire state of Texas, including the bank's AA. Nine investments are prior period investments. Prior period investments were originated during previous examination Evaluation Periods and remain on the books of the bank. These investments continue to support identified needs.

During this Evaluation Period, an equity investment of \$500 thousand was made in the Texas Mezzanine Fund. The Fund is certified statewide community development financial institution (CDFI) that provides financing for businesses located in distressed areas, minority-owned businesses, and small businesses that create jobs for low- and moderate-income persons. During a prior Evaluation Period an equity investment was made in the North Texas Opportunity Fund LP, which has an identical strategy as the previously discussed fund. At this examination, \$284 thousand remains outstanding. There are also eight LIHTCs with a book value of \$1.9 million remaining on the books of the bank from prior Evaluation Periods.

Also during this Evaluation Period, NTNA committed to invest \$1 million dollars in Lone Star CRA Fund, LLC, and another state-wide entity. This equity investment provides funds to Texas businesses that are located in, or willing to move to, a low-income geography. By doing so, job opportunities are created for low-and moderate-income persons in Texas. At the conclusion of the Evaluation Period, the bank had not yet provided any funds to this investment.

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

Based on limited-scope reviews, the bank's performance under the Investment Test in the Houston-Sugarland and Austin-Round Rock MSAs is not inconsistent with the bank's overall "Outstanding" performance under the Investment Test in the state. Refer to the Tables 14 in the state of Texas section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

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

*The bank's performance under the Service Test is rated "High Satisfactory."* Based on a full-scope review, the bank's performance in Dallas County is good.

### **Retail Banking Services**

The bank's retail service delivery systems are good and are accessible to geographies and individuals of different income levels. Refer to Table 15 in the state of Texas section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Within Dallas County, the bank operates four branches, none of which are located in a low-or moderate-income geography. The bank does, however, have an ATM that is a freestanding cash-dispensing machine, located in a low-income geography. Also, the bank's lending activity showed that it served geographies and individuals of all income levels. As discussed in the Lending Test Section, the bank has an excellent dispersion of home mortgage loans in low- and moderate-income geographies and a good dispersion of home mortgage loans to

low- and moderate-income borrowers, primarily through its network of partnerships with CD organizations. This had a significant positive impact on our conclusion of the retail delivery systems. The bank did not open or close any branches in the full-scope AA during the evaluation period, so that element was not considered in our evaluation.

NTNA offers various alternative systems for delivering retail banking services throughout the full-scope AA. The bank has five ATMs in the AA, which are accessible to customers and non-customers. The bank also offers telephone and on-line banking, direct deposit, and bank-by-mail services. Because no data was available concerning the effectiveness of the alternative delivery systems to low- and moderate-income geographies or individuals, we did not place significant weight on those systems in the overall Service Test conclusions.

Products, services, and business hours are adequate to meet the stated business objectives of the institution and do not vary from one location to another.

## **Community Development Services**

*NTNA provided an adequate level of CD services in Dallas County.* During the Evaluation Period, the bank provided services to 17 CD organizations and employees provided 941 hours in directorship and technical assistance. The types of services provided are not innovative in nature, but primarily address the identified credit needs of the community. CD services provided to qualified community development organizations during this evaluation period include:

- NTNA employees serve as board members, treasurers, financial counseling, instructors or members of 13 organizations that provide affordable housing or community development services to low-and moderate-income individuals; and,
- NTNA employees serve as board members and members of loan committees for three organizations that provide economic development by providing small business loans that help stabilize or revitalize low- or moderate-income geographies.

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

Based on limited-scope reviews, the bank's performance under the Service Test in the Houston-Sugarland and Austin-Round Rock AAs is not inconsistent with the bank's overall "*High Satisfactory*" performance in the state. Refer to Table 15 in the state of Texas section of Appendix D for the facts and data that support these conclusions.



## State Rating

### State of Arizona

**CRA Rating for Arizona: “Satisfactory”**

**The Lending Test is rated: “High Satisfactory”**

**The Investment Test is rated: “Outstanding”**

**The Service Test is rated: “High Satisfactory”**

The major factors that support this rating include:

- Overall lending activity that reflects good responsiveness to the credit needs of the AA.
- Good geographic distribution of loans and excellent distribution of loans among borrowers of different income levels and adequate distribution of loans to businesses of different sizes.
- Excellent level of qualified investments that are responsive to credit and community development needs of the AAs.
- Service delivery systems are accessible to geographies and individuals of different income levels.
- Adequate level of community development services.

### Description of Institution’s Operations in Arizona

Originally chartered as Northern Trust Bank of Arizona, the bank merged its operations from Arizona and Colorado into the Florida bank and changed its name to Northern Trust, N.A. (NTNA). At the time of its last CRA examination (August 2004), Arizona and Colorado operations were held under a single charter, which was examined for CRA purposes under a strategic plan.

The bank operates 12 branches and nine ATMs in Arizona. These branches represent 12 percent of the bank’s total deposits as of June 30, 2008 and 11 percent of loans analyzed at this examination. Within the state of Arizona, NTNA has a deposit market share of 1.1 percent as of June 30, 2008, with Maricopa County reporting the most deposits.

The bank is not a traditional retail focused institution marketing a wide variety of deposit and loan products through a large network of branch facilities. In Arizona, as in the other states where it operates, NTNA’s business strategy focuses primarily on trust administration and private banking services. The bank’s customer base is generally comprised of trust customers and banking businesses, both of which are developed through cross selling to and referrals

from existing customers. To meet its CRA obligations the bank has established a well defined CRA strategy. To meet lending needs within its AAs the bank has developed an affordable Home Ownership Loan Product that it markets through relationships established with local community organizations. The bank also purchases loans from these organizations and recently began directly funding loans at closing for some community organizations. Emphasis is also placed on CD loans and investments as well as CD services, which can be delivered without the benefit of an extensive retail branch network.

Refer to the Market Profiles for the State of Arizona in Appendix C for detailed demographics and other performance context information for the Maricopa County assessment area that received a full-scope review.

## **Scope of Evaluation in Arizona**

The bank has two assessment areas (AAs) in Arizona. We selected the Phoenix-Mesa-Scottsdale MSA (MSA 38060) AA, hereafter referred to as Maricopa County for a full-scope review. The Tucson MSA (MSA 46060) AA received a limited-scope review.

In Arizona, Maricopa County represents 83 percent of the bank's total deposits and 73 percent of the loan activity evaluated at this examination. Our rating is based primarily on conclusions reached in evaluation of performance in the full-scope AA.

Under the Lending Test, we placed somewhat more weight on home mortgage lending. Home mortgage lending represents 60 percent of lending activity evaluated and is the focus of the bank's CRA strategy. Regarding home mortgage lending, somewhat more weight was given home purchase loans, which represent 56 percent of mortgage lending activity and is the focus of the bank's strategy. Home improvement loans and multi-family housing loans were not meaningful to overall performance due to low activity levels, and no analysis was conducted. Also, the bank's market share of home mortgage loans and loans to small businesses is not significant enough to perform a meaningful analysis. As a result, we did not consider market share data in evaluating the bank's geographic and borrower distribution of loans.

As part of our evaluation of the bank's CRA performance, we contacted two community based organizations to determine the area's economic conditions as well as general banking and CD needs. Both organizations deal primarily with affordable housing for low- and moderate-income individuals. They indicated that providing special home mortgage lending programs for low- and moderate-income borrowers is a primary and continuing credit need.

## **LENDING TEST**

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

*The bank's performance under the lending test in Arizona is rated "High Satisfactory. Based on a full-scope review, the bank's performance in the Maricopa County AA is good.*

## 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.

*Overall lending activity in Maricopa County is good, given performance context.* Lending activity is good for both home mortgage loans and small loans to businesses, given performance context.

NTNA's market share and rank for home mortgage loans is somewhat lower than its deposit market share and rank. The bank's performance is good when consideration is given to several performance context factors. NTNA is not a traditional retail focused institution and it does not actively market a variety of home mortgage products as do other lenders in the AA. The bank's CRA strategy focuses on home purchase loans, and to a lesser extent refinance loans, in low- and moderate-income geographies and to low- and moderate-income borrowers through its Neighborhood Home Ownership Loan product (NHOL). This product represents the majority of the bank's home purchase loans. Refinance loans under the NHOL product are limited to loans for home improvement purposes. Also, as a portfolio lender, the bank has the ability to modify rates of its existing home mortgage loans without refinancing the mortgage, further limiting the volume of such loans. Home mortgage loans other than NHOLs are generally extended as an adjunct to the bank's overall wealth management and trust business strategy. This overall strategy makes it very difficult for the bank's deposit and loan market shares to be comparable.

In addition, the AA is highly competitive with a large number of lenders reporting home mortgage loan lending activity. These lenders include multiple non-bank lenders that do not take deposits in the AA as well as large banks with a nationwide presence that offer a wide variety of home mortgage loan products. For further discussion on performance context issues, please see the Market Profile in Appendix C. For further discussion on the Neighborhood Home Ownership Loan product please see the Product Innovation and Flexibility section of the Lending Test.

FDIC data from June 30, 2007 shows that NTNA had a deposit market share of 1.06 percent and was ranked 12<sup>th</sup> among 77 financial institutions reporting deposits in the Maricopa County AA. Deposit market share is dominated by JP Morgan Chase and Bank of America, who rank 1<sup>st</sup> and 2<sup>nd</sup> respectively and have a combined market share of 45 percent.

For home purchase loans, NTNA's market share (by number) based on aggregate data from 2007 (the most recent data available) is .05 percent and the bank is ranked 164<sup>th</sup> of 777 lenders reporting such loans in the AA. For refinance loans, the bank has a market share of .03 percent (by number) and is ranked 202<sup>nd</sup> of 770 lenders reporting such loans in the AA. For both home mortgage products the top 20 lenders represent the majority of the market share. For home purchase loans, the top 20 lenders represent 58 percent of all loans reported and for home refinance loans they represent 57 percent of loans reported.

Performance context issues described in the discussion of home mortgage loans also impact the bank's market share and rank for small loans to businesses. The bank does not offer a small business lending program nor does it offer a special loan product for businesses as part

of its CRA program. Loans are originated through branch locations and are primarily made to service professionals and the companies of existing banking and trust clients.

Based on 2007 aggregate data (the most recent that is available), the bank's market share of small loans to businesses is .81 percent (based on dollar volume) and the bank is ranked 21<sup>st</sup> among 224 lenders reporting such loans in the AA. Market share is based on the dollar volume of loans rather than number of loans because of the inclusion of credit card lenders in the reporting. Credit card lenders originate a large number of loans, but the dollar volume is significantly smaller. For example, the top six reporters of small loans to businesses are all credit card lenders that combined have a market share of 77 percent based on number of loans, but only 44 percent based on dollar volume. Therefore, a comparison based on dollar volume of loans is more meaningful.

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

*The bank's geographic distribution of loans in Arizona is good.* The geographic distribution of home mortgage loans is good and the geographic distribution of small loans to businesses is excellent. Overall, the bank's geographic distribution of loans in the full-scope MSA 38060 (Phoenix-Mesa-Scottsdale, AZ) AA is good.

### ***Home Mortgage Loans***

Refer to Tables 2 and 4 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.

The geographic distribution of home mortgage loans in Maricopa County is good, given performance context. The geographic distribution of home purchase and home refinance loans is good. The percentage of home purchase loans in low-income geographies is lower than the percentage of owner-occupied housing units in those geographies, but is considered adequate given the low number of owner-occupied units in those geographies. The percentage of home purchase loans in moderate-income geographies exceeds the percentage of owner-occupied units in those geographies.

For refinance loans, the percentage of loans in low-income geographies exceeds the percentage of owner-occupied units in those geographies, and in moderate-income geographies the percentage of loans is somewhat lower than the percentage of units.

### ***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 the bank's small loans to businesses in Maricopa County is excellent.* The percentage of small loans to businesses in low-income geographies exceeds

the percentage of businesses and the percentage of small loans to businesses in moderate-income geographies is near to the percentage of businesses.

### ***Lending Gap Analysis***

NTNA's reports detailing lending activity over the Evaluation Period for home mortgage loans and small loans to businesses were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

### ***Inside/Outside Ratio***

This portion of the evaluation is performed at the bank level rather than the state or AA level. A substantial majority of home mortgage and small loans to businesses originated/purchased by NTNA over the Evaluation Period were within its combined AAs. Overall 89 percent of loans by number and 83 percent by dollar amount were inside the bank's combined AAs. By product, 87 percent of home purchase loans by number and 81 percent by dollar were inside the combined AAs and 85 percent of refinance loans by number and dollar amount were inside the bank's combined AAs. This performance was positively factored into the overall analysis of the distribution of loans by income level of the geography.

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

*The bank's distribution of loans by income level of the borrower in Arizona is good. The distribution of home mortgage loans by the income level of the borrower in Maricopa County is excellent and the distribution of small loans to businesses is adequate.*

### ***Home Mortgage Loans***

Refer to Tables 8 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.

*The bank's distribution of home mortgage loans is excellent among borrowers of different income levels in the Maricopa County AA. The bank's distribution of home purchase loans to low- and moderate-income borrowers is excellent. The bank's distribution of home refinance loans to low-income borrowers is somewhat lower than the percentage of low-income families, and the percentage of home refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families.*

### ***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 borrower distribution of small loans to businesses is adequate, given performance context.* The percentage of small loans to businesses (businesses with revenues of \$1 million or less) is lower than the percentage of small businesses located in the Maricopa County AA. This performance is considered adequate as NTNA does not have a small business banking unit, does not offer Small Business Administration loans, and generally extends business loans of any size as an adjunct to its overall wealth management business strategy, this distribution is adequate. A majority of total small loans to businesses (55 percent) were for amounts of \$250 thousand or less.

## **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 community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

*The bank's community development lending in the state of Arizona has a neutral impact on the overall Lending Test.* The level of CD lending in Maricopa County has a neutral impact on the Lending Test.

During the Evaluation Period, the bank extended a \$1.5 million working capital line of credit to Habitat for Humanity and a \$250,000 line of credit to Housing Our Communities, a nonprofit organization that provides homebuyer counseling and down payment assistance to individuals wishing to purchase a home. Housing Our Communities also provides payment assistance for the acquisition repair of existing properties for resale to low- and moderate-income, first time, home buyers.

## **Product Innovation and Flexibility**

The bank makes good use of flexible mortgage programs to help meet the credit needs of its AAs. NTNA's use of these flexible programs has a positive impact on conclusions under the Lending Test.

Throughout Maricopa County, NTNA offers the Neighborhood Home Ownership Loan product. This flexible, fixed rate product is available for home purchase loans or for cash-out refinances for home improvement purposes. Applicants must be low- or moderate-income individuals or the property must be located in a low- or moderate-income geography. There are no points, application fees, or requirements for private mortgage insurance even though the maximum loan-to-value ratio is 97 percent. There is also a modest \$1,000 closing cost credit associated with the product.

Loans originated under this program are included with the bank's home purchase loans that were analyzed under other portions of the Lending Test. The bank extended 59 loans in Arizona totaling \$8 million during the Evaluation Period.

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

Based on a limited-scope review, the bank's performance under the Lending Test in MSA 46060 (Tucson, AZ) is not inconsistent with the bank's overall "*High Satisfactory*" performance in the state. Mortgage refinance loan performance is stronger while small loan to business performance is weaker due to corresponding higher and lower percentages of loans in low- and moderate-income geographies.

While performance in the limited-scope AA was considered, it did not negatively or positively impact overall Lending Test conclusions. Refer to the Tables in the state of Arizona section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

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

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

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.

Overall, the bank's CD investments are responsive to needs of the AA, primarily addressing affordable housing. Affordable housing needs are considered critical throughout the AA. Investments are not considered innovative or complex for a bank this size. Private investors routinely provide these types of qualified investments. Availability to and use of Low Income Housing Tax Credits (LIHTCs) has declined during the Evaluation Period. Refer to the Market Profile for the state of Texas in Appendix C for additional information on CD needs and opportunities.

Qualifying investments are comprised of a LIHTC, a bond, and donations that have a positive impact on the community as they meet the most pressing identified need in Maricopa County. During the Evaluation Period, the bank purchased one LIHTC in the amount of \$10.7 million, a \$275,867 GNMA affordable housing bond, and provided seven grants totaling \$25,800.

The bank also made LIHTC investments in the prior period with a current balance of \$8.9 million. Prior period investments were originated during previous examination Evaluation Periods and remain on the books of the bank. The housing programs initiated through the LIHTC continue to provide affordable rental housing to low- and moderate-income residents in the county.

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

Based on the limited-scope review, the bank's performance under the Investment Test in the Tucson MSA is not inconsistent with the bank's overall "*Outstanding*" performance under the Investment Test in Arizona. Refer to the Table 14 in the state of Arizona section of Appendix D for the facts and data that support these conclusions.

Seven investments were made in the Tucson AA during the current review period, including six grants and one mortgage-backed security (MBS) secured by loans to low-income borrowers for a total of \$1 million.

## **SERVICE TEST**

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

*The bank's performance under the Service Test in Arizona is "High Satisfactory".* Based on the full-scope review, the bank's performance in Maricopa County is good.

### **Retail Banking Services**

The bank's retail banking delivery systems are good and are accessible to geographies and individuals of different income levels. 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.

Within Maricopa County, the bank operates nine branches. None are of these branches are in low-income geographies, but one branch is located in a moderate-income geography. Also, the bank's lending activity showed that it served geographies and individuals of all income levels. As discussed in the Lending Test Section, the bank has a good dispersion of home mortgage loans in low- and moderate-income geographies and an excellent dispersion of home mortgage loans to low- and moderate-income borrowers, primarily through its network of partnerships with CD organizations. This had a significant positive impact on our conclusion of the retail delivery systems. The bank did not open or close any banking offices during the Evaluation Period, so that element was not considered in our evaluation.

NTNA offers alternative delivery systems in the form of automated teller machines at all but two of its Arizona branches, which are accessible to customers and non-customers. The bank also offers alternative delivery systems such as telephone and on-line banking, direct deposit and bank-by-mail services. Because there was no data available concerning the effectiveness of the other alternative delivery systems to low- and moderate-income geographies and individuals, we did not place significant weight on those systems in the overall Service Test conclusions.

Products, services, and business hours are adequate to meet the stated business objectives of the institution and do not vary from one location to another.

### **Community Development Services**

The bank's provision of CD services in Maricopa County is adequate. During the Evaluation Period, the bank provided services to 11 CD organizations and employees provided 929 hours primarily in directorship positions. The services provided are not innovative in nature, but address primary credit needs of the community. CD services provided to qualified community development organizations during this Evaluation Period include:



- NTNA employees serve as board members on seven organizations that provide affordable housing or community revitalization services to low- and moderate-income individuals; and
- NTNA employees serve as board members on four organizations that provide community services to low- and moderate-income families.

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

Based on a limited-scope review, the bank's performance under the Service Test in the Tucson AA is not inconsistent with the bank's overall "*High Satisfactory*" performance under the service test in Arizona. Refer to Table 13 in the state of Arizona section of Appendix D for the facts and data that support these conclusions.

## State Rating

### State of California

**CRA Rating for California: “Satisfactory”**

**The Lending Test is rated: “High Satisfactory”**

**The Investment Test is rated: “High Satisfactory”**

**The Service Test is rated: “Low Satisfactory”**

The major factors that support this rating include:

- Lending activity that reflects good responsiveness to the credit needs of the bank’s AAs.
- Good geographic distribution of loans and adequate distribution of loans among borrowers of different income levels.
- Good level of community development loans.
- Good level of qualified investments that are responsive to assessment area needs.
- Good level of community development services.
- Service delivery systems that are reasonably accessible to geographies and individuals of varied income levels.

### Description of Institution’s Operations in California

Originally chartered as Northern Trust Bank of California, the bank merged its operations into the Florida bank and changed its name to Northern Trust, N.A. (NTNA). At the time of its last CRA examination (August 2004), California operations were examined for CRA purposes under a wholesale designation.

The bank operates 12 branches in the southern portion of the state. These branches represent 11 percent of the bank’s total deposits as of June 30, 2008 and six percent of the loans analyzed at this examination. Within the state of California, NTNA has a deposit market share of 0.09 percent as of June 30, 2008.

The bank is not a traditional retail focused institution actively marketing a variety of deposit and loan products through a large network of branch facilities. In California, as in other states where it operates, NTNA’s business strategy focuses primarily on trust administration and private banking services. The bank’s customer base is generally comprised of trust customers and banking businesses, both of which are developed through cross selling to and referrals from existing customers. To meet its CRA obligations, the bank has developed an affordable Home ownership Loan Product that it markets through relationships established with local

community organizations. The bank purchases loans from these organizations and recently began directly funding loans at closing from some community organizations. Emphasis is also placed on CD loans and investments as well as CD services, which can be delivered without benefit of an extensive retail branch network.

Refer to the Market Profiles for the State of California in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## Scope of Evaluation in California

The bank operates in seven AAs in California. We chose three Metropolitan Districts (MDs) for full-scope reviews; they are MD 31084 (Los Angeles-Long Beach-Glendale, CA)/Los Angeles County; MD 41884 (San Francisco-San Mateo-Redwood City, CA)/Marin and San Francisco Counties, and MD 42044 (Santa Ana-Anaheim-Irving, CA)/Orange County for full-scope reviews as loan volume is greatest in these areas. In California, MD 31084 represents 22 percent of the bank's deposits and 30 percent of loan activity evaluated at this examination. The other MDs, 41884 and 42044, represent a combined 38 percent of the state of California deposits and 33 percent of loan activity. The remaining four AAs received a limited-scope review. They include:

- MSA 40140 (Riverside County only)
- All of MSA 41740 (San Diego-Carlsbad-San Marcos)
- MSA 41940 (Santa Clara County only)
- All Of MSA 42060 (Santa Barbara-Santa Maria)

Our ratings are based primarily on conclusions reached in the evaluation of the bank's performance in the full-scope AAs. Overall, CD performance had a positive effect on the banks Lending, Investment, and Service Test ratings. Refer to Appendix A for additional information regarding the AAs receiving full- and limited-scope reviews.

Under the Lending Test, we placed more weight on home mortgage lending. Home mortgage lending represents 76 percent of lending activity evaluated. Regarding home mortgage lending, more weight was given to home purchase loans, which represent 50 percent of mortgage lending activity. Home improvement loans and multi-family housing loans were not meaningful to overall performance due to low activity levels and no analysis was conducted. Also, the bank's market share of home mortgage loans and small loans to businesses is not significant enough to perform a meaningful analysis. As a result, we did not consider market share data in evaluating the bank's geographic and borrower distribution of loans.

As part of our evaluation of the bank's CRA performance, we contacted five community based organizations to determine the area's economic conditions as well as general banking and CD needs. Both organizations deal primarily with affordable housing for low- and moderate-income individuals. They indicated that providing special home mortgage lending programs for low- and moderate-income borrowers is a primary and continuing credit need.

The need for affordable housing related credit, investments and services was considered in our evaluation performance in all full scope AAs under the Lending, Investment and Service Tests. Refer to the Market Profile section in Appendix C for more information.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

*The bank's performance under the Lending Test in California is rated "High Satisfactory."* Based on full-scope reviews, the bank's performance in MD 31084 (Los Angeles-Long Beach-Glendale)/Los Angeles County is rated good and MD 41884 (San Francisco-San Mateo-Redwood City)/San Francisco and Marin Counties and MD 42044 (Santa Ana-Anaheim-Irvine)/Orange County are rated adequate.

### Lending Activity

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

*The bank's lending activity in the state of California is good, given performance context.* Overall, the bank's lending activity in MD 31084 is good and is adequate in MD 41884 and MD 42044, given performance context.

#### MD 31084 (Los Angeles-Long Beach-Glendale)/Los Angeles County

*Overall, lending activity in the MD 31084 is good, given performance context factors.* Lending activity is good for both home mortgage loans and for small loans to businesses, considering performance context.

Given performance context, home mortgage lending activity is good. NTNA's market share and rank for home mortgage loans is lower than its deposit market share and rank, however, this performance is good when consideration is given to several performance factors. NTNA is not a traditional retail focused institution, and it does not actively market a variety of home mortgage products as do other lenders in the MD. The bank's CRA strategy focuses on home purchase loans, and to a much lesser extent refinance loans, in low- and moderate-income geographies and to low-and moderate-income borrowers through its Neighborhood Home Ownership Loan product (NHOL). This product represents the majority of the bank's home purchase loans. Refinance loans under the NHOL product are limited to loans for home improvement purposes. Also, as a portfolio lender, the bank has the ability to modify rates of its existing home mortgage loans without refinancing the mortgage, further limiting the volume of such loans. Home mortgage loans other than NHOLs are generally extended as an adjunct to the bank's overall wealth management and trust business strategy. This type of overall strategy makes it very difficult for the bank's deposit and loan market shares to be comparable.

In addition, the MD is highly competitive with a large number of lenders reporting home mortgage loan lending activity. These lenders include multiple non-bank lenders that do not take deposits in the AA as well as large banks with a nationwide presence that offer a wide variety of home mortgage loan products. For a further discussion on performance context issues, please see the Market Profile in Appendix C. For further discussion on the (NHOL) product please see the Product Innovation and Flexibility section of the Lending Test.

FDIC data as of June 30, 2007 shows that NTNA had a deposit market share of 0.11 percent and was ranked 67<sup>th</sup> among 174 financial institutions reporting deposits in MD 31084. Deposit market share is dominated by Bank of America, Washington Mutual, Wells Fargo, Union Bank of California and Citibank with a combined deposit market share of 52 percent.

Relative to its deposit market rank, NTNA's home mortgage and its small business lending levels are similar. Within MD 31084, the bank ranks 360 among 990 lenders in home mortgages with a 0.01 percent market share, and for small loans to businesses, its market share is less than 0.01 percent. By home mortgage product, NTNA ranks 254 among 745 lenders for home purchase loans with a 0.04 percent market share, and for home refinance loans its market share is less than 0.01 percent.

Given performance context, lending activity for small loans to businesses is good, even though the bank's market share and rank of small loans to businesses is somewhat lower than its deposit market share and rank.

Performance context issues described in the discussion of home purchase loans also impact the bank's market share and rank for small loans to businesses. The bank does not have a small business lending program nor does it offer a special small loan product for businesses as part of its CRA strategy. Loans are originated through branch locations and are primarily made to service professionals and the companies of existing banking and trust clients.

Based on 2007 aggregate data (the most recent that is available), the bank's market share of small loans to businesses is less than .01 percent (based on dollar volume) and the bank is ranked 69 of 213 lenders reporting such loans in the county. Market share and rank are based on the dollar volume of loans rather than number of loans because of the inclusion of credit card lenders in the reporting.

#### MD 41884 (San Francisco-San Mateo-Redwood City)/San Francisco and Marin Counties

*Overall, lending activity in the MD 41884 is good, given the same performance context factors discussed in MD 31084. Considering the insignificant volume of owner-occupied units in low-income geographies, performance in moderate-income geographies carries more weight. Lending activity is good for home mortgage loans, given performance context information. Lending activity for small loans to businesses is adequate considering loans by original amount.*

Considering performance context, home mortgage lending activity is good. NTNA's market share and rank for home mortgage loans is similar to its deposit market share and rank.

FDIC data as of June 30, 2007 shows that NTNA had a deposit market share of 0.09 percent and was ranked 44<sup>th</sup> among 89 financial institutions reporting deposits in MD 41884. Deposit market share is dominated by Bank of America NA, Wells Fargo NA, and Citibank NA with a combined deposit market share of 58 percent.

Relative to its market rank, NTNA's market share (by number), based on aggregate data from 2007 (the most recent data available) home mortgage and its small business lending levels are

similar. Within the MD 41884, the bank ranks 132 among 527 lenders in home mortgages with a 0.05 percent market share. By home mortgage product, NTNA ranks 107 among 354 lenders for home purchases with a 0.06 percent market share, and 138 among 454 lenders for home refinance loans with a 0.05 percent market share.

Given the same performance context factors described for MD 31084, lending activity for small loans to businesses is adequate. The bank's market share and rank of small loans to businesses are similar to its deposit market share and rank.

Based on 2007 aggregate data (the most recent that is available), the bank's market share of loans to small businesses is less than .01 percent (based on dollar volume) and the bank is ranked 63<sup>rd</sup> of 143 lenders reporting such loans in the county. Market share is based on dollar volume rather than the number of loans because of the inclusion of credit card lenders the reporting. Credit card lenders originate a large number of loans, but the dollar volume is significantly lower.

### MD 42044 (Santa Ana-Anaheim-Irvine)/Orange County

*Overall, lending activity in the MD 42044 is good, given performance context factors discussed in MD 31084.* Lending activity is good for home mortgage loans and is poor for small loans to businesses, given performance context.

Considering performance context, home mortgage lending activity is good. NTNA's market share and rank for home mortgage loans is similar to its deposit market share and rank.

FDIC data as of June 30, 2007 shows that NTNA had a deposit market share of 0.17 percent and was ranked 58<sup>th</sup> among 105 financial institutions reporting deposits in the MD 42044 AA. Deposit market share is dominated by Bank of America NA, Wells Fargo NA, Washington Mutual and World Savings Bank with a combined deposit market share of 51 percent.

Relative to its deposit market rank, NTNA's home mortgage lending levels are similar. Within the MD 42044, the bank ranks 256 among 665 lenders in home mortgages with a 0.01 percent market share. By home mortgage product, NTNA ranks 222 (from 445 lenders) for home purchases (0.01 percent market share), and for home refinance, market share is less than 0.01 percent.

Given the same performance context factors described for MD 31084, lending activity for small loans to businesses is poor.

Based on 2007 aggregate data (the most recent that is available), the bank's market share of loans to small businesses is less than .01 percent and the bank is ranked 56 among 153 lenders reporting small business loans. Market share is based on dollar volume rather than the number of loans because of the inclusion of credit card lenders the reporting. Credit card lenders originate a large number of loans, but the dollar volume is significantly lower.

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

*The bank's geographic distribution of loans in California is good, given performance context. The geographic distribution of home mortgage loans is good, and the distribution of small loans to businesses is good, given performance context. Overall, the geographic distribution of loans in the MD 31084 (Los Angeles-Long Beach-Glendale)/Los Angeles County is excellent. In MD 41884 (San Francisco-San Mateo-Redwood City)/San Francisco and Marin Counties the distribution of loans is good, and in MD 42044 (Santa Ana-Anaheim-Irvine)/Orange County the geographic distribution of loans is adequate.*

### ***Home Mortgage Loans***

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

#### *Geographic Distribution of Loans in MD 31084 (Los Angeles-Long Beach-Glendale, CA)/Los Angeles County*

*Overall the geographic distribution of home mortgage loans in the full-scope MD 31084 Los Angeles-Long Beach-Glendale is excellent. The distribution of both home purchase and home refinance loans is excellent. NTNA's percentage of home purchase loans in low-income geographies exceeds the percentage of owner-occupied housing units in low-income geographies, even though the opportunity to make home purchase loans is limited. Less than two percent of housing is owner-occupied. NTNA's percentage of home purchase loans in moderate-income geographies also exceeds the percentage of owner-occupied housing units in moderate-income geographies.*

The geographic distribution of the bank's home refinance loans in MD 31084 is excellent. NTNA's percentage of home refinance loans in low-income geographies exceeds the percentage of owner-occupied housing units in low-income geographies, even though the opportunity to make home refinance loans is limited. Less than two percent of housing is owner-occupied. NTNA's percentage of home refinance loans in moderate-income geographies also exceeds the percentage of owner-occupied housing units in moderate-income geographies.

#### *Geographic Distribution of Loans in MD 41884 (San Francisco-San Mateo-Redwood City, CA)San Francisco and Marin Counties*

*Overall the geographic distribution of home mortgage loans in the full-scope MD 41884 is good. The distribution of both home purchase and home finance loans is good. NTNA's percentage of home purchase loans in low-income geographies exceeds the percentage of owner-occupied housing units, even though the opportunity to make home purchase loans in low-income geographies is limited. Less than three percent of housing is owner-occupied. NTNA's percentage of home purchase loans in moderate-income geographies is somewhat lower than the percentage of owner-occupied housing units in moderate-income geographies.*

The geographic distribution of the bank's home refinance loans is good. NTNA's percentage of home refinance loans in low-income geographies exceeds the percentage of owner-occupied housing units in low-income geographies, even though the opportunity to make home

refinance loans is limited. Less than three percent of housing is owner-occupied. NTNA's percentage of home refinance loans in moderate-income geographies is somewhat lower than the percentage of owner-occupied housing units in moderate-income geographies.

Geographic Distribution of Loans in MD 42044 (Santa Ana-Anaheim-Irvine, CA)/Orange County

*Overall, the geographic distribution of home mortgage loans in MD 42044 is good. The distribution of home purchase loans is good and the distribution home refinance loans is adequate. NTNA does not have any home purchase loans in low-income geographies. There is little opportunity to make loans in low-income geographies in this MD as only 1.25 percent of housing units in these geographies are owner-occupied. NTNA's percentage of home purchase loans in moderate-income geographies significantly exceeds the percentage of owner-occupied housing units.*

The geographic distribution of the bank's home refinance loans is adequate. NTNA's does not have any refinance loans in low-income geographies. There is little opportunity to make loans in low-income geographies in this MD as only 1.25 percent of housing units are owner occupied. NTNA's percentage of home refinance loans in moderate-income geographies is somewhat lower than the percentage of owner-occupied housing units in moderate-income geographies.

**Small Loans to Businesses**

Refer to Table 6 in the state of California 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.

*Overall, the geographic distribution of small loans to business in MD 31084 is good, the geographic distribution in MD 41884 is also good, and the distribution in MD 42044 is adequate, considering performance context.*

MD 31084 (Los Angeles-Long Beach-Glendale, CA)/Los Angeles County

*The geographic distribution of the bank's small loans to businesses in MD 31084 is good, considering performance context. NTNA's percentage of small loans to businesses in low-income geographies exceeds the percentage of small businesses in those geographies. The percentage of small loans to businesses in moderate-income geographies is somewhat lower than the percentage of small businesses in those geographies.*

MD 41884 (San Francisco-San Mateo-Redwood City, CA)San Francisco and Marin Counties

*The geographic distribution of the bank's small loans to businesses in MD 41884 is good, considering performance context. NTNA's percentage of small loans to businesses in low-income geographies exceeds the percentage of small businesses in those geographies. NTNA does not have any small loans to businesses in moderate-income geographies, due primarily to performance context. This portion of rating is not adversely influenced as a result.*



MD 42044 (Santa Ana-Anaheim-Irvine, CA)Orange County

*The geographic distribution of the bank's small loans to businesses in MD 42044 is adequate, considering performance context.* NTNA does not have any small loans to businesses in low-income geographies, due primarily to performance context. Opportunities to make small loans to businesses in the low-income geographies are limited, as only three percent of businesses in the MD have revenues less than \$1 million. NTNA's percentage of small loans to businesses in moderate-income geographies is somewhat lower than the percentage of small businesses in those geographies.

**Lending Gap Analysis**

NTNA's reports detailing lending activity over the evaluation period for home mortgage loans and small loans to businesses were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

**Inside/Outside Ratio**

This portion of the evaluation is performed at the bank level rather than the state or AA level. A substantial majority of home mortgage and small loans to businesses originated/purchased by NTNA over the evaluation period were within its combined AAs. Overall, 89 percent of loans by number and 83 percent by dollar amount were inside the bank's combined AAs. By product, 87 percent of home purchase loans by number and 81 percent by dollar were inside the combined AAs and 85 percent of refinance loans by number and 78 percent by dollar amount were inside the combined AAs. For small loans to businesses, 94 percent by number and 93 percent by dollar amount were inside the bank's combined AAs. This performance was positively factored into the overall analysis of the distribution of loans by income level of the geography.

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

*The bank's distribution of loans by income level of the borrower in California is adequate.* The borrower distribution of home mortgage loans is adequate and the distribution of small loans to businesses is poor. Overall, the bank's distribution of loans by income level of borrower in MD 31084 (Los Angeles County) is adequate; in MD 41884 (Marin and San Francisco Counties) distribution is adequate, and performance in MD 42044 (Orange County) is good.

**Home Mortgage Loans**

Refer to Tables 8 and 10 in the state of California 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.

Performance context issues make it difficult to provide home mortgage loans to low-income borrowers in all MDs. For this reason, more weight was given to lending to moderate-income borrowers in reaching our conclusions.

Housing prices have increased significantly for several years throughout the state including all three full-scope MDs. Income levels did not keep pace and low-income families were almost virtually shut out of the housing market unless sufficient subsidies were available. As home prices decline during the current housing and economic crisis, however, homes are more affordable. However, the MD's high poverty rates further limit the ability of many low-income families to become homeowners, even with the assistance of subsidy programs and special mortgage products. High property taxes and homeowner's insurance costs also contribute to the inability of low-income borrowers to become home owners.

Also, it is noted that the demand for refinance loans by low-income families is generally very limited. Many times low-income families have taken advantage of various subsidy programs and special mortgage products that have very low interest rates that would not make it necessary for them to refinance for a lower interest rate. Further, some special programs do not allow for refinancing. For further discussion on performance context issues, please see the Market Profiles in Appendix C.

MD 31084 (Los Angeles-Long Beach-Glendale, CA)/(Los Angeles County

*Overall, the distribution of home mortgage loans by income level of the borrower in MD 31084 is adequate, given performance context.* The distribution of both home purchase and home refinance loans is adequate, given performance context.

The percentage of home purchase loans to low-income borrowers is significantly lower than the percentage of low-income families. The percentage of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families. For refinance loans, the percentage of loans made to low-income borrowers is significantly lower than the percentage of low-income families in the AA. NTNA's percentage of home refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families.

MD 41884 (San Francisco-San Mateo- Redwood City, CA)/San Francisco and Marin Counties

*Overall, the distribution of home mortgage loans by income level of the borrower in MD 41884 is adequate, given performance context.* The distribution of both home purchase and home refinance loans is adequate, given performance context.

There are no home purchase loans to low-income borrowers. The percentage of home purchase loans to moderate-income borrowers is somewhat lower than the percentage of moderate-income families in the AA. For refinance loans, there are no loans to low-income borrowers, due primarily to performance context. NTNA's percentage of home refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families.

MD 42044 (Santa Ana-Anaheim-Irvine, CA )/Orange County

*Overall, the distribution of home mortgage loans by income level of the borrower in MD 42044 is good, given performance context.* The distribution of both home purchase and home refinance loans is good, given performance context.

The percentage of home purchase loans to low-income borrowers is lower than the percentage of low-income families. The percentage of home purchase loans to moderate-income

borrowers exceeds the percentage of moderate-income families. For refinance loans, the percentage of loans made to low-income borrowers is significantly lower than the percentage of low-income families in the AA. NTNA's percentage of home refinance loans to moderate-income borrowers exceeds the percentage of moderate-income families.

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

Refer to Table 11 in the state of California 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 bank's distribution of small loans to businesses in California is poor, even after giving consideration for performance context.* The distribution is poor in MD 31084, MD 41884 and in MD 42044.

#### *MD 31084 (Los Angeles-Long Beach-Glendale, CA)/Los Angeles County*

*Overall, the distribution of small loans to businesses by levels of revenue in MD 31084 is poor, considering performance context.* NTNA's percentage of small loans to businesses with revenues of \$1 million or less is lower than the percentage of businesses defined as such. NTNA does not have a small business banking unit and does not offer Small Business Administration loans. The bank generally extends business loans of any size as an adjunct to its overall wealth management business strategy. The bank made 42 percent of its loans under \$250 thousand.

#### *MD 41884 (San Francisco-San Mateo-Redwood City, CA)/(Marin and San Francisco Counties*

*Overall, the distribution of small loans to businesses by levels of revenue in MD 41884 is poor, even after considering performance context.* NTNA's percentage of small loans to businesses with revenues of \$1 million or less is significantly lower than the percentage of businesses defined as such. NTNA does not have a small business banking unit and does not offer Small Business Administration loans. The bank generally extends business loans of any size as an adjunct to its overall wealth management business strategy. The bank made 67 percent of its loans under \$250 thousand.

#### *MD 42044 (Santa Ana- Anaheim-Irvine, CA)/Orange County*

*Overall, the distribution of small loans to businesses by levels of revenue in MD 42044 is poor, even after considering performance context.* NTNA's percentage of small loans to businesses with revenues of \$1 million or less is significantly lower than the percentage of businesses defined as such. NTNA does not have a small business banking unit and does not offer Small Business Administration loans. The bank generally extends business loans of any size as an adjunct to its overall wealth management business strategy. The bank made 56 percent of its loans under \$250 thousand.

## Community Development Lending

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

Overall, the bank's CD lending has a positive impact on the overall Lending Test rating. Performance is excellent in MD 31084 and neutral in both MD 41884 and MD 42044.

### MD 31084 (Los Angeles-Long Beach-Glendale, CA)/Los Angeles County

NTNA has an excellent level of CD loans in MD 31084. This performance has a positive impact on the overall Lending Test for this MD.

During the Evaluation Period, the bank made eight CD loans for a total of \$6.6 million to five different organizations operating in MD 31084. A vast majority of the funds, seventy-five percent, were used to assist with affordable housing needs in the MD. According to community contacts made for this and other examinations conducted in the MD, the most pressing need in the MD is affordable housing, particularly rental housing, affordable to low- and moderate-income residents. Remaining CD loan activity helped to meet community service needs in the AA.

One of the CD loans (\$2.4 million) provides affordable housing, homeownership training and financing for low- and moderate-income borrowers. Two CD loans for \$350 thousand each provide job training and job placement to homeless and very low-income individuals with a 93% success ratio for individuals who complete the program. NTNA originated a revolving line of credit for \$2.4 million to a non-profit organization that provides residential care and services for low- income pregnant and parenting teens and young adults. Two \$150 thousand loans to CDFIs originating mortgage loans to low- and moderate- income homebuyers, and provides' an array of community development services and activities. These CDFIs also provide affordable housing, training and financing for low- and moderate-income borrowers.

To help with cash flow needs, NTNA provided two \$400 thousand revolving lines of credit to a CD organization that acts as a network of shelters and services for low- income and homeless youth, adults and families. This organization provides a continuum of care to those who need assistance to maintain self sufficiency with emergency services such as food, clothing and shelter.

### MD 41884 (San Francisco-San Mateo-Redwood City, CA)/Marin and San Francisco Counties and MD 42044 (Santa Ana-Anaheim-Irvine, CA)/Orange County

There were no CD loans made in MD 41884 MD or MD 42044 MD; this performance has neutral impact on the overall Lending Test.

## Product Innovation and Flexibility

The bank makes good use of flexible mortgage programs to help meet the credit needs of its AA. NTNA's use of these flexible programs has a positive impact on conclusions under the Lending Test.

Throughout all portions of NTNA's AAs in the state California, NTNA offers the Neighborhood Home Ownership Loan product (NHOP). This flexible, fixed rate product is available for home purchase loans or for cash-out refinances for home improvement purposes. Applicants must be low- or moderate-income, or the property must be located in a low- or moderate-income geography. There are no points, application fees, or a requirement for private mortgage insurance even though the maximum loan-to-value ratio is 97 percent. There is a modest \$1,000 closing cost credit associated with the product. NTNA originated 10 NHOP loans during 2007 and 2008 for a total of \$2.61 million.

Loans originated under this program are included with the bank's home purchase loans that were analyzed under other portions of the Lending Test.

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

Based on limited-scope reviews, the bank's performance under the Lending Test in the MSA 40140, MSA 41740, MSA 41940 and MSA 42060 is not inconsistent with the bank's overall Satisfactory performance under the Lending Test in California. Refer to the Tables 1 through 11 in the state of California section of Appendix D for the facts and data that support these conclusions.

## **INVESTMENT TEST**

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

*The bank's performance under the Investment Test in California is "High Satisfactory."* Based on full-scope reviews, the bank's performance in MD 31084 (Los Angeles-Long Beach-Glendale, CA/Los Angeles County and in MD 41884 (San Francisco-San Mateo-Redwood City, CA/San Francisco and Marin Counties is excellent. The bank's performance in MD 42044 (Santa-Ana-Anaheim-Irvine, CA)/Orange County is poor.

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

#### *MD 31084 (Los Angeles-Long Beach-Glendale, CA)/Los Angeles County*

Investment performance in MD 31084 is excellent due to the level of prior period investments.

During the Evaluation Period, the bank made 42 investments, including donations, totaling \$900 thousand. Total investments were 47 and equaled nearly \$3.5 million. Investments are primarily made up of affordable housing projects, economic development projects, investments in Community Development Financial Institutions (CDFI), Low Income Housing Tax Credits (LIHTC), small business funding and grants to CD organizations. Prior period investments, which are significantly larger than current period investments include affordable housing and

community and social service needs as well as CDFIs and LIHTCs. These investments continue to support identified needs in the MD and have an ongoing, positive impact.

MD 41884 (San Francisco-San Mateo-Redwood City, CA)/Marin and San Francisco Counties

Investment performance in MD 41884 is excellent.

During the Evaluation Period, the bank made 11 investments, including donations, totaling slightly more than \$1.0 million. Total investments were 13 and equaled \$3.4 million. Investments are primarily made up of affordable housing projects, economic development projects, investments in Community Development Financial Institutions (CDFI), Low Income Housing Tax Credits (LIHTC) and small business funding. Prior period investments include affordable housing and community and social service needs as well as CDFIs and LIHTC and grants to CD organizations. These investments continue to support identified needs in the MD and have an ongoing, positive impact.

MD 42044 (Santa-Ana-Anaheim-Irvine)/Orange County

Investment performance in MD 42044 is poor.

During the Evaluation Period, the bank made three donations, totaling \$7 thousand. There were four investments totaling \$261 thousand. Investments are primarily comprised of grants to CD organizations and Low Income Housing Tax Credits (LIHTC).

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

Based on limited-scope reviews, the bank's performance under the Investment Test in the MSA 40140 (Riverside-San Bernardino-Ontario, CA) and MSA 41740 (San Diego-Carlsbad-San Marcos, CA) as well as MSA 41940 (San Jose-Sunnyvale-Santa Clara, CA) and MSA 42060 (Santa Barbara-Santa Maria, CA) is stronger than the bank's overall "High Satisfactory" performance under the Investment Test in the State of California. Refer to the Table 14 in the state of California section of Appendix D for the facts and data that support these conclusions.

**SERVICE TEST**

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

*The bank's performance under the Service Test in California is rated "Low Satisfactory"* Based on full-scope reviews, the bank's performance in MD 31084 (Los Angeles-Long Beach-Glendale, CA)/Los Angeles County and MD 41884 (San Francisco-San Mateo- Redwood City, CA)/San Francisco and Marin Counties, as well as in MD 42044 (Santa Ana-Anaheim-Irvine, CA)/Orange County is adequate.

**Retail Banking Services**

The bank's retail service delivery systems are adequate and reasonably accessible to geographies and individuals of different income levels. Refer to Table 15 in the state of

California 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.

Within the three full-scope MDs, NTNA has six branch locations; three located in MD 31084 (Los Angeles-Long Beach-Glendale, CA)/Los Angeles County, two are in MD 41884 (San Francisco-San Mateo-Redwood City, CA)/San Francisco and Marin Counties, and one is in MD 42044 (Santa Ana-Anaheim-Irvine, CA)/Orange County. None of the three locations in MD 31084 or the one location in MD 42044 is in a low- or moderate-income geography. One of the two locations in MD 41884 is in a low-income geography. The branch is on the 18<sup>th</sup> floor of a 23-story office tower in the heart of San Francisco's financial district. While the percentage of total branches in MD 41884 located in low-income geographies significantly exceeds the percent of low-income individuals in low-income geographies, the high-rise office suite does not easily lend itself to routine retail banking services. As discussed in the Lending Test, the bank has a good dispersion of home mortgage loans in low- and moderate-income geographies, primarily through its network of partnerships with CD organizations. The bank did not open or close any branches in any of the full-scope MDs in California during the Evaluation Period, so that element was not considered in our evaluation.

NTNA bank offers alternative systems for delivering retail banking services throughout its full-scope AAs. The bank offers telephone and on-line banking, direct deposit, and bank-by-mail services. Because no data was available concerning the effectiveness of the alternative delivery systems to low- and moderate-income geographies or individuals, we did not place significant weight on those systems in the overall Service Test conclusions.

Products, services, and business hours are adequate to meet the stated business objectives of the institution and do not vary from one location to another.

## **Community Development Services**

The bank's provision of CD services in the three full-scope MDs is good. NTNA provides a relatively high level of CD services throughout the full-scope MDs that are responsive to MD needs. The primary CD services in all three full-scope AA's include conducting financial training sessions for low- and moderate-income individuals and providing financial expertise to a variety of community service and development organizations targeting affordable housing to low- or moderate-income individuals or families. There were 29 bank officers and directors involved in organizations as Board members or committee members of 27 different CD organizations during 2007 and 2008. Through their Board membership, bank employees were able to provide the organizations' with their financial expertise. Some of the financial expertise provided included budget planning, project development, partnership management, and small business loan funding and marketing.

Refer to Table 15 in the state of California 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.

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

Based on limited-scope reviews, the bank's performance under the Service Test in MSA 40140 (Riverside-San Bernardino-Ontario, CA), MSA 41740 (San Diego-Carlsbad-San Marcos, CA), MSA 41940 (San Jose-Sunnyvale-Santa Clara, CA) and MSA 42060 (Santa Barbara-Santa Maria, CA) is not inconsistent with the bank's overall "*Low Satisfactory*" performance under the Service Test in California. Refer to Table 15 in the state of California section of Appendix D for the facts and data that support these conclusions.



## State Rating

### State of Colorado

**CRA Rating for Colorado: “Outstanding”**

**The Lending Test is rated: “Outstanding”**

**The Investment Test is rated: “Outstanding”**

**The Service Test is rated: “High Satisfactory”**

The major factors that support this rating include:

- Lending activity that reflects excellent responsiveness to the credit needs of the bank’s assessment area.
- Excellent geographic distribution of loans and excellent distribution of loans among borrowers of different income levels.
- Excellent level of community development loans.
- Excellent level of qualified investments.
- Service delivery systems that are accessible to geographies and individuals of varied income levels.
- Adequate level of community services.

### Description of Institution’s Operations in Colorado

The state of Colorado represents the smallest market for the bank. Originally chartered as a part of Northern Trust Bank of Arizona, N.A., the bank merged operations from Colorado and other states into the Florida banking affiliate beginning in August 2006 and changed the name of the bank to Northern Trust, N.A (NTNA).

The bank operates one branch in the eastern portion of the state of Colorado. Colorado is the only rating area with one branch. This branch represents two percent of the bank’s total deposits as of June 30, 2008 and six percent of the loans analyzed at this examination. Within the state of Colorado, NTNA has a deposit market share of .22 percent as of June 30, 2007.

The bank is not a traditional retail focused institution marketing a wide variety of deposit and loan products through a large network of branch facilities. In Colorado, as in the other states where it operates, NTNA’s business strategy focuses primarily on trust administration and private banking services. The bank’s customer base is generally comprised of trust customers and banking businesses, both of which are developed through cross selling to and referrals from existing customers. To meet its CRA obligations the bank has established a well defined

CRA strategy. To meet lending needs within its AA, the bank has developed an affordable Home Ownership Loan Product that it markets through relationships established with local community organizations. The bank also purchases loans from these organizations and recently began directly funding loans at closing for some community organizations. Emphasis is also placed on CD loans and investments as well as CD services, which can be delivered without the benefit of an extensive retail branch network.

Refer to the Market Profiles for the state of Colorado in Appendix C for detailed demographics and other performance context information for the AA that received a full-scope review.

## **Scope of Evaluation in Colorado**

The bank has one AA in Colorado; it is MSA 19740 (Denver – Aurora, CO), hereinafter called the Denver AA. In Colorado, the Denver AA represents two percent of the bank's deposits and six percent of loan activity evaluated at this examination.

Under the Lending Test, we placed somewhat more weight on home mortgage lending. Home mortgage lending represents 78 percent of lending activity evaluated and is the focus of the bank's CRA strategy. Regarding home mortgage lending, significantly more weight was given to home purchase loans, which represent 61 percent of mortgage lending activity. Home improvement loans and multi-family housing loans were not meaningful to overall performance due to low activity levels and no analysis was conducted. Also, the bank's market share of home mortgage loans and small loans to businesses is not significant enough to perform a meaningful analysis. As a result, we did not consider market share data in evaluating the bank's geographic and borrower distribution of loans.

As part of our evaluation of the bank's CRA performance, we contacted two community development organizations in order to determine the area's economic conditions as well as general banking and CD needs. Both organizations deal primarily with affordable housing for low- and moderate-income individuals and the revitalization and stabilization of low-income neighborhoods. The contacts stated that affordable housing for people with low- and moderate-income is in short supply. The cost to rehabilitate homes often exceeds the home's resale value.

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.

## **LENDING TEST**

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

*The bank's performance under the Lending Test in Colorado is rated "Outstanding," considering performance context.* Based on a full-scope review, the bank's performance in the Denver AA is excellent, given performance context.

### **Lending Activity**

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

*The bank's lending activity in the state of Colorado is excellent, given performance context.* Overall, the bank's lending activity in the Denver AA is excellent.

Considering performance context, home mortgage lending activity is excellent. NTNA's market share and rank for home mortgage loans is moderately lower than its deposit market share and rank. The bank's performance is excellent when consideration is given to several performance context factors. NTNA is not a traditional retail focused institution and it does not actively market a variety of home mortgage products as do other lenders in the AA. The bank's CRA strategy focuses on home purchase loans, in low- and moderate-income geographies and to low-and moderate-income borrowers through its Neighborhood Home Ownership Loan product (NHOL). This product represents the majority of the bank's home purchase loans. To a lesser extent, the bank focuses on refinance loans because refinance loans under the NHOL product are limited to loans for home improvement purposes. Also, as a portfolio lender, the bank has the ability to modify rates of its existing home mortgage loans without refinancing the mortgage, further limiting the volume of such loans. Home mortgage loans other than NHOLs are generally extended as an adjunct to the bank's overall wealth management and trust business strategy. This type of overall strategy makes it very difficult for the bank's deposit and loan market shares to be comparable.

In addition, the AA is highly competitive with a large number of lenders reporting home mortgage loan lending activity. These lenders include non-bank lenders that do not take deposits in the AA as well as large banks with a nationwide presence that offer a wide variety of home mortgage loan products. For further discussion on performance context issues, please see the Market Profile in Appendix C. For further discussion on the Neighborhood Home Ownership Loan product please see the Product Innovation and Flexibility section of the Lending Test.

FDIC data as of June 30, 2007 shows that NTNA had a deposit market share of .22 percent and was ranked 55<sup>th</sup> among 86 financial institutions reporting deposits in Denver County. Deposit market share is dominated by Wells Fargo and US Bank who rank 1<sup>st</sup> and 2<sup>nd</sup> respectively; the five highest ranked banks have a combined market share of 48 percent.

For home mortgage loans, NTNA's market share (by number), based on aggregate 2007 aggregate HMDA data, is .03 percent, and NTNA ranks 201 of 369 lenders reporting such loans in the county. This lending performance is near to deposit gathering activity. The bank ranks 166 for home purchase with a .03 percent market share and ranks 177 for refinance loans with a .04 percent market share.

Given performance context, lending activity for small loans to businesses is good even though the bank's market share and rank of small loans to businesses are significantly lower than its deposit market share and rank.

Performance context issues described in the discussion of home purchase loans also impact the bank's market share and rank for small loans to businesses. The bank does not have a small business lending program nor does it offer a special small loan product for businesses as part of its CRA strategy. Loans are originated through branch locations and are primarily

made to service professionals and the companies of existing banking and trust clients. With only one branch in the AA, small loans to businesses are at a disadvantage.

Based on 2007 aggregate lending data (the most recent that is available) NTNA's market share is .12 percent (based on dollar volume) and the bank is ranked 48<sup>th</sup> as an originator and purchaser of small loans to businesses, out of 63 reporting similar data. Market share is based on dollar volume rather than the number of loans because of the inclusion of credit card lenders the reporting. Credit card lenders originate a large number of loans, but the dollar volume is significantly lower.

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

*The bank's geographic distribution of loans in Colorado is excellent, given performance context.* The geographic distribution of home mortgage loans is excellent and the geographic distribution of small loans to businesses is excellent, given performance context. Overall, the bank's geographic distribution of home mortgage loans and small loans to businesses in the full-scope Denver AA is excellent, given performance context.

### ***Home Mortgage Loans***

Refer to Tables 2 and 4 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.

*Overall, the geographic distribution of home mortgage loans in the Denver AA is excellent.* There are no home purchase loans in low-income geographies. This performance is adequate considering the very low percentage of owner-occupied units in those geographies and competition for business in the AA. The portion of home purchase loans in moderate-income geographies exceeds the percentage of owner-occupied housing units in moderate-income geographies. The geographic distribution of home refinance loans is excellent. The portion of refinance loans made in both low- and moderate-income geographies exceeds the portion of owner-occupied housing units in those 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.

*Overall, the bank's geographic distribution of small loans to businesses in Colorado is excellent.* The bank's geographic distribution of small loans to businesses in the full-scope Denver AA is excellent. The geographic distribution of small loans to businesses is excellent. The portion of loans made in low-income geographies is very near to and the portion of loans made in moderate-income geographies exceeds the portion of businesses located within those geographies.

### ***Lending Gap Analysis***

NTNA's reports detailing lending activity over the evaluation period for home mortgage loans and small loans to businesses were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

### ***Inside/Outside Ratio***

This portion of the evaluation is performed at the bank level rather than the state or AA level. A substantial majority of home mortgage and small loans to businesses originated/purchased by NTNA over the evaluation period were within its combined AAs. Overall, 89 percent of loans by number and 83 percent by dollar amount were inside the bank's combined AAs. By product, 87 percent of home purchase loans by number and 81 percent by dollar were inside the combined AAs and 85 percent of refinance loans by number and 78 percent by dollar amount were inside the combined AAs. For small loans to businesses, 94 percent by number and 93 percent by dollar amount were inside the bank's combined AAs. This performance was positively factored into the overall analysis of the distribution of loans by income level of the geography.

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

*The bank's distribution of loans by income level of the borrower in Colorado is excellent, given performance context.* The distribution of home mortgage loans by income level of the borrower is excellent and the distribution of small loans to businesses is adequate. Overall, the bank's distribution of loans by income level of the borrower in the Denver AA is excellent.

### ***Home Mortgage Loans***

Refer to Tables 8 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.

*The overall borrower distribution of home mortgage loans by income level of the borrower in Denver County is excellent given performance context.* Performance context issues generally have made it difficult to provide home mortgage loans to low-income borrowers. For this reason, more weight was given to lending to moderate-income borrowers in reaching our conclusions.

Housing prices have increased significantly for several years throughout the state. Income levels did not keep pace and low-income families were almost virtually shut out of the housing market unless sufficient subsidies were available. Relative to income levels, home prices have not declined sufficiently during the current housing and economic crisis to make homes more affordable. In addition, the AA's poverty rate further limits the ability of many low-income families to become homeowners, even with the assistance of subsidy programs and special mortgage products. High property taxes and homeowner's insurance costs also contribute to the inability of low-income borrowers to become home owners.

Also, it should be noted that the demand for refinance loans by low-income families is generally very limited. Many times low-income families have taken advantage of various

subsidy programs and special mortgage products with very low interest rates that would not make it necessary for them to refinance for a lower interest rate. Also, some special programs do not allow for refinancing. For further discussion on performance context issues, please see the Market Profiles in Appendix C.

The percentage of home purchase loans to low-income borrowers is near to the portion of families defined as such, but consistent with performance context. The portion of loans made to moderate-income borrowers exceeds the portion of families defined as such. For refinance loans, the percentage of loans to both low- and moderate-income borrowers exceeds the portion of families defined as such.

### ***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.

*Overall, the borrower distribution of small loans to businesses in the Denver AA is adequate considering performance context.* The bank's portion of small loans to businesses (businesses with revenues of \$1 million or less) is lower than the portion of small businesses in the Denver AA. Considering NTNA does not have a small business banking unit, does not offer Small Business Administration loans, and generally extends business loans of any size as an adjunct to its overall wealth management business strategy, this distribution is adequate. Also, slightly more than one-half of the bank's small loans to businesses were for amounts of \$250 thousand or less, indicating that the bank is meeting needs of smaller businesses.

### **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 community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Overall, the bank's CD lending has a positive impact on the overall Lending Test rating. Performance is excellent in the Denver AA. NTNA originated three CD loans during this Evaluation Period totaling \$2.6 million. Each one addresses affordable housing needs for low- and moderate-income individuals.

### **Product Innovation and Flexibility**

The bank makes good use of flexible mortgage programs to help meet the credit needs of its AA. NTNA's use of these flexible programs has a positive impact on conclusions under the Lending Test.

Throughout Denver County, NTNA offers the Neighborhood Home Ownership Loan product (NHOP). This flexible, fixed rate product is available for home purchase loans or for cash-out refinances for home improvement purposes. Applicants must be low- or moderate-income, or the property must be located in a low- or moderate-income geography. There are no points, application fees, or a requirement for private mortgage insurance even though the maximum loan-to-value ratio is 97 percent. There is a modest \$1,000 closing cost credit associated with the product. NTNA originated 10 NHOP loans in Colorado during 2007 and 2008 for a total of \$2.61 million; four loans totaling \$576 thousand were in Denver County.

Loans originated under this program are included with the bank's home purchase loans that were analyzed under other portions of the Lending Test.

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

There are no areas receiving a limited-scope review.

## **INVESTMENT TEST**

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

The bank's performance, under the Investment Test in Colorado, is "Outstanding." Based on the full-scope review, the bank's performance in the Denver county portion of the Denver – Aurora MSA AA is excellent. The bank's response to the credit needs of Denver County through qualified investments and grants is centered in a current period equity investment in a loan fund supporting affordable housing projects and \$19 thousand in current period grants. Prior period investments are LIHTCs and a \$250 thousand investment in an affordable housing project that remains outstanding.

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.

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

There are no limited-scope reviews for Colorado.

## **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 the full-scope review, the bank's performance in the Denver County AA is adequate.

### **Retail Banking Services**

The bank's retail service delivery systems are good and are accessible to geographies and individuals of different income levels. 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.

Within Denver County, the bank operates one branch; it is not located in a low- or moderate-income geography. Also, the bank's lending activity showed that it served geographies and individuals of all income levels. As discussed in the Lending Test Section, the bank has an excellent dispersion of home mortgage loans in low- and moderate-income geographies and low- and moderate-income borrowers, primarily through its network of partnerships with CD organizations. This had a significant positive impact on our conclusion of the retail delivery systems. The bank did not open or close any branches in the AA during the Evaluation Period, so that element was not considered in our evaluation. .

NTNA offers various alternative systems for delivering retail banking services throughout the full-scope AA. The bank has five ATMs in the AA, which are accessible to customers and non-customers. The bank also offers telephone and on-line banking, direct deposit, and bank-by-mail services. Because no data was available concerning the effectiveness of the alternative delivery systems to low- and moderate-income geographies or individuals, we did not place significant weight on those systems in the overall Service Test conclusions.

Products, services, and business hours are adequate to meet the stated business objectives of the institution and do not vary from one location to another.

### **Community Development Services**

*NTNA provided an adequate level of CD services in Denver County.* During the Evaluation Period, the bank provided services to two CD organizations and employees provided 37 hours in directorship and technical assistance. The types of services provided are not innovative in nature, but primarily address the identified credit needs of the low- and moderate-income community.



## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): (01/01/04 to 12/31/08)* *TX, AZ, CA, & CO (01/01/07 to 12/31/08) Investment and Service Tests and CD Loans: (01/01/04 to 03/16/09)** **TX, AZ, CA, & CO (01/01/07 to 03/16/09)	
<b>Financial Institution</b>		<b>Products Reviewed</b>
Northern Trust, N. A. Miami, FL		Home purchase & home refinance mortgages; small loans to businesses, and CDLs.
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>Florida</b> MSA (Miami-Ft. Lauderdale-Palm Beach) # 33100 MD (Miami-Miami Beach-Kendall) # 33124 MD (Ft. Lauderdale-Pompano Beach Deerfield) # 22744 MD (West Palm Beach-Boca Raton-Boynton Beach) # 48424 MSA (Sarasota-Bradenton-Venice) #42260 MSA (Cape Coral-Fort Myers) #15980 MSA (Naples-Marco Is.) #34940 MSA (Port St.Lucie-Fort Pierce) #38940 MSA (Sebastian-Vero Beach) #42680	Full-Scope  Full-Scope  Full-scope  Limited-Scope  Limited-Scope  Limited-Scope  Limited Scope  Limited-Scope	

MSA (Tampa-St. Petersburg-Clearwater) # 45300	Limited-Scope	
<b><u>Texas</u></b>		
MSA (Dallas-Fort Worth-Arlington) # 19100		
MD (Dallas-Plano-Irving) # 19124	Full-Scope	
MSA (Austin-Round Rock) # 12420	Limited-Scope	
MSA (Houston-Sugarland-Baytown) # 26420	Limited-Scope	
<b><u>Arizona</u></b>		
MSA (Phoenix-Mesa-Scottsdale) # 38060	Full-Scope	
MSA (Tucson) # 46060	Limited-Scope	
<b><u>California</u></b>		
MSA (Los Angeles-Long Beach-Santa Ana) #31100		
MD (Los Angeles-Long Beach-Glendale) # 31084	Full-Scope	
MD (Santa Ana-Anaheim-Irvine) # 42044	Full-Scope	
MSA (San Francisco-Oakland-Fremont) # 41860		
MD (San Francisco-San Mateo-Redwood City) # 41884	Full-Scope	
MSA (Riverside-San Bernardino-Ontario) # 40140	Limited-Scope	
MSA (San Diego-Carlsbad-San Marcos) # 41740	Limited-Scope	
MSA (San Jose-Sunnyvale-Santa Clara) # 41940	Limited-Scope	
MSA (Santa Barbara-Santa Maria) # 42060	Limited-Scope	
<b><u>Colorado</u></b>		
MSA (Denver-Aurora) # 19740	Full-Scope	

## Appendix B: Summary of State Ratings

RATINGS Northern Trust, N.A. (NTNA)				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
NTNA	Outstanding	Outstanding	High Satisfactory	Outstanding
State:				
Florida	Outstanding	Outstanding	High Satisfactory	Outstanding
Texas	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Arizona	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
California	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Colorado	Outstanding	Outstanding	High Satisfactory	Outstanding

(\*) 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

### State of Florida Full-Scope Areas

#### MIAMI-FT. LAUDERDALE-PALM BEACH ASSESSMENT AREA (MSA 33100)

The full-scope AA in Florida consists of all of the Miami-Ft. Lauderdale-Palm Beach MSA, which includes all of the contiguous counties of Miami-Dade, Broward, and Palm Beach. The assessment area meets the requirements of the CRA regulation and does not arbitrarily exclude low- and moderate-income geographies.

Overall, the MSA has a total population of approximately five million people, with the largest concentration of population in the Miami portion of the MSA. The Census Bureau has designated each of the three counties in the full-scope AA as a Metropolitan Division (“MD”). The accompanying tables and discussions focus on each of the MDs individually.

#### MD 33124 (Miami-Miami Beach-Kendall, FL)

Demographic Information for Full Scope Area: MD 33124 (Miami- Dade County, FL)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	347	7.78	28.53	32.85	29.97	0.86
Population by Geography	2,253,362	4.89	28.61	35.68	30.79	0.02
Owner-Occupied Housing by Geography	449,333	1.69	19.82	36.99	41.51	0.00
Business by Geography	304,953	4.91	22.10	32.30	40.27	0.42
Farms by Geography	3,499	2.60	19.03	34.01	44.21	0.14
Family Distribution by Income Level	552,484	23.00	16.98	18.53	41.50	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	220,856	8.31	40.20	35.41	16.08	0.00
Median Family Income HUD Adjusted Median Family Income for 2008 Households Below Poverty Level		40,266 49,200 18%	Median Housing Value Unemployment Rate (December 2008)		123,974 7.00%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2008 HUD updated MFI

MD 33124 is equivalent to Miami-Dade County. Based on the 2000 Census, Miami-Dade County consists of 347 census tracts (geographies) of which 27 (8%) are low-income, 99 (29%) are moderate-income, 114 (33%) are middle-income, and 104 (30%) are upper-income. The greatest concentration of low- and moderate-income geographies can be found in the city of Miami.

Miami-Dade County is a densely populated urban center. According to the 2000 Census, the total population is 2.25 million, however, 2006 estimates by the US Census Bureau place the total population at 2.4 million. Overall, owner occupancy is high in the assessment area reaching 60 percent (based on 2006 estimates) as a result of the housing boom that impacted the area through 2006, however, in low- and moderate-income geographies the level of renter occupancy is high (69% and 56%, respectively). These geographies also represent high levels of households below the poverty level (47% and 27%, respectively), indicating a need for affordable rental housing. These households would have difficulty qualifying for a home loan even at current prices. A community contact made for this examination indicated that the need for affordable rental housing is acute in Miami-Dade County as the number of homeless grows.

Miami-Dade County, particularly the city of Miami, has been severely impacted by the housing crisis. The state of Florida consistently ranks among the top five states in the nation for the number of home foreclosures and according to Moody's Economy.com, the city of Miami has the highest rate of first mortgage write-offs in the country, at 12.55 percent. The national average is 1.95 percent. If delinquencies are included, the rate escalates to 26.15 percent. These high foreclosure rates put additional stress on the affordable rental market and the stability of communities.

Housing prices in Miami-Dade County are declining. The National Association of Realtors estimates the median sales price of an existing single-family home in the Miami MD to be \$285,000, almost the same level it was in 2003. For the same period, the median price of a condominium was \$161,000. When these prices are compared with the county's HUD Adjusted Median Family Income of \$49,200 for 2008, it is clear that with the assistance of subsidies and other special programs low- or moderate-income families may have an opportunity to purchase a home.

Local economic conditions are weak. Prior to the National Bureau of Economic Research declaring the United States officially in a recession, local economists indicated the economy of Florida was in recession earlier, due to the large decline in the real estate market values (approximately 30 percent). In Miami-Dade County, housing starts have declined to the lowest level in a decade according to Metro Study Corporation. In the fourth quarter of 2008, only 72 housing starts were recorded in Miami-Dade County. The decline in jobs, particularly construction and construction-related jobs, has driven the county's unemployment rate to eight percent at year-end 2008 compared with 7.2 percent nationally. This indicates a need for activities that support job creation, job placement and job training programs, and community services for low- and moderate-income persons and families.

The housing and economic crisis has combined to reduce mortgage lending in Miami-Dade County however, 2008 saw a decline in the inventory of new homes indicating that mortgage lending may have increased somewhat. Home Mortgage Disclosure Act (HMDA) data shows that between 2006 and 2007 (the most recent year for which data is available), conventional home purchase loans in the Miami-Dade MD declined 53 percent from approximately 126,000 conventional home purchase loan originations or purchases in 2006 to approximately 59,000 in 2007. Refinance loans declined at a lesser rate of approximately 25 percent. (Data for 2008 is not yet available.) However, the number of mortgage lenders reporting conventional home purchase loan originations or purchases in 2007 remains high, at 476. Conversely, small business lending increased, but not at a significant rate. Based on CRA loan data, the number

of small loans to businesses loan reported in the Miami-Dade MD increased about 6 percent between 2006 and 2007.

Banking competition within the assessment area continues to be intense. In addition to community and mid-size banks, branches of the largest banks in the country operate in Miami-Dade County. As of June 30, 2008, there were 77 deposit taking financial institutions in Miami-Dade County operating 650 branches. In addition to competition for deposits and loans, the level of competition in the assessment area is very high for qualified community development investments and loans.

There are a wide variety of opportunities for CD lending, investments, and services throughout Miami-Dade County. Some opportunities exist to finance the purchase and/or rehabilitation of multi-family housing units that provide affordable rental housing in low- and moderate-income geographies. Statewide affordable housing entities as well as some local developers are continuing to construct affordable rental housing units. . There is a federally designated Empowerment Zone that targets economic development with the goal of revitalizing the area by stimulating and retaining jobs, and there are areas designated as Targeted Urban Areas (“TUA”) that are the focus for the Urban Economic Revitalization Plan for Miami-Dade County.

The impact of the mortgage crisis has caused CD organizations to change their focus from new construction to acquiring foreclosed properties, rehabilitating them, and then making them available for rent or for sale to low- and moderate-income persons or families. These activities will be funded through grants from the Neighborhood Stabilization Program (NSP) offered by the Department of Housing and Urban Development (HUD). Miami-Dade County will receive \$62 million to assist in this effort, as well as to demolish or rehabilitate abandoned properties and/or offer down payment and closing cost assistance to low- and moderate-income home buyers. Also, four cities within the county will receive an additional \$27 million under the NSP, including \$12 million for the city of Miami. These activities may provide new CD opportunities for banks.

CD investment options are also available. Mortgage-backed securities are an option as well as Low Income Housing Tax Credits. Miami-Dade County, the state and the region do have community development financial institutions (“CDFIs”) and private equity organizations which need support for their CD activities. Opportunities exist to contribute to qualified non-profit organizations whose missions are focused on providing affordable housing and community services for low- and moderate-income persons, particularly in the areas of job training and job placement, as noted by a community contact made for another CRA examination in the same assessment area. However, the extent of these activities has been impacted by the financial condition of some area banks.

**MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL)**

Demographic Information for Full Scope Area: MD 22744 (Broward County, FL)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	279	4.66	25.45	41.94	27.96	0.00
Population by Geography	1,623,018	3.57	26.43	43.13	26.88	0.00
Owner-Occupied Housing by Geography	454,625	1.16	23.67	45.93	29.24	0.00
Business by Geography	219,069	4.77	22.51	42.71	30.00	0.00
Farms by Geography	3,145	3.97	23.40	41.72	30.91	0.00
Family Distribution by Income Level	413,958	20.85	18.17	20.48	40.50	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	161,511	5.81	38.36	42.71	13.12	0.00
Median Family Income HUD Adjusted Median Family Income for 2008 Households Below Poverty Level		50,570 64,000 11%	Median Housing Value Unemployment Rate (December 2008)		115,192 6.8%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2008 HUD updated MFI

The Broward County AA is equivalent to Metropolitan Division 22744 (Fort Lauderdale-Pompano Beach-Deerfield Beach, FL). Based on the 2000 Census, the assessment area consists of 279 census tracts (geographies) of which 13 (5%) are low-income, 71 (25%) are moderate-income, 117 (42%) are middle-income, and 78 (28%) are upper-income. In 2008, the HUD Adjusted Median Family Income for Broward County was \$64,000.

According to the 2000 Census the total population of the AA is 1.6 million. Owner occupancy is high in the overall AA reaching 61 percent based on the 2000 Census, however, in low-income geographies owner occupancy is only 25 percent, indicating a need for affordable rental housing.

The housing crisis is just as evident in Broward County as it is in Miami-Dade County. Realty Trac consistently lists Broward County among the top five counties in the United States as having the highest level of home foreclosures. According to Moody's Economy.com, Fort Lauderdale, the largest city in Broward County, is ranked as the city with the third highest rate of first mortgage write-offs in the country, at 8.86 percent. When combined with delinquencies, the rate is 21.46%. This data indicates a significant need for affordable rental housing and the potential for destabilized neighborhoods. According to a community contact made for another examination in the same assessment area, foreclosure recovery programs are a critical need the assessment area.

Housing prices in Broward County have declined since the beginning of 2006 as the housing boom came to an end. The National Association of Realtors estimated the median sales price of an existing single-family home in Broward County to be \$229,100 at the end of 2008, representing a decline of 34 percent from 2007. With subsidies and other forms of assistance some low- and moderate-income families can afford to purchase a homes in the county.

Economic weakness has not escaped Broward County as the decline in real estate, construction and construction-related jobs, a mainstay of the local economy, have driven the unemployment rate to 6.8 percent at year-end 2008. Health services continue to provide job opportunities but even jobs in tourism have been negatively impacted.

As in Miami-Dade County, the volume of residential mortgage lending declined between 2006 and 2007. According to Metro Study Corporation, new housing starts in Broward County for the last quarter of 2008 numbered only 13. The volume of conventional home purchase loans as reported under the HMDA declined by 51 percent for the period from 83,398 originations or purchases in 2006 to 41,253 in 2007 (the most recent year for which data is available). Refinance loans also declined from 81,019 to 55,107. Small business loan originations reported under the CRA increased from 128,690 in 2006 to 136,171 in 2007.

Banking competition within the assessment area is high. In addition to community and mid-size banks, branches of the largest banks in the country operate in Broward County. As of June 30, 2008, there were 67 deposit taking financial institutions in Broward County operating 474 branches.

The same types of opportunities are available for CD lending, investments, and services in the bank's Broward County AA, as in the Miami-Dade AA, but they are somewhat more limited. The same factors impact community development activity in both counties. In Broward County grants from HUD's Neighborhood Stabilization Program (NSP) will total \$36.8 million of which \$17.8 million will go to Broward County and the remainder to eight individual cities. Non-profits as well as the county are currently working on implementing plans to use these funds and they provide new opportunities for banks. As noted in Miami-Dade County, opportunities exist for investments in local, state-wide, and regional CDFIs.



**MD 48424 (West Palm Beach-Boca Raton-Boynton Beach, FL)**

Demographic Information for Full Scope Area: MD 48424 (Palm Beach County, FL)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	265	5.66	26.42	33.58	33.58	0.75
Population by Geography	1,131,184	4.21	29.32	33.88	32.37	0.21
Owner-Occupied Housing by Geography	354,024	1.53	24.63	36.35	37.50	0.00
Business by Geography	167,235	3.43	21.26	34.69	40.46	0.16
Farms by Geography	3,728	4.27	23.04	35.70	36.96	0.03
Family Distribution by Income Level	306,002	19.86	18.56	20.60	40.98	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	117,575	7.08	40.85	33.45	18.62	0.00
Median Family Income HUD Adjusted Median Family Income for 2008 Households Below Poverty Level		53,777 61,200 9%	Median Housing Value Unemployment Rate (2000 US Census)		131,523 2.24%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2008 HUD updated MFI

The Palm Beach County AA is equivalent to Metropolitan Division 48424 (West Palm Beach, Boca Raton-Boynton Beach, FL).

Based on the 2000 Census, the AA consists of 265 census tracts (geographies) of which 15 (6 percent) are low-income, 70 (26 percent) are moderate-income, 89 (33 percent) are middle-income, and 89 (33 percent) are upper-income. Clusters of low- and moderate-income geographies can be found in cities such as West Palm Beach, Riviera Beach, Lake Worth, and Boynton Beach along the eastern boundaries of the county, as well as inland around Lake Okeechobee in western cities such as Belle Glade and Pahokee.

The AA has a population of approximately 1.1 million, based on the 2000 Census. The 2008 HUD estimated median family income for Palm Beach County is \$66,000, one of the highest in Florida. But, in communities such as Riviera Beach, Belle Glade, and Pahokee, the level of population at or below the poverty level is approximately 32 percent. For the AA overall, nine percent of the population lives below the poverty level. These levels of poverty reduce the opportunities for mortgage lending.

While housing prices, as well as taxes and insurance, in the AA increased significantly in the past several years, they are declining just as in the other counties in the overall MSA AA.

Through November 2008, the median home price for an existing single-family home in Palm Beach County was \$247,400, a decline of 28 percent from the \$369,400 figure for 2007. With these lower prices, some low- and moderate-income families can afford to purchase homes under special programs that provide closing cost assistance and/or subsidies.

Palm Beach County has also been impacted by the housing crisis. Foreclosure activity is high and in the city of West Palm Beach the rate of first mortgage write-offs, according to Moody's Economy.com is 6.42 percent, making it the 10<sup>th</sup> ranked city in the United States. When delinquencies are included, the rate is 15.62 percent.

The economy of the AA is largely based in the service and retail sectors. However, the western portion of the county has an agricultural base rooted in sugar cane. Most employment opportunities were focused on real estate construction and development and the decline in those sectors has caused the unemployment rate to rise to 7.8 percent at the end of 2008, exceeding the national rate of 7.2 percent and the highest rate of the three counties in the MSA assessment area.

As in the other portions of the overall AA, home mortgage lending has declined. However, data provided by Metro Study Corporation indicates that housing sales increased somewhat in the later part of 2008. HMDA data shows that conventional home purchase loan originations and purchases declined 49 percent between 2006 and 2007 (the most recent year for which data is available) while refinance originations or purchases declined 34 percent. Loans to businesses, as reported under the CRA, increased approximately 2 percent.

Banking competition within the AA is high. In addition to community and mid-size banks, branches of the largest banks in the country operate in Palm Beach County. As of June 30, 2008, there were 66 deposit taking financial institutions in the county operating 499 branches.

The same type of opportunities is available for CD lending, investments, and services in the Palm Beach AA, as in the Miami-Dade AA, but they more limited. Palm Beach County will receive a grant totaling \$27.7 million under HUD's Neighborhood Stabilization Program (NSP) and another \$3 million is allocated to Boynton Beach so additional opportunities may exist for CD opportunities.

## State of Texas Full-Scope Areas

### MD 19124 (Dallas-Plano-Irving, TX)

Demographic Information for Full Scope Area: MD 19124 (Dallas-Plano-Irving, TX)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies	487	12.32	35.73	28.95	22.18	0.82
Population by Geography	2,218,899	11.31	37.04	30.75	20.90	0.00
Owner-Occupied Housing by Geography	424,788	4.24	29.53	35.01	31.22	0.00
Business by Geography	201,361	6.38	31.11	32.84	28.23	1.43
Farms by Geography	2,733	4.94	30.11	34.87	29.45	0.62
Family Distribution by Income Level	538,109	26.10	20.12	20.22	33.56	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	248,675	17.47	46.94	26.80	8.79	0.00
Median Family Income HUD Adjusted Median Family Income for 2008 Households Below Poverty Level		\$56,313 \$65,000 11%	Median Housing Value Unemployment Rate (January 2009)		\$112,845 7.5%	

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

Source: 2000 US Census and 2008 HUD updated MFI

The full-scope AA in Texas consists of all of MD 19124 (Dallas-Plano-Irving, TX), which is comprised of all of Dallas County. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- and moderate-income geographies.

There are 487 census tracts (geographies) in the full-scope AA according to the 2000 U.S. Census Bureau. The county has 60 low-income (12 percent), 174 moderate-income (36 percent), and 141 middle-income (29 percent) geographies. Upper-income geographies total 108 (22 percent), and 4 geographies do not have a designation (1 percent). Dallas County is the ninth most populous county in the United States with a population of 2.4 million according to the 2008 U.S. Census Bureau. The county seat is Dallas, which is also the largest city in the county and the third-largest city in Texas.

Economically, Dallas County has experienced some slowdown in job growth in the first quarter of 2009 but continues to exhibit one of the healthiest economies in the nation. Based on the Bureau of Labor Statistics, the unemployment rate was 7.5 percent in January 2009. The AA has one of the largest concentrations of corporate headquarters in the United States and Irving is home to four Fortune 500 companies. Telecommunications and information Industries are dominant in the AA. Major employers include Texas Instruments, AT&T, Cisco Systems, Verizon Communications, ExxonMobil and Kimberly-Clark.

Based on the 2008 HUD data, the median family income data for Dallas County is \$65,000. Approximately 11% of the population is below poverty level. The housing market is performing

better than most areas in the county. The median price of a new home in 2008 was \$145,000, a 3% decline in value from 2007.

Banking competition is intense within the bank's full-scope AA. FDIC deposit data as of June 30, 2007, showed 104 financial institutions in Dallas County. The five largest competitors in the county include: Bank of America, N.A., JP Morgan Chase Bank, N.A., Compass Bank, Comerica Bank and Wells Fargo Bank, N.A.

There are various CD opportunities for banks to participate in the AA as bank consolidations have played a major role in the reduction of investments in the AA. Banks can participate in affordable housing and small business lending programs, and to make loans to, invest in, and provide services to various projects, programs, and organizations that have a CD purpose. The need for CD investment in affordable housing CDCs, government and nonprofit organizations remains a high priority for Dallas. The Neighborhood Investment Program (NIP) and the Neighborhood Stabilization Programs are two of the five programs funded by Housing and Urban Development (HUD) grants to provide affordable homeownership opportunities to families and individuals with low and moderate-incomes in safe and decent neighborhoods through affordable financing and homebuyer counseling. Other CD opportunities existing in the AA include participating in the Mortgage Assistance Program (MAP) that assists first-time homebuyers with a total household income of less than 80 percent of Dallas area median income to purchase a home.

## State of Arizona Full-Scope Area

### MSA 38060 Maricopa County, AZ Only

Demographic Information for Full Scope Area: MSA 38060 (Maricopa County, AZ Only)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	663	6.03	27.30	34.69	31.37	0.60
Population by Geography	3,072,149	4.88	28.69	36.78	29.64	0.01
Owner-Occupied Housing by Geography	764,563	1.53	21.47	40.34	36.66	0.00
Business by Geography	249,598	5.18	22.69	31.80	40.27	0.06
Farms by Geography	4,426	2.60	19.61	36.62	41.12	0.05
Family Distribution by Income Level	768,800	19.09	18.51	21.75	40.65	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	289,057	7.44	41.75	36.25	14.56	0.00
Median Family Income		51,172	Median Housing Value		130,648	
HUD Adjusted Median Family Income for 2008		64,200	Unemployment Rate		6.1%	
Households Below Poverty Level		10%	(December 2008)			

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

Source: 2000 US Census and 2008 HUD updated MFI

This assessment area consists of Maricopa County, which is one of two counties comprising the Phoenix-Mesa Arizona MSA. The AA comprises 60 percent of the population of the state and contains 663 geographies of which 40 are low-income, 181 are moderate-income, 230 are middle-income and 208 are upper-income. Four geographies have not been assigned an income classification by the U.S. Census Bureau. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

NTNA operates six full-service offices in this AA and three limited-service offices located in retirement centers in Mesa, Scottsdale, and Sun City. There are ATMs attached to all but two of its branch locations. As of June 30, 2008, NTNA's deposits in the AA totaled \$615 million. Based on FDIC deposit market share data, this equates to a 1.12 percent deposit market share and ranks the bank as the 12<sup>th</sup> largest deposit taking institution in the AA. The data also show that there is intense banking competition in the AA. There are 77 banks with a total of 893 offices in the AA. Together, the top three banks dominate the market with 64 percent deposit market share.

Based on 2007 peer lending data, the competition for home mortgage and small business loans is also heavy, with 1,026 mortgage lenders and 244 small business lenders in the AA. The top 11 mortgage lenders hold a market share of 41 percent, and the top 5 small business lenders, who are all major credit card lenders, hold a market share of 77 percent. Lending opportunities in low and moderate income geographies are limited as only 1.53 percent of the owner occupied housing units in this AA are in low income geographies and 21.47 percent are in moderate income geographies. Further, 18.51 percent of the families living in the AA are

moderate income and 19.09 percent are low income, with 9.65 percent living below the poverty level.

About 64 percent of Arizona's labor force is located in Maricopa County. The largest portion of the Maricopa County labor force is employed in management, professional and related occupations (34 percent), followed by sales and office occupations (28 percent), service occupations (17 percent), and construction, extraction, maintenance, and repair occupations (12 percent). The largest non-government employers include Wal-Mart Stores, Inc, Banner Health, Wells Fargo & Co., Intel Corp., and Honeywell International, Inc. The unemployment rate for the Phoenix-Mesa Arizona MSA was 3.6 percent in January 2007, but has risen to 6.1 percent in December 2008, which is close to the state unemployment rate of 6.9 percent.

Representatives from local organizations were contacted to determine needs in the AA. One contact stated that the unemployment rate in the state is reflected in the current housing market. Foreclosures in Maricopa County in 2008 were at about 40,000, and for 2009 are forecasted to be around 100,000.

Another contact stated that his organization had developed housing for new home buyers, however, they are not being purchased as potential buyers are wary of making such a large and long term commitment when faced with the growing unemployment problem. He did express the need for local financial institutions to partner with non-profit organizations to provide housing counseling to low- and moderate-income individuals and families.

## State of California Full-Scope Areas

### MD 31084 (Los Angeles-Long Beach-Glendale, CA)

Demographic Information for Full Scope Area: MD 31084 (Los Angeles-Long Beach-Glendale, CA)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2,054	8.71	28.29	27.99	34.23	0.78
Population by Geography	9,519,338	8.00	29.44	30.88	31.58	0.10
Owner-Occupied Housing by Geography	1,499,694	1.91	15.46	31.30	51.33	0.00
Business by Geography	778,243	7.83	20.82	26.40	44.16	0.79
Farms by Geography	6,095	3.66	15.14	31.67	49.09	0.44
Family Distribution by Income Level	2,154,311	23.87	16.49	17.40	42.24	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	869,463	13.65	41.46	28.95	15.94	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below Poverty Level		46,509 59,800 15%	Median Housing Value (2000 Census) Median Housing Value September 2008 (Los Angeles Almanac) Unemployment Rate (US Bureau Labor Statistics January 2009)	240,248 \$360,000 10.8%		

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

Source: 2000 US Census and 2008 HUD updated MFI

The Metropolitan Division (MD) 31084 (Los Angeles-Long Beach-Glendale) is one of the bank's 7 assessment areas in the State of California. This AA contains 2,054 geographies, of which 179 are low-income geographies, 581 are moderate-income, 575 are middle-income and 703 are upper-income. Sixteen geographies in this AA have not yet been assigned an income classification by the US Census Bureau. This AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies. NTNA maintains twelve branches in the State of California, two of which are in AA 31084 MD.

NTNA's branches provide banking services such as brokerage services, investment management, online services, and trust and estate services. The bank's primary business focus in the AA is wealth management that provides lending services to the wealth client while at the same time reaching out to low- and moderate-income borrowers in underserved areas through community development organizations.

NTNA's deposits in the 31084 MD total approximately \$154 million. Based on FDIC deposit market share data as of June 30, 2008, this represents 2.5 percent of the bank's total deposits and equates to a .18 percent deposit market share that ranks NTNA 50 out of 97 deposit taking institutions in the MD. Competitors in this AA include, but are not limited to, Union Bank of California, Bank of America, Wells Fargo, Washington Mutual and Bank of the West.

Total NTNA residential real estate loans in the AA during the evaluation period equal approximately \$145 million and represent 6.2 percent of total reported loans. Residential real estate loans in this AA during the evaluation period are dominated by large national and regional lenders such as Countrywide Home Loans, Countrywide Bank, Washington Mutual, Bank of America, Wells Fargo Bank, World Savings Bank, Indymac Bank, Citi-mortgage Inc., J P Morgan Chase, and Lehman Brothers Bank. These top 10 banks accounted for 50 percent of the residential loan market.

The top five small business lenders in this AA in terms of the number of loans were American Express Bank, FSB, Citibank South Dakota N.A., Wells Fargo Bank, N.A., Chase Bank USA, N.A. and FIA Card Services, NA.

The unemployment rate for AA 31084 MD is 10.8 percent, as of January 2009, and is slightly higher than the State of California average of 10.2 percent. January 2008 to December 2008, the unemployment rate rose from 5.6 percent to 8.8 percent. The December 2007 unemployment rate for California was 8.7 percent. Retail trade, services, local government, transportation and communication are the major industry trades in the MD. Some of the largest non-government employers in 31084 MD are Kaiser Permanente, Northrop Grumman Corp., Boeing Co., Kroger Co., University of Southern California, Bank of America, Vons, Target and Walt Disney Co.

The 2007 HUD adjusted median family income for the AA is \$56,500 with 15 percent of households living below the poverty level. Based on the 2000 census data, 23.87 percent of the families in the AA are low-income and 16.49 percent are moderate-income. According to the Los Angeles Almanac the median housing value as of September 2008 is \$360 thousand in Los Angeles County. The negative equity caused by the fall of the real estate market make it difficult to impossible for home owners to refinance their home mortgage loans.

We determined community credit needs by contacting representatives from local housing and community service agencies, and small business development organizations. Our contacts for MD 31084 stated that the economic outlook for Southern California is gloomy due to the cooling housing sector and financial crisis of 2007 and 2008. The UCLA Anderson Forecast projects the US and state economy will move in tandem over the next few years, with income and employment deteriorating further before hitting bottom. Due to the credit and liquidity crisis, small businesses continue to have needs for capital and credit which have become more difficult to obtain. Our contact stated that Small Business Administration (SBA) activity had declined by about 40 percent in the first fiscal quarter of 2009 compared to the same period last year.

A second contact stated that small businesses have a need for information on what is available in financing or capital programs. The diverse workforce needs different language skills. Financial institutions can partner with organizations to offer seminars targeted to small businesses. There is a lack of financing and access to capital for all businesses. The construction industry has slowed; the retail industry such as car sales is not able to finance customers who can only qualify for loans with high credit scores. There is a need for a range of housing from affordable, low-income "Section 8" housing to first time home buyer programs for mid-level employees.



Opportunities to make CD loans and qualified investments and to provide CD services within this AA are moderate. These opportunities include LIHTC projects, non-profit housing organizations, small business development centers, and non-profit organizations that provide social services to low- and moderate-income individuals. Overall, opportunities for partnerships are moderate. Competition for CD loans, qualified investments and CD services is strong and consists primarily of several larger financial institutions that have a presence within the AA.

**MD 41884 Marin and San Francisco Counties only**

Demographic Information for Full Scope Area: MD 41884(Marin and San Francisco Counties, CA only)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	227	11.45	25.55	35.68	27.31	0.00
Population by Geography	1,024,022	11.12	23.64	39.57	25.67	0.00
Owner-Occupied Housing by Geography	179,333	2.60	15.79	43.90	37.70	0.00
Business by Geography	114,133	21.87	20.26	28.32	29.55	0.00
Farms by Geography	1,072	10.91	12.97	42.16	33.96	0.00
Family Distribution by Income Level	208,515	24.97	17.92	18.50	38.61	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	89,432	17.99	28.21	38.82	14.99	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below Poverty Level		75,188 94,300 9%	Median Housing Value Current Unemployment (US Census Bureau) Unemployment Rate (2000 US Census)		309,451 7.5 2.40%	

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

Source: 2000 US Census and 2008 HUD updated MFI

The Metropolitan Division (MD) 41884 (Marin and San Francisco Counties) is one of the bank's 7 assessment areas in the State of California. This AA contains 227 geographies, of which 26 are low-income geographies, 58 are moderate-income, 81 are middle-income and 62 are upper-income. This AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies. NTNA maintains twelve branches in the State of California, two of which are in AA 41884 MD.

NTNA's branches provide banking services such as brokerage services, investment management, online services, and trust and estate services. The bank's primary business focus in the AA is wealth management that provides lending services to the wealth client while at the same time reaching out to low- and moderate-income borrowers in underserved areas.

NTNA's deposits in the 41884 MD total approximately \$126 million. Based on FDIC deposit market share data as of June 30, 2008, this represents 2 percent of the bank's total deposits and equates to a .12 percent deposit market share that ranks NTNA 30 out of 59 deposit taking institutions in the MD. Competitors in this AA include, but are not limited to, Bank of America, N.A., Citibank N.A., Union Bank of California N.A., Merrill Lynch Bank and Trust Co. FSB, and Washington Mutual Bank. In addition, Wells Fargo's corporate headquarters are located in the MD.

Total bank loans in the AA during the evaluation period equal approximately \$54 million and represent 2.3 percent of total reported loans. Residential real estate loans in this AA during the evaluation period are dominated by large national and regional lenders such as Countrywide Home Loans, Countrywide Bank, Washington Mutual, Bank of America and Wells Fargo Bank. These 5 bank's accounted for 39 percent of the residential loan market.

The top 5 small business lenders in this AA in terms of the number of loans were American Express Bank, FSB, Citibank South Dakota N.A., Wells Fargo Bank, N.A., Chase Bank USA, N.A. and FIA Card Services, NA.

The unemployment rate for AA 41884 MD is 7.5 percent, as of January 2009, and is somewhat lower than the State of California average of 10.2 percent. From January 2008 to December 2008, the unemployment rate rose from 4.3 percent to 6.1 percent. The December unemployment rate for California was 8.7 percent. Retail trade, services, local government, transportation and communication are the major industry trades in the MD. Some of the largest non-government employers in 41884 MD are Kaiser Permanente, Northrop Grumman Corp., Boeing Co., Kroger Co., University of Southern California, Bank of America, Vons, Target and Walt Disney Co.

The 2007 HUD adjusted median family income for the AA is \$86,500 with 9 percent of households living below the poverty level. Based on the 2000 census data, 24.97 percent of the families in the AA are low-income and 17.92 percent are moderate-income. According to Real Estate Web Masters, looking at San Francisco Bay Area home sale statistics for the month of December 2008, the median home price plunged more than 43.8 percent, from \$587,500 to just \$330,000. This figure includes the sale of single family homes, condominiums, town-homes and lofts. Approximately 50 percent of homes sold during the month of December 2008 were foreclosures. The home mortgage price decline crisis has made it difficult to impossible for home owners to refinance existing mortgages and take advantage of a lower rate environment.

We contacted representatives from local housing and community service agencies, and small business development organizations in order to determine credit needs of the AA. Our contacts for MD 41884 stated that her organization is still doing well while other CD organizations are struggling with cuts to funding. Our contact has seen an increase over the past few years for a need for the services her organization provides to their monolingual clients. Her organization is a full-service community center providing a wide range of life sustaining services for 2,300 low-income, multi-ethnic seniors, immigrants and families. Our contact feels that her clients could use financial counseling; and what they should be doing with their money during these unsettled economic times.

We determined that the opportunity to make CD loans and qualified investments, and to provide CD services within this AA is moderate. These opportunities include LIHTC projects, non-profit housing organizations, small business development centers, and non-profit organizations that provide social services to low- and moderate-income individuals. Overall, opportunities for partnerships are moderate. Competition for CD loans, qualified investments and CD services is moderate and consists primarily of several larger financial institutions that have a presence within the AA.

**MD 42044 (Santa Ana-San Bernardino-Ontario, CA)**

Demographic Information for Full Scope Area: MD 42044 (Santa Ana-San Bernardino-Ontario, CA)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	577	3.64	26.86	33.10	36.22	0.17
Population by Geography	2,846,289	4.95	30.96	31.84	32.26	0.00
Owner-Occupied Housing by Geography	574,193	1.25	19.56	33.56	45.63	0.00
Business by Geography	274,711	3.09	28.97	35.26	31.86	0.82
Farms by Geography	3,102	3.35	26.11	34.88	35.40	0.26
Family Distribution by Income Level	673,912	20.69	17.97	20.68	40.65	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	260,573	7.49	42.05	32.12	18.35	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below Poverty Level		64,321 84,100 8%	Median Housing Value Current Unemployment Rate(US Bureau of Labor) Unemployment Rate (2000 US Census)		275,476 7.5% 2.50%	

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

Source: 2000 US Census and 2008 HUD updated MFI

The Metropolitan Division (MD) 42044 (Santa Ana-San Bernardino-Ontario) is one of the bank's seven assessment areas in the State of California. This AA contains 577 geographies, of which 21 are low-income geographies, 155 are moderate-income, 191 are middle-income and 209 are upper-income. One geography in this AA has not yet been assigned an income classification by the US Census Bureau. This AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies. NTNA maintains twelve branches in the State of California, one of which is in AA 41884 MD.

NTNA's branches provide banking services such as brokerage services, investment management, online services, and trust and estate services. The bank's primary business focus in the AA is wealth management that provides lending services to the wealth client while at the same time reaching out to low- and moderate-income borrowers in underserved areas.

NTNA's deposits in the 42044 MD total approximately \$112 million. Based on FDIC deposit market share data as of June 30, 2007, this represents 2 percent of the bank's total deposits and equates to a .17 percent deposit market share that ranks NTNA 58 out of 105 deposit taking institutions in this MD. Competitors in this AA include, but are not limited to, Bank of America, N.A., Wells Fargo N.A., Washington Mutual Bank, World Savings Bank FSB, and Fremont Investment and Loan and collectively account for fifty-seven percent of the deposit market share.

Total bank loans in the AA during the evaluation period equal approximately \$52 million and represent 2.2 percent of total reported loans. Residential real estate loans in this AA during the evaluation period are dominated by large national and regional lenders such as Countrywide Home Loans, Countrywide Bank, Washington Mutual, Bank of America, Wells Fargo Bank, World Savings Bank, Citimortgage, Indymac Bank, J P Morgan Chase Bank, and

Lehman Brothers Bank. These top ten banks accounted for 59 percent of the residential loan market in MD 42044.

The top five small business lenders in this AA in terms of the number of loans were American Express Bank, FSB, Citibank South Dakota N.A., Wells Fargo Bank, N.A., Chase Bank USA, N.A. and FIA Card Services, NA.

The unemployment rate for AA 42044 MD is 7.5 percent, as of January 2009, and is somewhat lower than the State of California average of 10.2 percent. From January 2008 to December 2008, the unemployment rate rose from 4.5 percent to 6.5 percent. The December unemployment rate for California was 8.7 percent. Retail trade, services, local government, transportation and communication are the major industry trades in the MD. Some of the largest non-government employers in 41884 MD are Toyota Motors Distribution Center, Whirlpool, APL Logistics and 3 major airports. MD 42044 is a major shipping hub for many manufacturing companies.

The 2007 HUD adjusted median family income for the AA is \$78,700 with 8 percent of households living below the poverty level. Based on the 2000 census data, 20.69 percent of the families in the AA are low-income and 17.97 percent are moderate-income. According to USA Today in November of 2008, "The areas that saw the largest housing price declines were the areas hardest hit by high numbers of foreclosures: Riverside/San Bernardino/Ontario, Calif., down 39.4%. Housing price declines have made it difficult to impossible for homeowners to refinance their existing home mortgages and take advantage of lower interest rates.

We contacted representatives from local housing and community service agencies, and small business development organizations in order to determine credit needs of the AA. Our contacts for MD 42044 stated that all of the local non-profits are experiencing reduced financial support. There is need for funding for affordable housing for domestic violence victims, which her CD organization was formed to assist. Our contact stated that domestic violence is on the increase not only due to drug and alcohol abuse but also because of the downturn in the economy.

Another contact for this MD states that there is a need for micro-loan funding for individuals and small business. This CD organization is looking to partner with a local county action group to establish a micro-loan fund. This CD organization also helps many groups of low- and moderate-income youth with after school programs and leadership programs as well as family and emergency care programs for low- and moderate-income families and seniors.

We determined that the opportunity to make CD loans and qualified investments, and to provide CD services within this AA is moderate. These opportunities include LIHTC projects, non-profit housing organizations, small business development centers, and non-profit organizations that provide social services to low- and moderate-income individuals. Overall, opportunities for partnerships are moderate. Competition for CD loans, qualified investments and CD services is moderate and consists primarily of several other financial institutions that have a presence within the AA.

## State of Colorado Full-Scope Areas

### MSA 19740 (Denver-Aurora)

Demographic Information for Full-Scope Area: Denver County						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	545	3.85	26.61	39.63	27.89	2.02
Population by Geography	2,179,240	4.56	27.71	40.28	27.32	0.12
Owner-Occupied Housing by Geography	570,412	1.89	21.89	42.97	33.26	0.00
Businesses by Geography	223,606	3.73	23.24	37.85	34.28	0.90
Farms by Geography	3,821	1.65	20.68	40.23	36.93	0.52
Family Distribution by Income Level	550,797	18.01	18.65	23.68	39.66	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	201,889	7.68	41.89	37.34	13.09	0.00
Median Family Income	= \$61,301	Median Housing Value		= \$180,045		
HUD Adjusted Median Family Income for 2008	= \$71,800	Unemployment Rate		= 7.9%		
Households Below the Poverty Level	= 7.3%	(February 2009)				

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2000 U.S. Census and 2008 HUD updated MFI.

The full-scope AA in Colorado consists of all of MSA 19740 (Denver-Aurora, CO). The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- and moderate-income geographies.

There are 545 census tracts (geographies) in the full-scope AA according to the 2000 U.S. Census Bureau. The AA has 21 low-income (4 percent), 145 moderate-income (27 percent), and 216 middle-income (40 percent) geographies. Upper-income geographies total 152 (27 percent), and 11 geographies do not have a designation (2 percent). The Denver-Aurora MSA is the most populous in Colorado and ranks in the top 20 in the United States with a population of 2.5 million according to the 2007 U.S. Census Bureau update. The state capital is Denver, which is also the largest city in the state.

Economically, the Denver MSA has experienced employment slowdowns for three consecutive years. Unemployment was 3.9 percent in 2007, 4.9 percent in 2008 and jumped to its current level in the first quarter of 2009. The AA business climate is dominated by small business; 87 percent of reporting employers have fewer than 10 employees and 93 percent of reporting companies have revenues lower than \$1 million. Retail trade, services, and public administration account for 78 percent of employment and contribute to relative low median family income in a time when two incomes per family are the norm.

Based on 2008 HUD data, the median family income data for the AA is \$61,000. Approximately seven percent of the population is below poverty level. The housing market is performing no better than most areas in the county. The median price of a new home in 2008 was \$180,000, a 3 percent decline in value from 2007.

Banking competition is intense within the bank's full-scope AA. FDIC deposit data as of June 30, 2007, showed 104 financial institutions in the Denver MSA. The five largest competitors in the county include: Wells Fargo Bank, N.A.; U.S. Bank, N.A.; World Savings Bank, FSB; JP Morgan Chase Bank, N.A.; and Fiserv Trust Co.

There are various CD opportunities for banks to participate in the AA as bank consolidations have played a major role in the reduction of investments in the AA. Banks can participate in affordable housing and small business lending programs, and to make loans to, invest in, and provide services to various projects, programs, and organizations that have a CD purpose. The need for CD investment in affordable housing CDCs, government and nonprofit organizations remains a high priority for Denver. The Neighborhood Investment Program (NIP) and the Neighborhood Stabilization Programs are two of the five programs funded by Housing and Urban Development (HUD) grants to provide affordable homeownership opportunities to families and individuals with low and moderate-incomes in safe and decent neighborhoods through affordable financing and homebuyer counseling. Other CD opportunities existing in the AA include participating in the Mortgage Assistance Program (MAP) that assists first-time homebuyers with a total household income of less than 80 percent of the MSA's median income to purchase a home.

## 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: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

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

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



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

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

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

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

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

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

---

Institution ID: NORTHERN TRUST, NA (17487)

Table 1. Lending Volume

LENDING VOLUME												
Geography: FLORIDA												
Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2008												
MA/Assessment Area (2007):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
MSA 33100:												
MD 22744 (Broward County, FL)	11.07	349	178,220	229	54,505	0	0	23	14,007	.601	246,732	9.46
MD 33124 (Miami -Dade County, FL)	20.40	734	281,027	568	151,592	0	0	23	21,851	1,325	454,470	43.40
MD 48424 (Palm Beach County, FL)	15.64	329	248,505	316	85,587	0	0	10	14,433	655	348,525	11.30
<b>Limited Review:</b>												
MSA 15980 (Cape Coral, Myers, FL)	6.16	240	109,756	111	26,681	0	0	2	850	353	137,287	5.09
MSA 34940 (Naples-Marco, FL)	8.52	268	163,208	106	23,237	0	0	1	3,500	375	189,945	6.70
MSA 38940 (Martin County, FL only)	2.00	50	25,985	58	18,654	0	0	0	0	108	44,639	2.36
MSA 42260 (Sebring, Bradenton- Venice, FL)	17.66	762	309,172	397	78,429	0	0	7	6,076	1,166	393,677	12.04
MSA 42680 (Sebastian, Beach, FL)	10.00	288	163,771	222	49,932	0	0	6	9,258	516	222,961	5.53
MSA 45300 (Hillsborough, Pinellas Counties, FL only)	8.55	373	123,996	284	66,150	0	0	12	474	669	190,620	4.12

\* Loan Data as of December 31, 2008. Rated area refers to either state or multi-state MA rating area.  
 \*\* The evaluation period for Community Development Loans is from January 03, 2005 to March 16, 2009.  
 \*\*\* Deposit Data as of June 30, 2008. Rated Area refers to state, multi-state MA, or institution, as appropriate.

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa ll	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
MSA 33100:																
MD 22744 (Broward County, FL)	219	8.54	1.16	9.13	23.67	18.72	45.93	26.03	29.24	46.12	0.08	0.44	0.09	0.04	0.10	
MD 33124 (Miami- Dade County, FL)	598	23.33	1.69	20.07	19.82	37.46	36.99	14.21	41.51	28.26	0.25	1.90	0.40	0.08	0.12	
MD 48424 (Palm Beach County, FL)	234	9.13	1.53	6.41	24.63	20.51	36.35	20.51	37.50	52.56	0.13	0.00	0.14	0.12	0.15	
<b>Limited Review:</b>																
MSA 15980 (Cape Coral-Fort Myers, FL)	193	7.53	0.87	7.25	13.24	10.36	63.06	43.52	22.84	38.86	0.14	0.78	0.22	0.09	0.23	
MSA 34940 (Naples-Marco Island, FL)	217	8.47	2.30	4.15	13.08	6.91	47.98	35.94	36.65	53.00	0.34	0.99	0.54	0.16	0.50	
MSA 38940 (Martin County, FL only)	35	1.37	0.00	0.00	6.93	22.86	49.37	17.14	43.70	60.00	0.29	0.00	0.00	0.07	0.65	
MSA 42260 (Sarasota-Bradenton- Venice, FL)	576	22.47	0.30	1.39	20.46	26.22	54.68	30.21	24.56	42.19	0.50	10.6 4	1.38	0.24	0.43	
MSA 42680 (Sebastian-Vero Beach, FL)	207	8.08	0.00	0.00	13.47	14.01	61.60	28.50	24.93	57.49	0.88	0.00	2.18	0.32	1.96	
MSA 45300 (Hillsborough & Pinellas Counties, FL only)	284	11.08	1.00	7.39	15.65	19.01	48.72	31.34	34.62	42.25	0.07	0.00	0.07	0.05	0.10	

\* Based on 2007 Peer Mortgage Data (Eastern)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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



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

Geographic Distribution: HOME IMPROVEMENT			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2008						
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
<b>Full Review:</b>															
MSA 33100:															
MD 22744 (Broward County, FL)	11	18.03	1.16	0.00	23.67	18.18	45.93	36.36	29.24	45.45	0.08	0.00	0.08	0.09	0.07
MD 33124 (Miami-Dade County, FL)	6	9.84	1.69	0.00	19.82	16.67	36.99	16.67	41.51	66.67	0.03	0.00	0.00	0.04	0.04
MD 48424 (Palm Beach County, FL)	7	11.48	1.53	0.00	24.63	42.86	36.35	14.29	37.50	42.86	0.10	0.00	0.13	0.00	0.18
<b>Limited Review:</b>															
MSA 15980 (Cape Coral-Fort Myers, FL)	1	1.64	0.87	0.00	13.24	0.00	63.06	0.00	22.84	100.00	0.00	0.00	0.00	0.00	0.00
MSA 34940 (Naples-Marco Island, FL)	3	4.92	2.30	0.00	13.08	0.00	47.98	66.67	36.65	33.33	0.15	0.00	0.00	0.28	0.00
MSA 38940 (Martin County, FL only)	0	0.00	0.00	0.00	6.93	0.00	49.37	0.00	43.70	0.00	0.00	0.00	0.00	0.00	0.00
MSA 42260 (Sarasota-Bradenton- Venice FL)	16	26.23	0.30	0.00	20.46	0.00	54.68	37.50	24.56	62.50	0.24	0.00	0.00	0.10	0.97
MSA 42680 (Sebastian-Vero Beach FL)	8	13.11	0.00	0.00	13.47	0.00	61.60	0.00	24.93	100.00	0.56	0.00	0.00	0.00	3.17

\* Based on 2007 Peer Mortgage Data (Eastern)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

MSA 45300 (Hillsborough & Pinellas Counties, FL only)	9	14.75	1.00	0.00	15.65	0.00	48.72	66.67	34.62	33.33	0.06	0.00	0.00	0.10	0.04
--	---	-------	------	------	-------	------	-------	-------	-------	-------	------	------	------	------	------

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: FLORIDA								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2008				
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	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 33100:															
MD 22744 (Broward County, FL)	116	15.51	1.16	0.86	23.67	30.17	45.93	32.76	29.24	36.21	0.05	0.00	0.11	0.03	0.03
MD 33124 (Miami-Dade County, FL)	120	16.04	1.69	2.50	19.82	16.67	36.99	17.50	41.51	63.33	0.02	0.06	0.04	0.01	0.02
MD 48424 (Palm Beach County, FL)	87	11.63	1.53	0.00	24.63	20.69	36.35	25.29	37.50	54.02	0.08	0.00	0.10	0.08	0.08
<b>Limited Review:</b>															
MSA 15980 (Cape Coral-Fort Myers ,FL)	45	6.02	0.87	0.00	13.24	4.44	63.06	51.11	22.84	44.44	0.04	0.00	0.00	0.05	0.04
MSA 34940 (Naples-Marco Island, FL)	47	6.27	2.30	0.00	13.08	6.38	47.98	29.79	36.65	63.83	0.11	0.00	0.13	0.04	0.22
MSA 38940 (Martin County, FL only)	15	2.01	0.00	0.00	6.93	0.00	49.37	46.67	43.70	53.33	0.12	0.00	0.00	0.00	0.26
MSA 42260 (Sarasota-Bradenton- Venice FL)	167	22.33	0.30	0.60	20.46	10.18	54.68	41.32	24.56	47.90	0.16	0.00	0.03	0.13	0.31
MSA 42680 (Sebastian-Vero Beach, FL)	73	9.76	0.00	0.00	13.47	4.11	61.60	23.29	24.93	72.60	0.42	0.00	0.30	0.23	1.02

\* Based on 2007 Peer Mortgage Data (Eastern)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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



MSA 45300 (Hillsborough & Pinellas Counties only)	78	10.43	1.00	2.56	15.65	15.38	48.72	39.74	34.62	42.31	0.02	0.10	0.05	0.02	0.01
---	----	-------	------	------	-------	-------	-------	-------	-------	-------	------	------	------	------	------

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2008					Market Share (%) by Geography *				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa ll	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
MSA 33100:																
MD 22744 (Broward County, FL)	3	14.29	2.27	0.00	32.48	33.33	48.64	66.67	16.61	0.00	0.00	0.00	0.00	0.00	0.00	
MD 33124 (Miami-Dade County, FL)	10	47.62	6.85	30.00	35.49	40.00	30.24	20.00	27.42	10.00	0.00	0.00	0.00	0.00	0.00	
MD 48424 (Palm Beach County, FL)	1	4.76	3.13	0.00	32.78	0.00	31.51	100.00	32.58	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
MSA 15980 (Cape Coral-Fort Myers, FL)	1	4.76	1.45	0.00	15.27	100.00	44.37	0.00	38.90	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 34940 (Naples-Marco Island, FL)	1	4.76	2.08	0.00	7.03	0.00	35.11	0.00	55.78	100.00	0.00	0.00	0.00	0.00	0.00	
MSA 38940 (Martin County, FL only)	0	0.00	0.00	0.00	11.81	0.00	52.57	0.00	35.61	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 42260 (Sarasota-Bradenton- Venice FL)	3	14.29	0.53	0.00	20.94	66.67	43.00	33.33	35.54	0.00	4.76	0.00	4.55	6.25	0.00	
MSA 42680 (Sebastian-Vero Beach, FL)	0	0.00	0.00	0.00	18.93	0.00	45.98	0.00	35.08	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 45300 (Hillsborough & Pinellas Counties only)	2	9.52	4.58	0.00	17.61	0.00	48.82	50.00	28.99	50.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data (Eastern)

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

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

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



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

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: FLORIDA				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2008				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
<b>MSA33100:</b>																				
MD 22744 (Broward County, FL)	229	10.00	4.77	8.73	22.51	14.41	42.71	38.43	30.00	38.43	0.04	0.07	0.03	0.03	0.04					
MD 33124 (Miami-Dade County, FL)	568	24.79	4.91	5.81	22.10	8.80	32.30	35.74	40.27	49.65	0.07	0.14	0.03	0.08	0.08					
MD 48424 (Palm Beach County, FL)	316	13.79	3.43	6.96	21.26	16.77	34.69	31.01	40.46	45.25	0.08	0.16	0.06	0.08	0.07					
<b>Limited Review:</b>																				
MSA 15980 (Cape Coral-Fort Myers FL)	111	4.85	0.97	0.00	13.96	14.41	59.39	52.25	25.68	33.33	0.07	0.00	0.08	0.07	0.08					
MSA 34940 (Naples-Marco Island, FL)	106	4.63	1.72	0.00	10.96	0.94	44.76	30.19	42.56	68.87	0.12	0.00	0.00	0.08	0.21					
MSA 38940 (Martin County, FL only)	58	2.53	0.00	0.00	21.09	39.66	41.78	41.38	37.14	18.97	0.18	0.00	0.56	0.12	0.09					
MSA 42260 (Sarasota-Bradenton- Venice FL)	397	17.33	0.43	0.25	20.91	21.41	51.49	55.67	27.17	22.67	0.21	0.00	0.33	0.22	0.14					
MSA 42680 (Sebastian-Vero Beach, FL)	222	9.68	0.00	0.00	12.90	2.25	60.16	20.72	26.94	77.03	0.00	0.00	0.00	0.00	0.00					
MSA 45300 (Hillsborough & Pinellas Counties only)	284	12.40	2.02	3.17	20.74	38.03	42.87	43.31	34.38	15.49	0.06	0.23	0.14	0.05	0.03					

\* Based on 2007 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2007).



**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2008							
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****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 33100:															
MD 22744 (Broward County, FL)	219	8.54	20.85	7.88	18.17	17.24	20.48	9.36	40.50	65.52	0.10	0.71	0.22	0.04	0.09
MD 33124 (Miami-Dade County, FL)	598	23.33	23.00	20.58	16.98	30.14	18.53	14.80	41.50	34.48	0.30	24.36	4.50	0.58	0.09
MD 48424 (Palm Beach County, FL)	234	9.13	19.86	13.39	18.56	16.52	20.60	8.04	40.98	62.05	0.16	0.25	0.27	0.09	0.16
<b>Limited Review:</b>															
MSA 15980 (Cape Coral-Fort Myers, FL)	193	7.53	17.16	18.62	19.96	17.02	23.32	4.26	39.56	60.11	0.17	2.12	0.44	0.03	0.14
MSA 34940 (Naples-Marco Island, FL)	217	8.47	19.06	19.40	19.32	6.47	20.65	2.49	40.97	71.64	0.39	13.89	0.52	0.00	0.28
MSA 38940 (Martin County, FL only)	35	1.37	14.67	17.14	16.39	2.86	19.87	0.00	49.07	80.00	0.34	0.00	0.63	0.00	0.39
MSA 42260 (Sarasota-Bradenton- Venice, FL)	576	22.47	17.71	18.59	19.64	8.92	23.60	4.65	39.06	67.84	0.55	8.54	0.13	0.07	0.49
MSA 42680 (Sebastian-Vero Beach, FL)	207	8.08	17.61	26.47	19.63	2.45	22.39	2.94	40.37	68.14	1.09	16.28	0.72	0.16	0.83
MSA 45300 (Hillsborough and Pinellas Counties only)	284	11.08	18.01	22.34	17.82	10.26	21.44	8.79	42.73	58.61	0.08	0.14	0.12	0.01	0.10

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 5.6% of loans originated and purchased by bank.

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

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

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

Borrower Distribution: HOME IMPROVEMENT			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2008						
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****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 33100:															
MD 22744 (Broward County)	11	18.03	20.85	9.09	18.17	27.27	20.48	0.00	40.50	63.64	0.09	0.60	0.34	0.00	0.04
MD 33124 (Miami-Dade County, FL)	6	9.84	23.00	0.00	16.98	40.00	18.53	0.00	41.50	60.00	0.02	0.00	0.28	0.00	0.00
MD 48424 (Palm Beach County FL)	7	11.48	19.86	28.57	18.56	14.29	20.60	14.29	40.98	42.86	0.10	0.00	0.00	0.14	0.12
<b>Limited Review:</b>															
MSA 15980 (Cape Coral-Fort Myers FL)	1	1.64	17.16	0.00	19.96	0.00	23.32	0.00	39.56	100.00	0.00	0.00	0.00	0.00	0.00
MSA 34940 (Naples-Marco Island, FL)	3	4.92	19.06	33.33	19.32	0.00	20.65	0.00	40.97	66.67	0.17	5.00	0.00	0.00	0.00
MSA 38940 (Martin County, FL only)	0	0.00	14.67	0.00	16.39	0.00	19.87	0.00	49.07	0.00	0.00	0.00	0.00	0.00	0.00
MSA 42260 (Sarasota-Bradenton Venice)	16	26.23	17.71	0.00	19.64	12.50	23.60	6.25	39.06	81.25	0.25	0.00	0.00	0.00	0.48
MSA 42680 (Sebastian-Vero Beach)	8	13.11	17.61	0.00	19.63	0.00	22.39	0.00	40.37	100.00	0.57	0.00	0.00	0.00	1.16

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 1.6% of loans originated and purchased by bank.

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

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

MSA 45300 (Hillsborough & Pinellas Counties only)	9	14.75	18.01	11.11	17.82	22.22	21.44	11.11	42.73	55.56	0.06	0.00	0.10	0.00	0.09
--	---	-------	-------	-------	-------	-------	-------	-------	-------	-------	------	------	------	------	------



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

Borrower Distribution: HOME MORTGAGE REFINANCE															
Geography: FLORIDA															
Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2008															
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**	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 33100:															
MD 22744 (Broward County)	116	15.51	20.85	13.64	18.17	18.18	20.48	13.64	40.50	54.55	0.05	0.58	0.13	0.01	0.03
MD 33124 (Miami-Dade County, FL)	120	16.04	23.00	2.86	16.98	16.19	18.53	5.71	41.50	75.24	0.02	0.21	0.07	0.01	0.02
MD 48424 (Palm Beach County FL)	87	11.63	19.86	9.41	18.56	21.18	20.60	14.12	40.98	55.29	0.10	0.40	0.23	0.09	0.05
<b>Limited Review:</b>															
MSA 15980 (Cape Coral-Fort Myers FL)	45	6.02	17.16	2.33	19.96	27.91	23.32	6.98	39.56	62.79	0.05	0.00	0.31	0.00	0.02
MSA 34940 (Naples-Marco Island FL)	47	6.27	19.06	4.44	19.32	8.89	20.65	2.22	40.97	84.44	0.13	0.00	0.20	0.00	0.16
MSA 38940 (Martin County FL only)	15	2.01	14.67	0.00	16.39	6.67	19.87	0.00	49.07	93.33	0.14	0.00	0.32	0.00	0.16
MSA 42260 (Sarasota-Bradenton- Venice FL)	167	22.33	17.71	3.75	19.64	11.25	23.60	6.88	39.06	78.13	0.19	0.34	0.39	0.03	0.19
MSA 42680 (Sebastian-Vero Beach FL)	73	9.76	17.61	5.48	19.63	8.22	22.39	10.96	40.37	75.34	0.49	0.00	0.22	0.43	0.66

\* Based on 2007 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 5.1% of loans originated and purchased by bank.

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

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

MSA 45300 (Hillsborough and Pinellas Counties only)	78	10.43	18.01	1.35	17.82	20.27	21.44	13.51	42.73	64.86	0.03	0.00	0.12	0.00	0.01
--	----	-------	-------	------	-------	-------	-------	-------	-------	-------	------	------	------	------	------

**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: FLORIDA			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2008	
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share *	
	#	% of Total**	% of Businesses***	% BANK****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
MSA 33100:									
MD 22744 (Broward County, FL)	229	10.00	68.47	37.12	40.17	30.57	29.26	0.04	0.03
MD 33124 (Miami-Dade County, FL)	568	24.79	66.64	35.92	39.26	26.06	34.68	0.07	0.07
MD 48424 (Palm Beach County, FL)	316	13.79	67.23	30.06	36.71	24.37	38.92	0.08	0.06
<b>Limited Review:</b>									
MSA 15980 (Cape Coral-Fort Myers, FL)	111	4.85	66.74	33.33	30.63	40.54	28.83	0.07	0.06
MSA 34940 (Naples-Marco Island, FL)	106	4.63	66.67	50.94	45.28	25.47	29.25	0.12	0.20
MSA 38940 (Martin County, FL only)	58	2.53	67.89	24.14	37.93	24.14	37.93	0.18	0.08
MSA 42260 (Sarasota-Bradenton-Venice, FL)	397	17.33	66.21	53.40	51.89	25.44	22.67	0.21	0.26
MSA 42680 (Sebastian-Vero Beach, FL)	222	9.68	66.98	49.55	42.79	27.48	29.73	0.00	0.00
MSA 45300 (Hillsborough & Pinellas Counties only)	284	12.40	65.69	38.73	48.94	21.13	29.93	0.06	0.05

\* Based on 2007 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* 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 5.37% of small loans to businesses originated and purchased by the bank.



Table 14. Qualified Investments

QUALIFIED INVESTMENTS TO March 16, 2009		Geography: FLORIDA				Evaluation Period: JANUARY 3 2005			
MA/Assessment Area:	Prior Period Investments *		Current Period Investments		Total Investments			Unfunded Commitments **	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL)	0	0	2	5,522	2	5,522	7.41		
MD 22744 (Broward County, FL)	0	0	9	3,001	9	3,001	4.03	0	0
MD 33124 (Miami-Dade County, FL)	0	0	43	30,754	43	30,754	41.29	0	0
MD 48424 (Palm Beach County, FL)	1	6,691	14	5,274	15	11,965	16.07	0	0
Statewide with potential to benefit one or more AAs	3	1,010	3	1,033	6	2,043	2.74		
<b>Limited Review:</b>									
MSA 15980 (Cape Coral-Fort Myers, FL)	0	0	6	18	6	18	.02	0	0
MSA 34940 (Naples-Marco Island, FL)	0	0	9	37	9	37	.05	0	0
MSA 38940 (Martin County ,FL only)	0	0	11	46	11	46	.06	0	0
MSA 42260 (Sarasota-Bradenton-Venice, FL)	1	3,420	27	2,125	28	5,545	7.45	0	0
MSA 42680 (Sebastian-Vero Beach, FL)	1	493	11	57	12	550	.74	0	0
MSA 45300 (Hillsborough & Pinellas Counties only)	0	0	15	14,999	15	14,999	20.14	0	0

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

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



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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: FLORIDA				EVALUATION PERIOD:: January 3, 2005 TO March 16, 2009					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
MSA 33100:																	
MD 22744( Broward County, FL)	9.46	3	10.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	3.57	26.43	43.13	26.88
MD 33124 (Miami-Dade County, FL)	43.40	6	20.00	0.00	0.00	33.33	66.66	0	0	0	0	0	0	4.89	28.61	35.68	30.79
MD 48424 (Palm Beach County, FL)	11.30	4	13.33	0.00	0.00	25.00	75.00	0	0	0	0	0	0	4.21	29.32	33.88	32.37
<b>Limited Review:</b>																	
MSA 15980 (Cape Coral-Fort Myers, FL)	5.09	3	10.00	0.00	33.33	0.00	66.66	0	0	0	0	0	0	1.95	17.89	61.13	19.03
MSA 34940 (Naples-Marco Island, FL)	6.70	3	10.00	0.00	0.00	0.00	100.00	1	0	0	0	0	+1	7.48	18.77	45.24	28.51
MSA 38940 (Martin County, FL only)	2.36	1	3.33	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	14.20	45.62	40.18
MSA 42260 (Sarasota-Bradenton-Venice, FL)	12.04	5	16.67	0.00	0.00	60.00	40.00	0	0	0	0	0	0	0.67	25.18	52.01	22.14
MSA 42680 (Sebastian-Vero Beach, FL)	5.53	2	6.67	0.00	0.00	0.00	100.00	0	0	0	0	-1	0	0.00	16.49	61.66	21.84
MSA 45300 (Hillsborough & Pinellas Counties only)	4.12	3	10.00	0.00	66.66	33.33	0.00	0	0	0	0	0	0	2.93	19.62	46.23	31.22

Institution ID: NORTHERN TRUST, NA (17487)

Table 1. Lending Volume

LENDING VOLUME		Geography: TEXAS				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008						
MA/Assessment Area (2007):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
MD 19124 (Dallas- Plano-TX)	43.21	186	116,171	71	17,958	0	0	7	2,715	264	136,844	60.22
<b>Limited Review:</b>												
MSA 12420 (Austin- Round TX)	6.38	32	13,382	6	1,223	0	0	1	679	39	15,284	1.39
MSA 26420 (Houston- Sug TX)	50.41	238	101,756	67	19,171	0	0	3	2,836	308	123,763	38.39

\* Loan Data as of December 31, 2008. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2007 to March 16, 2009.

\*\*\* Deposit Data as of June 30, 2007. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.



(17487)

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: TEXAS						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008							
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
<b>Full Review:</b>															
MD 19124 (Dallas-Plano-Irving, TX)	163	40.96	4.24	19.63	29.53	30.67	35.01	5.52	31.22	44.17	0.12	0.48	0.19	0.01	0.14
<b>Limited Review:</b>															
MSA 12420 (Austin-Round Rock, TX)	27	6.78	4.16	7.41	21.43	37.04	36.00	25.93	38.41	29.63	0.03	0.06	0.04	0.04	0.02
MSA 26420 (Houston-Sugarland, TX)	208	52.26	3.55	11.06	24.97	39.42	30.44	10.58	41.03	38.94	0.06	0.29	0.14	0.01	0.06

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

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

Geographic Distribution: HOME IMPROVEMENT		Geography: TEXAS								Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 19124 (Dallas-Plano- Irving, TX)	14	82.35	4.24	57.14	29.53	0.00	35.01	7.14	31.22	35.71	0.08	0.00	0.00	0.08	0.14
<b>Limited Review:</b>															
MSA 12420 (Austin-Round Rock, TX)	1	5.88	4.16	0.00	21.43	0.00	36.00	0.00	38.41	100.00	0.00	0.00	0.00	0.00	0.00
MSA 26420 (Houston-Sugarland, TX)	2	11.77	3.55	0.00	24.97	0.00	30.44	0.00	41.03	100.00	0.01	0.00	0.00	0.00	0.02

<sup>\*</sup> Based on 2007 Peer Mortgage Data (Western)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

(17487)

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: TEXAS				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
MD 19124 (Dallas-Plano- Irving, TX)	6	15.79	4.24	0.00	29.53	0.00	35.01	33.33	31.22	66.67	0.00	0.00	0.00	0.00	0.01	
<b>Limited Review:</b>																
MSA 12420 (Austin-Round Rock, TX)	4	10.53	4.16	0.00	21.43	0.00	36.00	25.00	38.41	75.00	0.02	0.00	0.00	0.03	0.02	
MSA 26420 (Houston-Sugarland, TX)	28	73.68	3.55	10.71	24.97	28.57	30.44	17.86	41.03	42.86	0.04	0.36	0.08	0.03	0.02	

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

(Included)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY			Geography: TEXAS				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					Market Share (%) by Geography				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total	% of MF Units	% BANK Loans	% MF Units	% BANK Loans	% MF Units	% BANK Loans	% MF Units	% BANK Loans						
<b>Full Review:</b>																
MD 19124(Dallas-Plano- Irving, TX)	1	100.00	18.13	0.00	36.96	0.00	30.79	100.00	14.12	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
MSA 12420 (Austin-Round Rock, TX)	0	0.00	19.50	0.00	33.11	0.00	32.54	0.00	14.85	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 26420 (Houston-Sugarland, TX)	0	0.00	10.44	0.00	35.44	0.00	31.11	0.00	23.01	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

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

(17487)

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

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: TEXAS								Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					
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 Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 19124 (Dallas-Plano-Irving, TX)	68	48.23	6.38	2.94	31.11	39.71	32.84	19.12	28.23	38.24	0.04	0.02	0.07	0.01	0.06
<b>Limited Review:</b>															
MSA 12420 (Austin-Round Rock, TX)	6	4.25	6.24	0.00	19.47	0.00	31.88	16.67	42.26	83.33	0.01	0.00	0.00	0.01	0.01
MSA 26420 (Houston-Sugarland, TX)	67	47.52	5.77	1.49	26.95	5.97	26.65	11.94	39.94	80.60	0.02	0.00	0.01	0.01	0.03

\* Based on 2007 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2007).

Institution ID: NORTHERN TRUST, NA

(17487) (Included)

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: TEXAS						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008							
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****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 19124 (Dallas-Plano-Irving, TX)	164	41.10	26.10	30.86	20.12	15.43	20.22	4.94	33.56	48.77	0.14	0.48	0.08	0.04	0.15
<b>Limited Review:</b>															
MSA 12420 (Austin-Round Rock, TX)	27	6.77	21.57	3.85	17.98	34.62	21.04	11.54	39.41	50.00	0.03	0.07	0.09	0.01	0.02
MSA 26420 (Houston-Sugarland, TX)	208	52.13	23.73	2.42	17.79	31.88	18.74	10.14	39.74	55.56	0.07	0.06	0.11	0.03	0.08

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 1.0% of loans originated and purchased by bank.

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

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

Institution ID: NORTHERN TRUST, NA

(17487)

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

Borrower Distribution: HOME IMPROVEMENT		Geography: TEXAS								Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					
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****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 19124 (Dallas- Plano- Irving, TX)	14	82.35	26.10	0.00	20.12	0.00	20.22	0.00	33.56	100.00	0.08	0.00	0.00	0.00	0.15
<b>Limited Review:</b>															
MSA 12420 (Austin- Round Rock, TX)	1	5.88	21.57	0.00	17.98	0.00	21.04	0.00	39.41	100.00	0.00	0.00	0.00	0.00	0.00
MSA 26420 (Houston Sugarland TX)	2	11.77	23.73	0.00	17.79	0.00	18.74	0.00	39.74	100.00	0.01	0.00	0.00	0.00	0.02

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 47.1% of loans originated and purchased by bank.

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

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

Institution ID: NORTHERN TRUST, NA

(17487)

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

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: TEXAS					Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008				
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**	Overa ll	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
MD 19124 (Dallas-Plano-Irving, TX)	7	17.95	26.10	14.29	20.12	14.29	20.22	0.00	33.56	71.43	0.01	0.08	0.00	0.00	0.00									
<b>Limited Review:</b>																								
MSA 12420 (Austin-Round Rock, TX)	4	10.26	21.57	25.00	17.98	50.00	21.04	0.00	39.41	25.00	0.02	0.20	0.00	0.00	0.02									
MSA 26420 (Houston-Sugarland, TX)	28	71.79	23.73	3.85	17.79	46.15	18.74	11.54	39.74	38.46	0.05	0.07	0.16	0.04	0.02									

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 5.1% of loans originated and purchased by bank.

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

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



Institution ID: NORTHERN TRUST, NA

(17487)

**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: TEXAS		Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008			
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
<b>Full Review:</b>									
MD 19124 (Dallas-Plano-Irving, TX)	71	40.30	68.42	25.35	33.80	30.99	35.21	0.04	0.02
<b>Limited Review:</b>									
MSA 12420 (Austin-Round Rock, TX)	6	4.17	68.51	50.00	16.67	66.67	16.67	0.01	0.00
MSA 26420 (Houston-Sugarland, TX)	67	46.53	69.72	31.34	46.27	11.94	41.79	0.02	0.01

\* Based on 2007 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* 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 20.14% of small loans to businesses originated and purchased by the bank.

(17487)

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: TEXAS				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
MD 19124 (Dallas-Plano-Irving, TX)	9	10,756	7	4,959	16	15,715	67	0	0
<b>Limited Review:</b>									
MSA 12420 (Austin-Round Rock, TX)	0	0	2	1,223	2	1,223	5	0	0
MSA 26420 (Houston-Sugarland, TX)	3	3,725	3	103	6	3,828	16	0	0
<b>State Wide Review:</b>									
State Wide Area to potentially Benfit one or more AAs in TX	9	2,212	1	500	10	2,712	12	1	1,000

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

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

Institution ID: NORTHERN TRUST, NA

(17487)

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/ CLOSINGS																	
Geography: TEXAS																	
Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008																	
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 (%)**NA				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
MD 19124 (Dallas-Plano-Irving, TX)	60.22	4	50.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	11.31	37.04	30.75	20.90
<b>Limited Review:</b>																	
MSA 12420 (Austin-Round Rock, TX)	1.39	1	12.50	0.00	0.00	0.00	100.00	0	0	0	0	0	0	11.53	29.36	32.41	26.40
MSA 26420 (Houston-Sugarland, TX)	38.39	2	25.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	7.71	32.87	29.21	30.16
<b>**N/A geographies</b>		1	12.50														

Table 1. Lending Volume

LENDING VOLUME		Geography: ARIZONA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008						
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
MSA 38060 (Maricopa County Only)	72.69	421	223,229	229	71,230	0	0	2	\$1,750	652	296,209	81.73
<b>Limited Review:</b>												
MSA 46060 (Tucson, AZ)	27.31	113	38,965	127	29,620	0	0	5	\$7.350	245	75,935	18.27

\* Loan Data as of December 31, 2008. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2007 to March 16, 2009.

\*\*\* Deposit Data as of June 30, 2007. Rated Area refers either to state, multi-state MA, or institution, as appropriate.

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE			Geography: ARIZONA						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008						
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***	% BANK Loans****	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 38060 (Maricopa County, AZ Only)	237	79.26	1.53	0.42	21.47	21.94	40.34	24.05	36.66	53.59	0.05	0.00	0.04	0.02	0.08
<b>Limited Review:</b>															
MSA 46060 (Tucson, AZ)	62	20.74	2.25	3.23	24.74	43.55	36.40	17.74	36.61	35.48	0.06	0.13	0.14	0.03	0.06

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

Institution ID: NORTHERN TRUST, NA

(17487)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 2008		Geography: ARIZONA								Evaluation Period: JANUARY 1, 2007 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 <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 38060 (Maricopa County, AZ Only)	18	100.00	1.53	0.00	21.47	22.22	40.34	16.67	36.66	61.11	0.04	0.00	0.03	0.01	0.09
<b>Limited Review:</b>															
MSA 46060 (Tucson, AZ)	0	0.00	2.25	0.00	24.74	0.00	36.40	0.00	36.61	0.00	0.00	0.00	0.00	0.00	0.00

<sup>\*</sup> Based on 2007 Peer Mortgage Data (Western)

<sup>\*\*</sup> 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.

<sup>\*\*\*</sup> Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

(17487)

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: ARIZONA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% 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	
<b>Full Review:</b>																
MSA 38060 (Maricopa County, AZ Only)	163	76.53	1.53	1.84	21.47	12.27	40.34	29.45	36.66	56.44	0.04	0.09	0.03	0.03	0.05	
<b>Limited Review:</b>																
MSA 46060 (Tucson, AZ)	50	23.47	2.25	2.00	24.74	48.00	36.40	26.00	36.61	24.00	0.05	0.21	0.13	0.04	0.01	

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

(17487)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: ARIZONA					Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					Market Share (%) by Geography *				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
MSA 38060 (Maricopa County, AZ Only)	3	75.00	6.97	0.00	40.88	66.67	36.33	0.00	15.82	33.33	0.84	0.00	1.11	0.00	4.00	
<b>Limited Review:</b>																
MSA 46060 (Tucson, AZ)	1	25.00	5.05	0.00	38.28	0.00	38.41	100.00	18.26	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

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



Institution ID: NORTHERN TRUST, NA

(17487)

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

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: ARIZONA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography *									
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
MSA 38060 (Maricopa County, AZ Only)	229	64.33	5.18	8.73	22.69	21.83	31.80	27.07	40.27	42.36	0.05	0.11	0.08	0.04	0.05					
<b>Limited Review:</b>																				
MSA 46060 (Tucson, AZ)	127	35.67	4.10	3.15	30.79	17.32	33.89	55.91	31.22	23.62	0.16	0.10	0.08	0.29	0.14					

\* Based on 2007 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2007).

Institution ID: NORTHERN TRUST, NA

(17487)

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: ARIZONA						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008							
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****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 38060 (Maricopa County, AZ Only)	237	79.26	19.09	19.66	18.51	22.22	21.75	4.70	40.65	53.42	0.06	0.10	0.04	0.03	0.08
<b>Limited Review:</b>															
MSA 46060 (Tucson, AZ)	62	20.74	20.12	22.95	18.51	22.95	21.13	4.92	40.24	49.18	0.07	0.60	0.12	0.00	0.07

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 1.3% of loans originated and purchased by bank.

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

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

(17487)

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

Borrower Distribution: HOME IMPROVEMENT		Geography: ARIZONA								Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					
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****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 38060 (Maricopa County, AZ Only)	18	100.00	19.09	5.56	18.51	16.67	21.75	5.56	40.65	72.22	0.05	0.00	0.08	0.00	0.06
<b>Limited Review:</b>															
MSA 46060 (Tucson, AZ)	0	0.00	20.12	0.00	18.51	0.00	21.13	0.00	40.24	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

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

Institution ID: NORTHERN TRUST, NA

(17487)

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

Borrower Distribution: HOME MORTGAGE REFINANCE															Geography: ARIZONA					Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008				
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**	Overa ll	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
MSA 38060 (Maricopa County, AZ Only)	163	76.53	19.09	14.20	18.51	33.33	21.75	8.64	40.65	43.83	0.05	0.20	0.09	0.03	0.03									
<b>Limited Review:</b>																								
MSA 46060 (Tucson, AZ)	50	23.47	20.12	14.00	18.51	36.00	21.13	14.00	40.24	36.00	0.06	0.30	0.20	0.02	0.02									

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 0.5% of loans originated and purchased by bank.

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

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

Institution ID: NORTHERN TRUST, NA

(17487)

**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: ARIZONA			Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008				
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
<b>Full Review:</b>									
MSA 38060 (Maricopa County, AZ Only)	229	64.33	63.66	32.31	27.95	27.51	44.54	0.05	0.03
<b>Limited Review:</b>									
MSA 46060 (Tucson, AZ)	127	35.67	65.83	32.28	37.01	37.80	25.20	0.16	0.16

\* Based on 2007 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* 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 4.78% of small loans to businesses originated and purchased by the bank.

Institution ID: NORTHERN TRUST, NA

(17487)

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: ARIZONA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
MSA 38060 (Maricopa County, AZ Only)	8	\$8,985	10	\$10,980	18	\$19,965	92.98	0	0
<b>Limited Review:</b>									
MSA 46060 (Tucson, AZ)	0	0	7	\$1,055	7	\$1,055	4.91	0	0
<b>State Wide Review</b>									
State Wide Area to potentially benefit one or more AA's in AZ	2	\$453	0	0	2	\$453	2.11	0	0

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

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

(17487)

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/ Geography: ARIZONA Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008 CLOSINGS																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
MSA 38060 (Maricopa County, AZ) Only	81.73	9	75.00	0.00	11.11	33.33	55.56	0	0	0	0	0	0	4.88	28.69	36.78	29.64
<b>Limited Review:</b>																	
MSA 46060 (Tucson, AZ)	18.27	3	25.00	0.00	0.00	33.33	66.67	0	0	0	0	0	0	4.41	33.94	33.03	28.62

(17487)

**Table 1. Lending Volume**

LENDING VOLUME		Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008				
MA/Assessment Area (2007):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
MD 31084 (Los Angeles-Lor Beach-Glendale, CA/LA Co)	30.97	106	133,595	26	11,376	0	0	8	6,625	140	151,596	22.46
MD 41884 (San Francisco Marin Counties only)	14.16	55	51,128	9	2,744	0	0	0	0	64	53,872	18.41
MD 42044 (Santa Ana-Ana Irving, CA/Orange County)	18.36	44	38,113	39	13,696	0	0	0	0	83	52,889	19.71
<b>Limited Review:</b>												
MSA 40140 (Riverside Cou CA Only)	9.29	30	11,855	9	3,275	0	0	3	1,410	42	15,460	2.34
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	15.49	60	80,305	10	5,475	0	0	0	0	70	85,780	14.73
MSA 41940 (Santa Clara C CA Only)	4.65	17	15,024	4	1,658	0	0	0	0	21	16,682	4.07
MSA 42060 (Santa Barbara Santa Maria, CA)	7.08	28	29,705	4	3,090	0	0	0	0	32	32,795	18.28

\* Loan Data as of December 31, 2008. Rated area refers to either state or multi-state MA rating area.  
\*\* The evaluation period for Community Development Loans is from January 01, 2007 to March 16, 2009.  
\*\*\* Deposit Data as of June 30, 2007. Rated Area refers either to state, multi-state MA, or institution, as appropriate.



(17487)

**Table2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE			Geography: CALIFORNIA								Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008				
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
<b>Full Review:</b>															
MD 31084 (Los Angles-Long Beach-Glendale, CA/LA County)	55	32.54	1.91	5.45	15.46	23.64	31.30	14.55	51.33	56.36	0.02	0.02	0.04	0.00	0.02
MD 41884 (Marin and San Francisco Counties only)	25	14.79	2.60	4.00	15.79	8.00	43.90	40.00	37.70	48.00	0.08	0.00	0.07	0.12	0.06
MD 42044 (Santa Ana-Anaheim-Irvine, CA/Orange County)	23	13.61	1.25	0.00	19.56	39.13	33.56	13.04	45.63	47.83	0.01	0.00	0.00	0.00	0.03
<b>Limited Review:</b>															
MSA 40140 (Riverside County CA Only)	12	7.10	1.19	0.00	20.76	25.00	41.61	58.33	36.44	16.67	0.00	0.00	0.00	0.01	0.00
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	30	17.75	2.30	6.67	14.03	23.33	41.01	16.67	42.66	53.33	0.01	0.00	0.00	0.00	0.02
MSA 41940 (Santa Clara County, CA Only)	9	5.33	1.17	0.00	14.81	22.22	48.40	33.33	35.63	44.44	0.00	0.00	0.00	0.00	0.01
MSA 42060 (Santa Barbara-Santa Maria, CA)	15	8.88	0.97	0.00	17.42	33.33	39.94	20.00	41.68	46.67	0.12	0.00	0.00	0.09	0.27

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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



Institution ID: NORTHERN TRUST, NA

(17487)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008						
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
<b>Full Review:</b>															
MD 31084 (Los Angeles-Long Beach-Glendale, CA/LA County)	8	42.11	1.91	12.50	15.46	50.00	31.30	0.00	51.33	37.50	0.01	0.00	0.02	0.00	0.01
MD 41884 (Marin and San Francisco Counties only)	1	5.26	2.60	0.00	15.79	0.00	43.90	0.00	37.70	100.00	0.05	0.00	0.00	0.00	0.15
MD 42044 (Santa Ana-Anaheim-Irvine, CA/Orange County)	0	0.00	1.25	0.00	19.56	0.00	33.56	0.00	45.63	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
MSA 40140 (Riverside County, CA Only)	0	0.00	1.19	0.00	20.76	0.00	41.61	0.00	36.44	0.00	0.00	0.00	0.00	0.00	0.00
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	4	21.05	2.30	0.00	14.03	25.00	41.01	25.00	42.66	50.00	0.03	0.00	0.00	0.00	0.08
MSA 41940 (Santa Clara County, CA Only)	1	5.26	1.17	0.00	14.81	0.00	48.40	100.00	35.63	0.00	0.00	0.00	0.00	0.00	0.00
MSA 42060 (Santa Barbara-Santa Maria, CA)	5	26.32	0.97	0.00	17.42	20.00	39.94	20.00	41.68	60.00	0.10	0.00	0.00	0.00	0.29

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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



Institution ID: NORTHERN TRUST, NA

(17487)

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
MD 31084 (Los Angeles-Long Beach-Glendale, CA/LA County)	36	25.17	1.91	5.56	15.46	19.44	31.30	13.89	51.33	61.11	0.01	0.00	0.00	0.00	0.01	
MD 41884 (Marin and San Francisco Counties only)	29	20.28	2.60	3.45	15.79	10.34	43.90	31.03	37.70	55.17	0.08	0.00	0.02	0.08	0.12	
MD 42044 (Santa Ana-Anaheim-Irvine, CA/Orange County)	21	14.69	1.25	0.00	19.56	14.29	33.56	14.29	45.63	71.43	0.01	0.00	0.01	0.01	0.02	
<b>Limited Review:</b>																
MSA 40140 (Riverside County, CA Only)	18	12.59	1.19	0.00	20.76	44.44	41.61	22.22	36.44	33.33	0.01	0.00	0.04	0.00	0.01	
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	25	17.48	2.30	12.00	14.03	16.00	41.01	8.00	42.66	64.00	0.02	0.08	0.03	0.00	0.02	
MSA 41940 (Santa Clara County, CA Only)	6	4.20	1.17	0.00	14.81	0.00	48.40	0.00	35.63	100.00	0.01	0.00	0.00	0.00	0.02	
MSA 42060 (Santa Barbara-Santa Maria, CA)	8	5.59	0.97	0.00	17.42	25.00	39.94	12.50	41.68	62.50	0.04	0.00	0.09	0.03	0.03	

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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



(17487)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					Market Share (%) by Geography *				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa II	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
MD 31084 (Los Angeles-Long Beach-Glendale, CA/LA County)	6	75.00	12.96	16.67	31.74	66.67	28.34	16.67	26.96	0.00	0.08	0.11	0.15	0.05	0.00	
MD 41884 Marin and San Francisco Counties only)	0	0.00	25.99	0.00	24.19	0.00	26.31	0.00	23.51	0.00	0.00	0.00	0.00	0.00	0.00	
MD 42044 Santa Ana-Anaheim-Irvine, CA/Orange County)	0	0.00	6.27	0.00	41.07	0.00	33.61	0.00	19.05	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
MSA 40140 (Riverside County, CA Only)	0	0.00	7.09	0.00	37.88	0.00	37.42	0.00	17.61	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	1	12.50	11.77	0.00	32.61	100.00	37.33	0.00	18.29	0.00	0.08	0.00	0.20	0.00	0.00	
MSA 41940 (Santa Clara County, CA Only)	1	12.50	6.98	0.00	25.75	0.00	53.88	100.00	13.39	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 42060 (Santa Barbara-Santa Maria, CA)	0	0.00	12.99	0.00	41.94	0.00	28.08	0.00	16.99	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

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





(17487)

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

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008						
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 Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 31084 (Los Angeles-Long Beach-Glendale, CA/LA County)	26	25.75	7.83	11.54	20.82	15.38	26.40	23.08	44.16	50.00	0.00	0.01	0.00	0.00	0.00
MD 41884 (Marin and San Francisco Counties only)	9	8.91	21.87	55.56	20.26	0.00	28.32	0.00	29.55	44.44	0.00	0.02	0.00	0.00	0.00
MD 42044 (Santa Ana-Anaheim-Irvine, CA/Orange County)	39	38.61	3.09	0.00	28.97	17.95	35.26	28.21	31.86	53.85	0.01	0.00	0.01	0.01	0.01
<b>Limited Review:</b>															
MSA 40140 (Riverside County, CA Only)	9	8.91	3.78	0.00	28.81	0.00	38.31	88.89	29.10	11.11	0.00	0.00	0.00	0.00	0.00
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	10	9.90	4.93	0.00	21.67	70.00	37.12	10.00	36.23	20.00	0.00	0.00	0.01	0.00	0.00
MSA 41940 (Santa Clara County, CA Only)	4	3.96	2.98	50.00	22.88	50.00	43.66	0.00	30.48	0.00	0.00	0.03	0.00	0.00	0.00
MSA 42060 (Santa Barbara-Santa Maria, CA)	4	3.96	2.52	0.00	37.23	25.00	32.47	50.00	27.77	25.00	0.01	0.00	0.02	0.00	0.01

\* Based on 2007 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2007).

Institution ID: NORTHERN TRUST, NA

(17487)

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: CALIFORNIA								Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					
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****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 31084 (Los Angeles-Long Beach-Glendale, CA/LA County)	55	32.54	23.87	1.89	16.49	28.30	17.40	13.21	42.24	56.60	0.02	0.50	0.23	0.12	0.01
MD 41884 (Marin and San Francisco Counties, only)	25	14.79	24.97	0.00	17.92	12.00	18.50	0.00	38.61	88.00	0.09	0.00	0.52	0.00	0.08
MD 42044 (Santa Ana-Anaheim- Irvine, CA/Orange County)	23	13.61	20.69	8.70	17.97	26.09	20.68	8.70	40.65	56.52	0.02	0.00	0.00	0.00	0.02
<b>Limited Review:</b>															
MSA 40140 (Riverside County, CA Only)	12	7.10	20.81	9.09	17.47	36.36	20.19	9.09	41.53	45.45	0.00	0.00	0.00	0.00	0.00
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	30	17.75	21.02	0.00	17.91	24.14	20.09	10.34	40.98	65.52	0.01	0.00	0.00	0.00	0.01
MSA 41940 (Santa Clara County, CA Only)	9	5.33	20.21	11.11	17.95	11.11	21.63	22.22	40.21	55.56	0.00	0.00	0.00	0.00	0.01
MSA 42060 (Santa Barbara-Santa Maria, CA)	15	8.88	20.00	0.00	18.61	14.29	20.45	14.29	40.95	71.43	0.15	0.00	0.00	0.00	0.19

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 3.0% of loans originated and purchased by bank.

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

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

Institution ID: NORTHERN TRUST, NA

(17487)

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

Borrower Distribution: HOME IMPROVEMENT		Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					Market Share *				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total **	% Families ***	% BANK Loans ****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****						
<b>Full Review:</b>																
MD 31084 (Los Angeles-Long Beach-Glendale, CA/LA County)	8	42.11	23.87	0.00	16.49	0.00	17.40	25.00	42.24	75.00	0.01	0.00	0.00	0.02	0.00	
MD 41884 (Marin and San Francisco Counties, only)	1	5.26	24.97	0.00	17.92	0.00	18.50	0.00	38.61	0.00	0.00	0.00	0.00	0.00	0.00	
MD 42044 (Santa Ana-Anaheim-Irvine, CA/Orange County)	0	0.00	20.69	0.00	17.97	0.00	20.68	0.00	40.65	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
MSA 40140 (Riverside County, CA Only)	0	0.00	20.81	0.00	17.47	0.00	20.19	0.00	41.53	0.00	0.00	0.00	0.00	0.00	0.00	
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	4	21.05	21.02	0.00	17.91	25.00	20.09	25.00	40.98	50.00	0.03	0.00	0.00	0.00	0.05	
MSA 41940 (Santa Clara County, CA Only)	1	5.26	20.21	0.00	17.95	0.00	21.63	0.00	40.21	100.00	0.00	0.00	0.00	0.00	0.00	
MSA 42060 (Santa Barbara-Santa Maria, CA)	5	26.32	20.00	0.00	18.61	0.00	20.45	0.00	40.95	100.00	0.11	0.00	0.00	0.00	0.16	

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 5.3% of loans originated and purchased by bank.

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

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

Institution ID: NORTHERN TRUST, NA (17487)

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

Borrower Distribution: HOME MORTGAGE REFINANCE				Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008							
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**	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MD 31084 (Los Angeles-Long Beach-Glendale, CA/LA County)	37	25.69	23.87	2.94	16.49	20.59	17.40	2.94	42.24	73.53	0.01	0.00	0.00	0.00	0.01
MD 41884 (Marin and San Francisco Counties, only)	29	20.14	24.97	0.00	17.92	31.03	18.50	17.24	38.61	51.72	0.10	0.00	0.67	0.04	0.06
MD 42044 (Santa Ana-Anaheim- Irvine, CA/Orange County)	21	14.58	20.69	4.76	17.97	19.05	20.68	9.52	40.65	66.67	0.01	0.00	0.04	0.01	0.01
<b>Limited Review:</b>															
MSA 40140 (Riverside County, CA Only)	18	12.50	20.81	22.22	17.47	22.22	20.19	16.67	41.53	38.89	0.01	0.20	0.00	0.02	0.01
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	25	17.36	21.02	8.70	17.91	4.35	20.09	17.39	40.98	69.57	0.02	0.17	0.00	0.03	0.01
MSA 41940 (Santa Clara County, CA Only)	6	4.17	20.21	16.67	17.95	0.00	21.63	0.00	40.21	83.33	0.01	0.10	0.00	0.00	0.01

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 3.5% of loans originated and purchased by bank.

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

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

MSA 42060 (Santa Barbara-Santa Maria, CA)	8	5.56	20.00	0.00	18.61	12.50	20.45	12.50	40.95	75.00	0.05	0.00	0.17	0.07	0.04
---	---	------	-------	------	-------	-------	-------	-------	-------	-------	------	------	------	------	------

Institution ID: NORTHERN TRUST, NA

(17487)

**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: CALIFORNIA			Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share *	
	#	% of Total**	% of Businesses***	% BANK****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
MD 31084 (Los Angeles-Long Beach-Glendale, CA/LA County)	26	25.75	69.17	26.92	7.69	34.62	57.69	0.00	0.00
MD 41884 (Marin and San Francisco Counties only)	9	8.91	68.67	11.11	33.33	33.33	33.33	0.00	0.00
MD 42044 (Santa Ana-Anaheim- Irvine, CA/Orange County)	39	38.61	69.16	17.95	15.38	41.03	43.59	0.01	0.00
<b>Limited Review:</b>									
MSA 40140 (Riverside County, CA Only)	9	8.91	69.53	22.22	11.11	22.22	66.67	0.00	0.00
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	10	9.90	69.66	40.00	30.00	10.00	60.00	0.00	0.00
MSA 41940 (Santa Clara County, CA Only)	4	3.96	67.35	100.00	50.00	0.00	50.00	0.00	0.00
MSA 42060 (Santa Barbara-Santa Maria, CA)	4	3.96	68.62	100.00	0.00	0.00	100.00	0.01	0.02

\* Based on 2007 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&amp;B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 6.93% of small loans to businesses originated and purchased by the bank.



Institution ID: NORTHERN TRUST, NA

(17487)

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: CALIFORNIA									
Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008									
MA/Assessment Area:	Prior Period Investments *		Current Period Investments		Total Investments			Unfunded Commitments **	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
MD 31084 (Los Angeles-Long Beach-Glendale, CA/LA County)	5	2,555	42	909	47	3,464	12.6	1	36
MD 41884 (Marin and San Francisco Counties, only)	2	2,357	11	1,037	13	3,394	12.3	0	0
MD 42044 (Santa Ana-Anaheim-Irvine, CA/Orange County)	1	254	3	7	4	261	1.0	0	0
<b>Limited Review:</b>									
MSA 40140 (Riverside County, CA Only)	3	1,828	2	8	5	1,836	6.6	1	54
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	0	0	6	1,017	6	1,017	3.7	0	0
MSA 41940 (Santa Clara County, CA Only)	0	0	7	15,348	7	15,348	55.8	2	6,001
MSA 42060 (Santa Barbara-Santa Maria, CA)	1	947	6	262	7	1,209	4.4	0	0
<b>State Wide Review</b>									
<b>State Wide Area to potentially Benefit one or more AAs in California</b>	1	979	0	0	1	979	3.6	0	0

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

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



Institution ID: NORTHERN TRUST, NA

(17487)

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/ CLOSINGS																	
Geography: CALIFORNIA Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
MD 31084 (Los Angeles-Long Beach-Glendale, CA/LA County)	22.46	3	25.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	8.00	29.44	30.88	31.58
MD 41884 (Marin and San Francisco Counties only)	18.41	2	16.67	50.00	0.00	0.00	50.00	0	0	0	0	0	0	11.12	23.64	39.57	25.67
MD 42044 (Santa Ana-Anaheim- Irvine, CA/Orange County)	19.71	1	8.33	0.00	0.00	0.00	100.00	0	0	0	0	0	0	4.95	30.96	31.84	32.26
<b>Limited Review:</b>																	
MSA 40140 (Riverside County, CA Only)	2.34	1	8.33	0.00	0.00	0.00	100.00	0	0	0	0	0	0	3.33	26.86	40.21	29.60
MSA 41740 (San Diego-Carlsbad-San Marcos, CA)	14.73	2	16.67	0.00	0.00	50.00	50.00	0	0	0	0	0	0	7.78	24.46	37.46	30.01
MSA 41940 (Santa Clara County, CA Only)	4.06	1	8.33	0.00	0.00	0.00	100.00	0	0	0	0	0	0	4.03	22.79	47.69	25.49
MSA42060 (Santa Barbara-Santa Maria, CA)	18.28	2	16.67	0.00	0.00	0.00	100.00	0	0	0	0	0	0	6.08	31.57	33.18	29.18

Institution ID: NORTHERN TRUST, NA

(17487)

**Table 1. Lending Volume**

LENDING VOLUME		Geography: COLORADO						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008				
MA/Assessment Area (2007):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
MSA 19740 (Denver-Auror	100.00	108	33,826	27	9,073	0	0	3	2,623	138	45,522	100.00

\* Loan Data as of December 31, 2008. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2007 to March 16, 2009.

\*\*\* Deposit Data as of June 30, 2007. Rated Area refers either to state, multi-state MA, or institution, as appropriate.

(17487)

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

Geographic Distribution: HOME PURCHASE		Geography: COLORADO						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008							
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	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 19740 (Denver-Aurora, CO)	64	100.00	1.89	0.00	21.89	29.69	42.97	39.06	33.26	31.25	0.03	0.00	0.04	0.03	0.02

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

Institution ID: NORTHERN TRUST, NA

(17487)

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

Geographic Distribution: HOME IMPROVEMENT			Geography: COLORADO				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					Market Share (%) by Geography *				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
MSA 19740 (Denver-Aurora, CO)	4	100.00	1.89	0.00	21.89	50.00	42.97	0.00	33.26	50.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

Institution ID: NORTHERN TRUST, NA

(17487)

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

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: COLORADO				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008									
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	Overa ll	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
MSA 19740 (Denver-Aurora, CO)	36	100.00	1.89	8.33	21.89	30.56	42.97	41.67	33.26	19.44	0.03	0.06	0.06	0.04	0.01	

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

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

(17487)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: COLORADO						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography *				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 19740 (Denver-Aurora, CO)	2	100.00	8.54	50.00	40.67	0.00	42.00	50.00	8.79	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data (Western)

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

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: COLORADO						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 19740 (Denver-Aurora, CO)	27	100.00	3.73	3.70	23.24	33.33	37.85	51.85	34.28	11.11	0.01	0.00	0.02	0.01	0.00

\* Based on 2007 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2007).

Institution ID: NORTHERN TRUST, NA

(17487)

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: COLORADO						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008							
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****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 19740 ( Denver-Aurora, CO)	66	100.00	18.01	17.19	18.65	39.06	23.68	9.38	39.66	34.38	0.03	0.09	0.04	0.02	0.03

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 3.0% of loans originated and purchased by bank.

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

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



Institution ID: NORTHERN TRUST, NA

(17487)

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

Borrower Distribution: HOME IMPROVEMENT		Geography: COLORADO								Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008					
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****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 19740 (Denver-Aurora, CO)	4	100.00	18.01	0.00	18.65	0.00	23.68	25.00	39.66	75.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

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

Institution ID: NORTHERN TRUST, NA

(17487)

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

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: COLORADO						Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008							
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**	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
MSA 19740 (Denver-Aurora, CO)	36	100.00	18.01	22.22	18.65	44.44	23.68	16.67	39.66	16.67	0.04	0.24	0.07	0.03	0.02

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

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

Institution ID: NORTHERN TRUST, NA

(17487)

**Table11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: COLORADO		Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008				
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
<b>Full Review:</b>									
MSA 19740 (Denver-Aurora, CO)	27	100.00	65.39	37.04	29.63	22.22	48.15	0.01	0.01

\* Based on 2007 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 7.41% of small loans to businesses originated and purchased by the bank.

Institution ID: NORTHERN TRUST, NA

(17487)

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: COLORADO				Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008			
MA/Assessment Area:	Prior Period Investments *		Current Period Investments		Total Investments			Unfunded Commitments **	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
MSA 19740 (Denver-Aurora, CO)	2	459	7	1,019	9	1,478	25.2		
State Wide Review									
State Wide Area to potentially benefit other AAs	6	4,169	1	2	7	4,171	74.8		

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

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

Institution ID: NORTHERN TRUST, NA

(17487)

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/ CLOSINGS																	
Geography: COLORADO Evaluation Period: JANUARY 1, 2007 TO DECEMBER 31, 2008																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
MSA 19740 (Denver-Aurora, CO)	100.00	1	100.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	4.56	27.71	40.28	27.32