



INTERMEDIATE SMALL BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

January 28, 2008

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Mile High Banks, N.A.
Charter Number: 11504**

**1726 N. Hover St.
Longmont, CO 80501**

**Office of the Comptroller of the Currency
Denver Field Office
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Denver, CO 80202**

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, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

INSTITUTION'S CRA RATING: This institution is rated “Outstanding”.

The Lending Test is rated: “Satisfactory”.

The Community Development Test is rated: “Outstanding”.

The following are the major factors supporting the rating for Mile High Banks, N.A.:

- The bank’s loan-to-deposit ratio is more than reasonable at 101 percent.
- The ratio of loans inside and outside of the bank’s assessment areas reflects that a substantial majority of both the number and dollar volume of home mortgage and small business loans are inside the bank’s assessment areas.
- The distribution of loans to borrowers of different incomes and businesses of different sizes is good in the Boulder MSA and adequate in the Denver-Aurora MSA.
- The geographic distribution of loans reflects excellent penetration of home mortgage and small business loans in both low- and moderate-income census tracts in the Boulder and Denver-Aurora MSAs.
- The bank’s performance under the community development test is excellent as demonstrated by the overall volume of qualified community development loans, investments, and services, which were very responsive to some of the most significant community development needs in all of the bank’s AAs.
- Retail banking services are reasonably accessible to low- and moderate-income geographies and individuals.

SCOPE OF EXAMINATION

We performed a full scope review of the bank’s Boulder MSA and Denver-Aurora MSA assessment areas (AAs). Together they accounted for 89 percent of the bank’s deposits and 85 percent of the loans we reviewed.

The bank’s primary loan products are commercial and home mortgage loans. As such, our review focused on an analysis of the bank’s reported CRA data (small loans to businesses) from January 1, 2004, to December 31, 2007, and reported Home Mortgage Disclosure Act (HMDA) data from January 1, 2003, to December 31, 2007. We also reviewed community development loans, investments, and services which Mile High Banks, N.A. provided from April 22, 2002, to December 31, 2007.

It is important to note that we placed more weight on the bank’s performance in regard to small loans to businesses since commercial lending is the bank’s business focus. In addition, small loans to businesses represent 73 percent of the loans we reviewed.

In this evaluation the term “allocated Tier One Capital” is used to describe the representative portion of capital that is equal to the portion of deposits relative to total bank deposits in a specific AA. It is used only as a reference. The term is used in relation to MHB’s qualified loans and investments.

DESCRIPTION OF INSTITUTION

Mile High Banks, N.A. (MHB) is an intrastate bank headquartered in Longmont, Colorado. The bank operates three branches in the Boulder MSA, eight branches in the Denver-Aurora MSA, one branch in the Fort Collins-Loveland MSA, and one in the non-MSA assessment area of Lincoln County (Limon, Colorado). Each one of the branches has a full-service ATM located at the branch. The bank also has a mortgage operation in the Denver-Aurora MSA.

As of December 31, 2007, MHB had assets of almost \$1.2 billion and Tier One Capital of \$112.8 million. The bank's holding company, Big Sandy Holding Company, which is also headquartered in Longmont, Colorado, had total consolidated assets of \$1.2 billion as of December 31, 2007.

MHB had its beginnings in Limon, Colorado as The First National Bank of Limon. The bank was originally formed in 1919 by a group of local businessmen and has served the needs of this rural assessment area (AA) since that time. In 1991, Big Sandy Holding Company was formed to purchase The First National Bank of Limon. In 2001, a group of businessmen raised over \$13 million in capital and merged this capital into the Big Sandy Holding Company to support branch expansion into the Front Range communities of Colorado under the name Horizon Banks, N.A. In late 2007, the name was changed to Mile High Banks, N.A. The branch located in Limon still operates under the name of The First National Bank of Limon.

MHB operates in a very competitive environment and is a relatively new bank in the Boulder and Denver-Aurora MSAs. In addition to competing with the local branches of a number of multinational institutions such as Wells Fargo Bank, N.A., U.S. Bank, N.A. and Bank of America, N.A., the bank also competes with other local well established institutions in its AAs, such as CoBiz Bank, Citywide Banks, and various Firstbanks of Colorado. Consequently, the competition for community development loans, investments, and services is keen.

MHB offers a full range of credit products within its AAs including commercial, commercial real estate, residential real estate, agricultural, and consumer loans. However, the bank's lending is heavily focused on commercial real estate lending. By dollar amount, MHB's loan portfolio consists of the following types of credit: 86.41 percent commercial; 11.33 percent residential real estate; 0.50 percent agricultural, 0.16 percent consumer and 1.60 percent all others.

There are no known legal, financial, or other impediments that would hamper MHB's ability to help meet the credit and community development needs of its assessment areas. At the previous CRA examination dated April 22, 2002, The First National Bank of Limon received a "Satisfactory" rating under the Small Bank CRA examination procedures.

DESCRIPTION OF ASSESSMENT AREA

MHB's AAs include all the geographies where the bank has its main office, branches, and deposit-taking ATMs as well as those areas where the bank originated or purchased a substantial portion of its loans. They consist of the Boulder MSA, the Denver-Aurora MSA, the Fort Collins MSA, and the non-MSA AA of Lincoln County. The AAs meet the requirements of the regulation. They do not reflect illegal discrimination; and they do not arbitrarily exclude any low- or moderate-income areas.

Boulder MSA

The bank's Boulder AA consists of 64 census tracts in the Boulder MSA. The MSA has only one county—Boulder County. Only two of the census tracts are low-income and 15 are moderate-income. The demographics of this AA are shown in the table below:

Demographic Information for Full Scope Area: Mile High Banks, N.A. - Boulder MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	64	3.13	23.44	40.63	31.25	1.56
Population by Geography	269,814	3.35	25.38	41.56	29.70	0.01
Owner-Occupied Housing by Geography	68,636	0.27	19.36	44.99	35.39	0.00
Business by Geography	32,814	1.21	31.21	38.74	28.82	0.02
Farms by Geography	683	0.29	21.82	49.19	28.55	0.15
Family Distribution by Income Level	63,780	19.44	18.52	22.39	39.66	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	24,206	2.39	35.16	42.63	19.81	0.00
Median Family Income (2000)		69,675				
HUD Adjusted Median Family Income for 2007		82,500		Median Housing Value	234,208	
Households Below Poverty Level		10%		Unemployment Rate - 12/31/07	3.70%	

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2000 US Census, 2007 HUD updated MFI, and 12/31/07 U.S. Dept. of Labor statistics.

The HUD adjusted median family income for 2007 in the Boulder MSA is \$82,500 which is an increase of 15 percent from median family income noted in the 2000 U.S. Census. In the meantime, the median price of homes has also increased substantially since the 2000 U.S. Census. Due to the glut of homes for sale, the price of homes recently declined slightly in some areas of the Boulder MSA. Despite the high median income in this AA and a decline in the median price of homes, it is still difficult for a low- or moderate-income family to obtain affordable housing. The most recent available data for Boulder County

(2005) indicates the median resale price of a home in this AA was \$362,450. In order to qualify for a home at the median sales price, a borrower would need a median income of almost \$109,000. Rents in the Boulder AA are also high. The median rent as of first quarter 2005 was \$780 per month for a one-bedroom apartment and \$844 for a two-bedroom apartment. Data indicates that in 2005, 20 percent of all renter households earned less than \$15,000. There were about 2,400 affordable units and rental assistance vouchers available to households in this income range, leaving a shortage of 4,100 rental units and/or vouchers.

A majority of the jobs in the Boulder AA are in the service and retail trade industries. Major employers in the AA are IBM, Sun Microsystems, Storage Technologies, St. Vrain School District, and the University of Colorado. The unemployment rate as of December 31, 2007, was 3.7 percent.

Denver-Aurora MSA

The bank's Denver-Aurora AA consists of 545 census tracts in the Denver-Aurora MSA. The MSA includes the counties of Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park. Twenty-one of the census tracts are low-income and 145 census tracts are moderate-income. The Denver-Aurora MSA is the largest, most populated MSA in Colorado. Almost half of Colorado's population lives in this MSA. The demographics of this AA are shown in the table below:

Demographic Information for Full Scope Area: Mile High Banks, N.A.– Denver-Aurora MSA						
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
Business 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 HUD Adjusted Median Family Income for 2007 Households Below Poverty Level		61,301 71,400 7%	Median Housing Value Unemployment Rate (12/31/07)		180,045 4.4%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census, 2007 HUD updated MFI, and 12/31/07 U.S. Dept. of Labor statistics

The 2007 HUD updated median family income for the Denver-Aurora MSA was \$71,400; this is an increase of 14 percent over that noted in the 2000 U.S. Census. While the median family income for the AA is high, the cost of living is also high. In 2003, a median

priced home was 32 percent higher than the national average. Data for the second quarter of 2007 indicates the median price of a home in the MSA was at \$244,000, the 39th highest median price in the nation. Although this represents a recent decline in home prices in the Denver-Aurora MSA, a median priced home is still not affordable for low- or moderate-income individuals and families. In order to qualify for a median priced home, a borrower would need to have an annual income of \$81,400. Studies show there is a shortage of affordable housing units for sale in the Denver-Aurora MSA. These studies also show that low-income renters have extreme difficulty finding rental units that are affordable to them. About 25,000 households in Denver County alone are in need of some type of rental assistance. The obstacle of housing affordability was a factor throughout the evaluation period in the Denver-Aurora MSA. Understandably, the most pressing community development need in the AA is affordable housing.

Government, health care and social assistance, professional and technical services, and accommodation and food services are the largest sources of employment in the Denver-Aurora MSA. The unemployment rate as of December 31, 2007, was at 4.4 percent.

Community Development Needs

Local studies show the following to be some of the most significant community development needs of both the Boulder and Denver-Aurora MSAs.

- Support for small/micro businesses;
- More small local businesses in neighborhoods;
- Revitalization of neighborhoods;
- Revitalization of blighted areas;
- Affordable and mixed income housing;
- Affordable housing for senior citizens;
- Transitional housing with training and job placement;
- Housing counseling/education;
- Foreclosure prevention and intervention, particularly since the Denver metro area was noted to be one of the areas with the highest foreclosure rates in the country; and
- Community service program funding to support basic needs, such as food, transportation, shelter, utilities, etc.

We reviewed seven community contacts made recently in the bank's AAs. We also performed one community contact. These contacts noted there is a need for loans and investments to support affordable housing and loans to very small businesses.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

MHB's lending performance in its full-scope AAs is satisfactory. This is based on the following:

- The bank's loan-to-deposit ratio is more than reasonable.
- The ratio of loans inside and outside the bank's AAs reflects that a substantial majority of both the number and dollar volume of home mortgage and small business loans are inside the bank's AAs.
- The distribution of loans to borrowers of different incomes and businesses of different sizes is good in the Boulder MSA and adequate in the Denver-Aurora MSA.
- The geographic distribution of loans reflects excellent penetration of home mortgage and small business loans in both low- and moderate-income census tracts in the Boulder and Denver-Aurora MSAs.

Loan-to-Deposit Ratio

MHB's loan-to-deposit ratio is more than reasonable, given the bank's size and assessment area needs. As of September 30, 2007, the bank's 23 quarter average loan-to-deposit ratio, calculated since the last CRA examination, was 101 percent. This exceeds the loan-to-deposit ratios for most of the similarly situated banks in MHB's AA. The loan-to-deposit ratios for the same time period for seven similarly situated banks range between 27 percent and 114 percent. Similarly situated banks are those banks of comparable asset size and operating in the same geographies.

Lending in Assessment Area

A substantial majority of both the number and dollar volume of home mortgage loans, small business loans, and community development activities are in the bank's AAs. The table below shows that overall MSB originated 88 percent of the number and 84 percent of the dollar volume of home mortgage and commercial loans are in its AAs.

Table 1 - Lending in the Boulder MSA, Denver MSA, Fort Collins MSA, and Lincoln County Non-MSA AAs										
Loan Type	Number of Loans					Dollars of Loans (000's)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Mortgage	353	86%	56	14%	409	\$229,298	81%	\$52,754	19%	\$282,052
Commercial	986	89%	123	11%	1,109	\$254,077	87%	\$38,544	13%	\$292,621
Totals	1,339	88%	179	12%	1,518	\$483,375	84%	\$91,198	16%	\$574,673

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

Overall, lending to borrowers of different incomes and to businesses of different sizes in the Boulder and Denver-Aurora MSAs is good. We placed more weight on lending to businesses of different sizes since small loans to businesses represent a significant portion of the loans we reviewed.

Boulder MSA

Home Mortgage Loans

Overall, the distribution of home mortgage loans to borrowers of different incomes in the Boulder MSA is good. Distribution of home mortgage loans to low-income borrowers in the Boulder MSA is adequate considering that 10 percent of the families are below the poverty level and would most likely not be able to qualify for any type of home mortgage loan product. Distribution of loans to moderate-income families substantially exceeds the demographic comparator and is excellent.

Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Mortgage Loans	19.44%	5.88%	18.52%	23.53%	22.39%	11.77%	39.66%	58.82%

Source: Data reported under HMDA; U.S. Census data

Small Business Loans

The distribution of loans to small businesses in the Boulder MSA is good. The portion of loans to businesses that are small (those with revenues less than or equal to \$1,000,000) compares favorably to the demographic comparator—the portion of businesses in the AA that are small.

Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	67.73%	3.99%	28.28%	100.00%
% of Bank Loans in AA by #	61.81%	29.15%	9.04%	100.00%
% of Bank Loans in AA by \$	53.37%	40.02%	6.61%	100.00%

Source: Loan sample; Dunn and Bradstreet data.

Denver-Aurora MSA

Home Mortgage Loans

Distribution of home mortgage loans to both low- and moderate-income borrowers in the Denver-Aurora MSA is weak. The portion of loans to low-income borrowers is well below the demographic comparator, even considering that seven percent of the low-income families have incomes below the poverty level and would not likely be able to qualify for any type of mortgage loan. The portion of home mortgage loans to moderate-income individuals or families is also well below the demographic comparator.

Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Mortgage Loans	18.01%	1.18%	18.65%	7.06%	23.68%	15.29%	39.66%	76.47%

Source: Data reported under HMDA; U.S. Census data

Small Business Loans

The distribution of loans to small businesses in the Denver-Aurora MSA is good. The portion of loans to businesses that are small is slightly below the demographic comparator; but loan distribution is good, particularly considering that the bank is a relatively new financial institution in a very competitive market. Over 40 percent of MHB's branches in the Denver-Aurora AA were opened in late 2006 and 2007.

Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	65.88%	4.61%	29.51%	100.00%
% of Bank Loans in AA by #	57.14%	37.19%	5.67%	100.00%
% of Bank Loans in AA by \$	54.39%	36.59%	9.02%	100.00%

Source: Loan sample; Dunn and Bradstreet data.

Geographic Distribution of Loans

Overall, the geographic distribution of loans reflects excellent penetration of both home mortgage and small business loans in low- and moderate-income census tracts in the bank's Boulder and Denver-Aurora MSAs.

Boulder MSA

Home Mortgage Loans

The distribution of home mortgage loans in low- and moderate-income geographies in the Boulder MSA is excellent. The portion of home mortgage loans in both low- and moderate-income census tracts substantially exceeds the demographic comparator.

Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Mortgage	0.27%	1.28%	19.36%	33.33%	44.99%	35.90%	35.39%	29.49%

Source: Data reported under HMDA; U.S. Census data.

Small Business Loans

The geographic distribution of loans to businesses in the Boulder MSA is excellent. The portion of loans in low-income census tracts is below the demographic comparator; however, it is still good considering that there are limited opportunities to make small business loans in the low-income tracts (just over one percent of the businesses in the Boulder MSA are located in these tracts.) It is also important to note that both low-income census tracts consist primarily of the University of Colorado campus and student housing. The portion of loans made in moderate-income census tracts substantially exceeds the demographic comparator and is excellent.

Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Commercial	1.21%	0.25%	31.21%	40.96%	38.74%	46.98%	28.82%	11.81%

Source: Loan sample; U.S. Census data.

Denver-Aurora MSA

Home Mortgage Loans

The distribution of home mortgage loans in low- and moderate-income geographies in the Denver-Aurora MSA is excellent. The portion of home mortgage loans in both low- and moderate-income census tracts substantially exceeds the demographic comparator.

Table 3 – Geographic Distribution of Residential Real Estate Loans in the Denver-Aurora MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Mortgage	1.89%	10.16%	21.89%	38.58%	42.97%	32.49%	33.26%	18.78%

Source: Data reported under HMDA; U.S. Census data.

Small Business Loans

The distribution of loans to businesses in low- and moderate-income geographies in the Denver-Aurora MSA is excellent. As noted in the table below, the portion of loans in both low- and moderate- census tracts substantially exceeds the demographic comparator.

Table 3A – Geographic Distribution of Loans to Businesses in the Denver-Aurora MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Commercial	3.73%	7.25%	23.24%	34.75%	37.85%	33.05%	34.28%	24.95%

Source: Loan sample; U.S. Census data.

Responses to Complaints

The bank has not received any CRA related complaints since the previous CRA examination.

COMMUNITY DEVELOPMENT TEST

Overall, MHB's performance under the community development (CD) test demonstrates excellent responsiveness to the community development needs of its AAs. We allocated investments by AA, comparing the dollar volume to allocated Tier One Capital as a reference. The bank's effort to provide a very high level of combined CD loans, investments, and services represents an excellent responsiveness to the CD needs in all of MHB's AAs, including its limited-scope AAs. In addition, we considered that the bank also made \$21.3 million in qualified CD loans immediately outside its AAs.

Boulder MSA

Number and Amount of Community Development Loans

MHB provided a good level of community development loans in its Boulder AA during this review period.

The bank provided two CD loans totaling \$2.5 million in the Boulder MSA, which represents 6.5 percent of allocated Tier One Capital. This represents a high level of CD lending. The loans provided funding to support affordable multi-family housing for low- and moderate-income individuals and are very responsive to a significant need in the bank's AA.

Number and Amount of Qualified Investments

MHB provided an adequate level of qualified investments in its Boulder AA during this review period.

The bank originated 68 qualified investments totaling almost \$34 thousand in the Boulder MSA. This equals almost 1 percent of Tier One Capital. The investments helped provide services and/or temporary shelter for low- and moderate-income individuals.

Extent to Which the Bank Provides Community Development Services

The level of qualified CD services MHB provided in its Boulder AA is excellent. The bank provided 672 hours of qualified services to CD organizations. All of the organizations provide services for low- and moderate-income individuals and families. Most of the employees served as board members and on audit committees. One employee taught classes for low- and moderate-income individuals regarding the banking process. This included guidance on how to handle a checking account, including writing checks and balancing a checkbook; and how to understand credit scores, including how they affect an applicant's ability to get credit.

Denver-Aurora MSA

Number and Amount of Community Development Loans

MHB provided an excellent level of community development loans in its Denver-Aurora AA during this review period.

The bank provided ten qualified community development loans totaling almost \$63 million in the Denver-Aurora MSA. Community development loans equal 25.6 percent of allocated Tier One Capital and represent a very high level of community development lending. The loans provided funding to either support affordable multi-family housing for low- and moderate-income individuals or helped revitalize/stabilize a low- or moderate-income area by providing permanent jobs for low- and moderate-income individuals. The loans are very responsive to significant needs in the bank's AA.

Number and Amount of Qualified Investments

MHB provided an adequate level of qualified investments in its Denver-Aurora AA during this review period.

The bank originated 14 qualified investments totaling almost \$129 thousand in the Denver-Aurora MSA. This equals 0.20 percent of allocated Tier One Capital. This is adequate considering that there is significant competition from numerous banks in the AA for larger

qualified investments. The investments helped provide services and affordable housing for low- and moderate-income individuals.

Extent to Which the Bank Provides Community Development Services

The level of qualified services MHB provided in its Denver-Aurora AA is excellent. The bank provided 578 hours of qualified community development services to community development organizations. A majority of the organizations provide services and affordable housing for low- and moderate-income individuals and families. Employees served as board members and on loan and finance committees.

Limited Scope AAs

The bank provided five qualified investments in its Fort Collins AA totaling almost \$4 thousand and six qualified investments totaling \$534 thousand in its non-MSA AA (Lincoln County). This represents an adequate level of investments in the Fort Collins AA and a good level of investments in the Lincoln County AA. The bank also provided \$13 million in community development loans in the Fort Collins MSA and almost \$3 million in Lincoln County. This represents a very high level of community development loans in both of these AAs. In addition, the bank provided 360 service hours in the Fort Collins MSA and 468 service hours in Lincoln County, representing a very high level of qualified community development services in both of these AAs.

Responsiveness to Community Development Needs

The level of CD loans, investments, and services in the bank's AAs represents an excellent responsiveness to some of the most critical CD needs in the bank's AAs. The CD loans, investments, and services were particularly responsive to the need for affordable housing, temporary shelter, services, and jobs for low- and moderate- income individuals.

Retail Banking Services

Retail banking services are reasonably accessible to low- and moderate-income geographies. Although the bank does not have any branches in low-income census tracts, 27 percent of its branches are in moderate-income geographies. This compares very favorably with the demographics which indicates 26 percent of the geographies in the combined full-scope AAs are moderate-income.

The bank operates three branches in the Boulder MSA. Two, or 67 percent, of MHB's branches and ATMs are located in moderate-income census tracts. This represents an excellent distribution of branches and ATMs in this AA. In comparison, 23 percent of the census tracts in this AA are moderate-income tracts.

In the Denver-Aurora MSA, the bank operates one, or 13 percent, of its branches in a moderate-income tract. In comparison, 27 percent of the census tracts in the Denver-Aurora MSA are moderate-income tracts. This represents an adequate distribution of branches and ATMs in this AA.

Products, services, and hours of operation do not vary significantly for branches located in moderate-income census tracts as compared to those offered at branches located in middle- and upper-income census tracts.

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.