



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

April 30, 2007

Community Reinvestment Act **Performance Evaluation**

Capital One, National Association
Charter Number: 13688

313 Carondelet Street
New Orleans, Louisiana 70130

Office of the Comptroller of the Currency

Large Bank Supervision
Washington, DC 20219

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

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Overall CRA Rating

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

The following table indicates the performance level of **Capital One, National Association (CONA)**, with respect to the lending, investment, and service tests:

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

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

The major factors that support this rating include:

- CONA’s lending volume is good given competition in its primary markets.
- A substantial majority of mortgage loans and small loans to businesses are inside the bank’s assessment areas.
- CONA’s overall geographic distribution of lending is adequate. The distribution of loans to borrowers of different income levels is good.
- Community development loans originated during the review period enhanced the overall good level of lending and had a positive impact on the Lending Test rating.
- CONA has a good level of qualified community development investments given its resources and capacity.
- Service delivery systems are reasonably accessible to geographies and individuals of different income levels in Louisiana, and reasonably accessible to essentially all geographies and individuals of different income levels in Texas.
- Community development services are good and support the bank’s community development efforts and address identified needs in the community. We gave these services positive consideration in our evaluation.

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

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

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

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

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

Geography: A census tract 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 preapproval and loans for manufactured housing.

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

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

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

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

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

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

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

Metropolitan Division (MD): As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an

employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

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

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

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

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

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

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

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

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

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

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

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

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

Description of Institution

Capital One, National Association (CONA), formerly Hibernia National Bank, is an interstate bank headquartered in New Orleans, Louisiana. CONA is a wholly owned subsidiary of Capital One Financial Corporation (COF), a \$149 billion multi-bank holding company headquartered in McLean, Virginia. COF acquired Hibernia National Bank in November 2005 and changed the bank name to CONA in April 2006.

CONA is the largest commercial bank in Louisiana, and continues to expand its presence in Texas. The bank reported total assets of \$30.2 billion and tier one capital of \$2.1 billion as of March 30, 2007. The loan to deposit ratio at that time was 67.6%, and the percentage of total assets represented by net loans was 49.7%. No legal, financial or other factors exist to impede the bank's ability to help meet the credit needs in its assessment areas (AAs).

CONA operates 341 full-service branches and 640 ATMs within Louisiana and Texas. During this evaluation period, CONA opened 78 branches and closed 12 branches. Coastal Bancorp was acquired by the bank's holding company in December 2003, and full integration was concluded in June 2004. This acquisition added \$2.6 billion in assets and 44 branches in 18 Texas counties, more than doubling the number of Texas branches to 86 from 42, increasing the bank's presence in Houston and providing entry into markets stretching from Austin into the Rio Grande Valley. An additional 73 branches were opened in Texas during the evaluation period, and two branches were closed.

Banking competition is aggressive in all of CONA's markets, particularly in the full scope assessment areas evaluated in this report. Competitors include dominant large national banking companies and their affiliates, large regional financial institutions, and numerous small community banks, credit unions, and non-bank financial service providers. CONA consistently ranks 1 or 2 in deposit market share in most of its Louisiana AAs, including those receiving full-scope reviews.

CONA offers a full range of financial and credit services, in conformance with its strategy to develop into a broad-spectrum financial services company. Services include, but are not limited to, commercial, real estate, and consumer loan products. CONA also offers investment and insurance services through its subsidiaries.

Loans represent approximately 50% of total assets. The loan portfolio is comprised of 51% real estate, 20% commercial loans and 23% loans to individuals. Farm and agricultural loans comprise only 0.2% of the total loan portfolio. The real estate loan portfolio consists of 62% 1-4 family residential loans, 18% commercial real estate loans, 18% construction and development loans, and 1% multifamily loans.

COF operates the Capital One Community Development Corporation (COCDC) as a subsidiary, to promote and provide affordable housing in the bank's AAs. Another bank affiliate, Capital One Capital Corporation (COCC), is an operating small business investment company established to encourage and assist in the creation, development, and expansion of small businesses. The activities of COCDC and COCC in CONA's footprint are considered throughout the evaluation report.

CONA demonstrates a strong commitment to and is very active in affordable housing efforts in its AAs. Projects and activities flowing from the operation of COCDC are the strongest example of the bank's commitment to its AAs. COCDC demonstrates impressive performance in the area of affordable housing by financing projects that provide new, and rehabilitates existing, housing, and by providing homebuyer education and technical expertise. COCDC has built significant relationships with non-profit, governmental and economic development organizations, leveraging those relationships to enhance the capacity of these entities and effectively promote home ownership and financial independence. Examples of these efforts are highlighted in the Community Development Lending and Community Development Services sections of this Performance Evaluation.

Several assessment areas were severely impacted by the Hurricanes Katrina and Rita in 2005. It was critical to these areas that the bank minimize disruption of service to customers, reopen branches and resume operations. CONA took a proactive role in assisting customers and employees displaced by these severe hurricanes. This meant providing assistance to its employees for temporary housing and other emergency services, as well as allowing customers to suspend loan payments, ceasing credit reporting, and granting up to 18 months of forbearance on suspended payments. Also, NSF and ATM fees were waived for accounts in affected areas. A customer emergency hotline was established to provide the latest information on the status of CONA's customer service recovery efforts.

CONA's CRA performance was last evaluated on January 12, 2004, at which time the bank was rated "Satisfactory." A review of OCC records and the bank's CRA Public File for the evaluation period did not reveal any complaints relating to the bank's CRA performance.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This Performance Evaluation assesses the bank's performance under the Lending, Investment, and Service Tests. In evaluating the bank's lending performance, we reviewed CONA's residential mortgage loans, multifamily residential loans and small business loans. Farm loans comprised less than 1% of the number of all CRA reportable loans during the evaluation period. A geographic analysis of small loans to farms was not meaningful; therefore, small loans to farms are not considered in the evaluation of the bank's performance. The bank did not elect to include consumer loans, which represent approximately 23% of gross loans and leases. The evaluation period under the Lending Test is January 1, 2004 through December 31, 2006.

For community development (CD) loans and the Investment and Service tests, the evaluation period is January 13, 2004 through April 30, 2007. The Investment Test conclusions are based on an evaluation of investments, grants and donations made in the bank's AAs that meet the definition of community development. The Service Test evaluation is based on branch distribution, hours of operation, branch openings and closings, alternative delivery systems, retail and commercial deposit and loan products and services, and community development services.

Data Integrity

Prior to this CRA examination, OCC personnel verified the accuracy of data made available to the public in accordance with the Home Mortgage Disclosure Act (HMDA) and the CRA regulation. Public data includes home mortgage lending and small loans to businesses and farms. In addition, non-public data that was submitted by bank management for CD loans, services and investments were reviewed to ensure they qualified as having a community development purpose. Based on verification work performed, publicly reported lending data is considered accurate. All the data reported in the above categories are used in this evaluation.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, a sample of assessment areas (AAs) within that state was selected for full-scope reviews. Refer to the "Scope" section under each state rating for details regarding how the areas were selected and why they are representative of the bank's performance.

Ratings

The bank's overall rating is a blend of the state ratings. The state ratings are based primarily on those areas that received full-scope reviews. The State of Louisiana receives the greatest weight in our determination of the overall rating. Louisiana accounts for 56% of the branch network, 76% of total deposits, and 64% of the CRA reportable loans in 2006. In the earlier years of the period (2004 and 2005), Louisiana represented an even larger percentage of branches, deposits and loans. Refer to the "Scope" section under each state rating for details regarding how the areas receiving full-scope reviews were weighted in arriving at the overall state rating.

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 Louisiana

CRA Rating for Louisiana:	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:

- CONA demonstrates good responsiveness to credit needs, particularly in the New Orleans AA. CRA reportable loan volume in Louisiana is good, in number and dollar amount of loans originated.
- A substantial majority of mortgage loans and small loans to businesses are inside the bank's Louisiana AAs.
- The geographic distribution of reportable loans originated in Louisiana is adequate. The distribution of loans to borrowers of different income levels is good.
- An excellent level of community development loans were originated in Louisiana during the review period that had a positive impact on the Lending Test rating.
- CONA participates in a number of flexible loan programs with positive impact on the Lending Test rating in Louisiana.
- The bank has a good level of qualified community development investments in Louisiana given its resources and capacity.
- Service delivery systems are reasonably accessible to essentially all geographies and individuals of different income levels in the Louisiana AAs.
- An excellent level of community development services support the bank's other community development efforts and address identified needs in the community. These services were given positive consideration in our analysis.

Description of Institution's Operations in Louisiana

CONA has defined nine AAs in Louisiana. The AAs are delineated by the political boundaries of the parishes where the bank has its branch locations. The AAs include the following metropolitan areas (MAs): Alexandria, Baton Rouge, Houma, Lafayette, Lake Charles, Monroe, New Orleans and Shreveport. Non-MA Parishes in which the bank operates a branch are combined into one AA for analysis purposes. The AAs that received full-scope reviews are described in detail in the market profile section of this evaluation (Appendix C). All consist of whole geographies, do not reflect illegal discrimination, do not arbitrarily exclude low- or moderate-income census tracts, and overall meet the requirements of the CRA regulation.

The bank operates 192 branches within the state with deposits totaling more than \$15.8 billion. Based on the June 30, 2006, FDIC Summary of Deposits, CONA ranks first in the state with a 22% deposit market share. CONA's largest competitor is JP Morgan Chase, with an 18.6% deposit market share. All products and services are offered in all markets in Louisiana. In 2006, 64% of the bank's CRA-reportable loans were originated in Louisiana, down from 79% in 2004, but the bank continues to hold a dominant market share in the state, ranking first or

second in HMDA-reportable lending, and second or third in business lending, throughout the state.

Refer to the Market Profiles for the State of Louisiana in Appendix C for detailed demographics and other performance context information for the AAs receiving full-scope reviews.

Scope of Evaluation in Louisiana

CONA's overall rating is based primarily on those areas that receive full-scope reviews. We selected the Baton Rouge and New Orleans AAs for these reviews. These areas contain 14% and 52%, respectively, of CONA's \$15.8 billion in deposits within the state. Also, approximately 20% and 31%, respectively, of loan originations and purchases are in these two areas. Baton Rouge hosts 13.5% of the bank's 192 branches in the state, and New Orleans hosts 30.2% of the bank's Louisiana branches. All other AAs, none representing more than 10% of loans or deposits, receive limited-scope reviews.

Based on its significance to the bank, demonstrated in the above statistics, the New Orleans AA receives greater weight than the Baton Rouge AA. Refer to the Market Profiles in Appendix C, and Table 1, Lending Volume, in Appendix D for more information. Home mortgage lending performance is given the greatest weight under the Lending Test, followed by small business lending, since these were primary business lines during this evaluation period. We gave equal weight to the bank's performance under each home mortgage loan product. Although the bank originated a slightly higher proportion of refinance loans, home improvement and home purchase loans are significant credit needs within the bank's AAs.

The geographic distribution of multifamily loans and the geographic and borrower distribution of small loans to farms are not relevant due to the small volume of loans originated or purchased during the evaluation period. Therefore, an analysis of the geographic distribution of multifamily loans and the geographic and borrower distribution of small loans to farms has been eliminated from the Public Evaluation.

We noted during the conducting and review of six community contacts made in the AAs that many opportunities exist in the bank's market to participate in community development lending, investment, and service activities. Our contacts were centered in affordable housing, financial education and social services to low-income individuals and families. The Baton Rouge and New Orleans AAs have very high levels of opportunities and capacity for community development, particularly in the aftermath of Hurricanes Katrina and Rita which struck many of the bank's AAs in 2005. The primary needs identified by the community contacts are affordable housing, small business loans, and technical assistance (financial education).

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

Lending Test performance in Louisiana is rated High Satisfactory. Based on full-scope reviews, performance in both the Baton Rouge AA and in the New Orleans AA is good. Performance in the limited-scope assessment areas did not negatively impact the overall rating for the Lending Test in Louisiana.

Lending Activity

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

Baton Rouge

Lending activity in the Baton Rouge AA is excellent. In this AA, CONA has a deposit market share of 22.33% which ranks second among deposit-taking institutions. Among all institutions, the bank has the third, first and first market ranks in terms of numbers, for home purchase, home improvement and home refinance loans, respectively. In dollar terms, the bank has the second, first and first market ranks for the aforementioned home mortgage products among all institutions respectively. In addition, the bank has the second market rank for the number and dollar of home purchase loans, and the top market ranks for the number and dollar of home improvement and home refinance loans among local deposit-taking institutions.

Regarding small business loans, the bank has the seventh and third market ranks in terms of numbers and dollars among all institutions. Also, the bank has the third market rank for the number of loans, and the third market rank in terms of dollars for local deposit-taking institutions.

New Orleans

Lending Activity in the New Orleans AA is excellent. In this AA, CONA has a deposit market share of 28.93% which ranks first among deposit-taking institutions. Among all institutions, the bank has the third, first and second market ranks for home purchase, home improvement and home refinance, respectively, among all institutions for both numbers and dollars. Among local deposit-taking institutions, the bank has the second, first and first market ranks for the number and dollar of home purchase, home improvement and home refinance loans respectively.

For small business loans, the bank has the seventh market rank for the number of small business loans among all institutions. In dollar terms, the bank has the second market rank among all institutions. Among local deposit-taking institutions, the bank has the third and second market ranks in terms of numbers and dollars respectively.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

The geographic distribution of loans in the Baton Rouge AA is adequate and in the New Orleans AA is good. Refer to Tables 2, 3, 4 and 5 in the State of Louisiana section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Baton Rouge

Home purchase geographic distribution in the Baton Rouge AA is poor. The percent of loans originated in low- and moderate-income (LMI) geographies is well below the percent of owner-

occupied units in like geographies. In addition, while the market share of loans in low-income geographies is near the bank's overall market share, in moderate-income geographies it is below the bank's overall market share for the AA.

Home improvement geographic distribution in the Baton Rouge AA is adequate. The percent of loans originated in LMI geographies is below the percent of owner-occupied units in like geographies. While the market share of loans in low-income geographies is significantly below the bank's overall market share within the AA, it is near the bank's market share in moderate-income geographies.

Home refinance geographic distribution in the Baton Rouge AA is adequate. The percent of loans originated in LMI geographies is significantly below and below the percent of owner-occupied units in like geographies, respectively. In addition, the market share of loans in LMI geographies is below the bank's overall market share within the AA.

New Orleans

Home purchase geographic distribution in the New Orleans AA is adequate. The percent of loans originated in LMI geographies is significantly below and below the percent of owner-occupied units in like geographies respectively. In addition, the market share of loans in LMI geographies is below the bank's overall market share within the AA.

Home improvement geographic distribution in the New Orleans AA is excellent. The percent of loans originated in low-income geographies is near to the percent of owner-occupied units in like geographies. The percent of loans originated in moderate-income geographies exceeds the percent of owner-occupied units in like geographies. Regarding market share, the percent of loans in LMI geographies is near to and exceeds the bank's overall market share in like geographies, respectively.

Home refinance geographic distribution in the New Orleans AA is adequate. The percent of loans originated in low-income geographies is well below the percent of owner-occupied units in like geographies. The percent of loans originated in moderate-income geographies is below the percent of owner-occupied units in like geographies. For market share, the percent of loans in LMI geographies is well below and below the bank's overall market share in like geographies, respectively.

Small Loans to Businesses

Refer to Table 6 in the State of Louisiana 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.

Baton Rouge

The overall geographic distribution of small loans to businesses in the Baton Rouge AA is adequate. The distribution of small loans to businesses in LMI geographies is well below and below the percent of businesses in like geographies, respectively. The bank's market share of loans in low-income geographies is below the bank's overall market share of small loans to

businesses in the AA, and in moderate-income geographies it exceeds the bank's overall market share of small loans to businesses in the AA.

New Orleans

The overall geographic distribution of small loans to businesses in the New Orleans AA is good. The distribution of small loans to businesses in LMI geographies is below and near to the percent of businesses in like geographies, respectively. The bank's market share of loans in LMI geographies exceeds the bank's overall market share of small loans to businesses in the AA.

Small Loans to Farms

Due to the minimal number of small loans to farms originated in the Baton Rouge and New Orleans AAs during the assessment period, we did not analyze the bank's performance for this product.

Gap Analysis

Our review of the lending patterns for home mortgage loans and loans to small businesses revealed no unexplained gaps in the lending patterns in the Baton Rouge and New Orleans AAs.

Inside/Outside Ratio

This analysis was performed at the bank level rather than at the state or assessment area levels. During the evaluation period, a substantial majority of the bank's loan originations were within its overall assessment area. Specifically, 90% of the number of all loans and 89% of all dollars originated during the assessment period were within the bank's assessment areas. By product, in number terms, 89% of all home loans, 94% of all small business loans, and 90% of all small farm loans were originated within the bank's assessment areas. In dollar terms, 87% of all home loans, 94% of small business loans, and 92% of small farm loans were originated within the bank's assessment areas. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of the geography.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

The bank's borrower distribution of loans in the Baton Rouge and New Orleans AAs is good. Economic factors, more fully discussed in the profiles of the assessment areas in Appendix C, were considered in this analysis, including the high poverty rates and cost of housing, making it difficult for low-income persons to obtain mortgage loans. In addition, significant fluctuations in housing and insurance prices and availability have exacerbated these barriers to home financing.

Refer to Tables 8, 9 and 10 in the State of Louisiana 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.

Baton Rouge

Home purchase borrower loan distribution in the Baton Rouge AA is good. This analysis took into account for all three home mortgage products the above average poverty levels along with housing affordability issues. The portion of loans to low-income borrowers is significantly below the percent of low-income families in the AA but is considered adequate based on the above-described mitigating economic factors. The portion of loans to moderate-income borrowers exceeds the portion of moderate-income families in the AA. In addition, the market share of loans to LMI borrowers is near to the bank's overall market share of home purchase loans in the AA.

Home improvement borrower loan distribution is good. The portion of loans to low-income borrowers is significantly below the portion of low-income families in the AA but is considered adequate based on the above-described mitigating economic factors. The portion of loans to moderate-income borrowers exceeds the portion of moderate-income families in the AA. In addition, the market share of loans to LMI borrowers is near to and exceeds the bank's overall market share of this type of loan within the AA, respectively.

Home refinance borrower loan distribution is poor. The portion of loans to low-income borrowers is significantly below the percent of low-income families in the AA but is considered adequate based on the above-described mitigating economic factors. The portion of loans to moderate-income borrowers is below the percent of moderate-income families in the AA. For market share, the percent of home refinance loans to LMI borrowers is significantly below and below the bank's overall market share of this type of loan in the AA, respectively.

New Orleans

Home purchase borrower loan distribution in the New Orleans AA is good. This analysis took into account for all three home mortgage products the above average poverty levels along with housing affordability issues. Therefore, although the portion of loans to low-income borrowers is significantly below the percent of low-income families in the AA, the bank's performance is considered adequate. The portion of loans to moderate-income borrowers is near to the percent of moderate-income families in the AA. For market share, the portion of loans to LMI borrowers is below the bank's overall market share of this type of loan in the AA.

Home improvement borrower loan distribution is excellent. The portion of loans to low-income borrowers is below the percent of low-income families in the AA but is considered adequate based on the above-described mitigating economic factors. The portion of loans to moderate-income borrowers exceeds the percent of moderate-income families in the AA. Regarding market share, the percent of home improvement loans to LMI borrowers exceeds the overall market share for this type of loan in the AA.

Home refinance borrower loan distribution is poor. The portion of loans to low-income borrowers is below the percent of low-income families within the AA but is considered adequate based on the above-described mitigating economic factors. The portion of loans to moderate-income borrowers is below the percent of moderate-income families in the AA. For market share, the percent of home refinance loans to LMI borrowers is significantly below the overall market share for this type of loan in the AA.

Small Loans to Businesses

Refer to Table 11 in the State of Louisiana 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.

Baton Rouge

The borrower distribution of small loans to businesses is excellent. The percentage of small loans to businesses exceeds the percentage of small businesses in the AA. The bank's market share of small loans to businesses exceeds the bank's overall business loan market share. The bank also makes a significant majority of these loans in smaller amounts.

New Orleans

The borrower distribution of small loans to businesses is excellent. The percentage of small loans to businesses exceeds the percentage of small businesses in the AA. The bank's market share of small loans to businesses exceeds the bank's overall business loan market share. The bank also makes a significant majority of these loans in smaller amounts.

Community Development Lending

Refer to Table 1, Lending Volume in the State of Louisiana 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 multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Baton Rouge

Community development lending received positive consideration in our analysis of the bank's lending performance in the Baton Rouge AA. During the assessment period, the bank originated six loans for \$53.4 million in qualified community development loans. A noteworthy loan included an \$11.6 million loan to an organization that assists victims of Hurricane Katrina through relief and reconstruction.

New Orleans

Community development lending received positive consideration in our analysis of the bank's lending performance in the New Orleans AA. During the assessment period, the bank originated 20 loans totaling \$157 million. The community development loans include various large lines of credit to provide for Hurricane Katrina relief, medical care to LMI residents, and economic development. CONA's community development loans also include large loans in conjunction with New Markets Tax Credits to build a student center on a major university campus in New Orleans.

Product Innovation and Flexibility

The bank offers several flexible lending products to meet affordable housing credit needs which received positive consideration in our analysis of the bank's performance under Lending Test in Louisiana. These products include:

Hurricane Assistance – Several assessment areas were severely impacted by the Hurricanes Katrina and Rita in 2005. CONA took a proactive role in assisting customers displaced by these severe hurricanes by allowing customers to suspend loan payments, ceasing credit reporting, and granting up to 18 months of forbearance on suspended payments.

CONA has taken a leading role in two mortgage loan programs designed to provide assistance to families in the New Orleans area whose homes were destroyed in Hurricane Katrina, and also to those who want to acquire their first home in the city. The two low-interest loan programs – HUD's FHA 203(k) product and Fannie Mae's Community Renovation™ product – offer low fixed-rate loans to finance the purchase and renovation of homes. As part of its ongoing efforts to address the housing shortage in New Orleans, the Capital One Community Development Manager worked closely with HUD, Fannie Mae and the Finance Authority of New Orleans to enhance home purchase-rehabilitation loan programs; the result of these efforts is the creation of the 203(k) and Community Renovation™ products. The key difference in these programs is that the homeowner has 18 months to complete renovations, whereas a traditional purchase-rehabilitation loan only allows for 6 to 12 months to complete the work.

American Dream Down Payment Initiative (New Orleans MSA) - This is an affordable housing program administered by the City of New Orleans using HUD's HOME Investment Partnerships Program (HOME) funds to provide second mortgages to assist low-income individuals and families. The amount of the second mortgage increases if the underlying property is located in a target area. CONA originated 12 loans totaling \$920 thousand during the evaluation period.

Ginger Mae Financial Services (New Orleans MSA) - This program, based in Baton Rouge, Louisiana, is designed to assist lenders in providing loans to borrowers who otherwise would not qualify for traditional home financing. The program considers applicants with poor credit history and/or insufficient savings, and those needing higher cash from refinancing rental or owned property. The program includes flexible terms and underwriting characteristics, such as higher loan-to-value allowances, nontraditional credit references and acceptance of recent bankruptcy. CONA originated three loans totaling \$151 thousand in the New Orleans MSA during the evaluation period.

My Community Mortgage (Statewide LA) - This program is designed to assist LMI buyers who cannot qualify for traditional financing. The program targets areas identified as underserved based on the need for quality affordable housing. The program provides flexible terms and underwriting characteristics including waiver of discount points, loan amounts up to 100 percent of value, acceptance of non-traditional credit references, and first time homebuyer education. CONA originated 190 loans statewide in Louisiana totaling \$15.7 million to LMI borrowers during the evaluation period.

USDA Rural Development (Statewide LA) - CONA participates in the Section 502 Direct Loan Programs that leverages funds from the Rural Housing division of the USDA. Mortgages

under the Direct Loan Program are targeted to LMI families. CONA's participation in this program reduces the amount the agency must provide thereby maximizing the use of government funding. The program features flexible terms and underwriting characteristics, including: terms up to 33 years, no cash required from the borrower for the down payment, no origination fee or discount points, expanded debt to income ratios, no private mortgage insurance requirement, acceptance of nontraditional credit references, reduced credit history requirements, and no reserve requirements. The bank originated 47 loans totaling \$1.02 million bank-wide during this evaluation period under the Direct Loan Program.

Bond Programs - CONA participates in numerous bond programs throughout Louisiana and Texas. These programs are sponsored by state and local city governments offering flexible underwriting criteria tailored to meet the needs of LMI families. Specific programs include, but are not limited to, the LA Housing Finance Agency, the Finance Authority of New Orleans, East Baton Rouge Mortgage Finance Authority, Calcasieu Parish Public Trust Authority, the Rapides Finance Authority, Shreveport Home Mortgage Authority, and the Texas Bond Program. CONA originated 375 loans totaling \$33.7 million to LMI families in its assessment areas between January 1, 2004 and December 31, 2006.

Soft Second Mortgage Programs - These are an affordable housing programs administered by state and local authorities, such as the Parish of Jefferson in the New Orleans AA, and the City of Baton Rouge, to specifically target lower-income individuals and families. The program uses HOME funds to provide second mortgage financing to promote homeownership in target areas. The administrator also partners with local lenders like CONA to qualify very low-income persons wanting to live in target communities. Participating lenders provide first and second mortgage loans for home purchase by eligible borrowers. In the New Orleans AA, CONA closed seven subsidized loans to low-income borrowers for a total of \$131 thousand during the review period, and in the Baton Rouge AA, one loan in the amount of \$28 thousand in 2006.

Conclusions for Limited Scope Areas

Based on limited-scope reviews, performance in the Alexandria, Lake Charles, Monroe, and Shreveport, and the Louisiana Non-MSA assessment areas is good and is not inconsistent with the overall Lending Test performance in Louisiana. Performance in the Houma AA and the Lafayette AA is adequate and weaker than the overall Lending Test performance in Louisiana. However, it does not change the state rating. Refer to the Tables 1 through 11 in the State of Louisiana 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 Louisiana is rated "High Satisfactory". Based on full-scope reviews, performance in the Baton Rouge AA is good, and performance in the New Orleans AA is good. Heavier weight is given to performance in New Orleans, as that AA accounts for over half of the bank's deposits in the State of Louisiana. Performance in the limited-scope AAs did not impact the overall state rating.

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

Baton Rouge

Based on a full-scope review, performance is good in the Baton Rouge AA. During the evaluation period, CONA made 25 qualified investments totaling \$7.9 million. The AA continues to benefit from two investments, totaling \$300 thousand, made during a prior period. In addition, we noted, but did not factor in our conclusions, that CONA has executed binding commitments for further investment in the AA totaling \$6.2 million.

Low-Income Housing Tax Credit (LIHTC) projects totaling \$7.9 million constitute a large part of the bank's qualified investments in the Baton Rouge MSA, of which \$6.2 million are binding unfunded commitments considered as performance context in our analysis but not factored in the conclusion on the bank's performance. These LIHTC projects are providing 176 units of affordable housing in the communities of Baton Rouge and Denham Springs. Investment securities backed by loans for affordable housing make up an additional \$5 million in investments in the Baton Rouge MSA. Seventeen grants and contributions totaling a modest \$139 thousand meet additional qualified needs, and range in size from \$1 thousand to \$25 thousand.

New Orleans

Based on a full-scope review, performance is good in the New Orleans AA. During the evaluation period in its largest AA, CONA made qualified investments totaling \$47.1 million. Unfunded binding obligations committed during the evaluation period total an additional \$11.8 million, which were considered in developing the performance context of the evaluation. There also exist two prior period investments totaling \$277 thousand.

Assistance to persons and neighborhoods seeking relief from the ravages of Hurricane Katrina make up nearly \$33 million of the qualified investments in the New Orleans MSA. In addition, CONA made investments in three LIHTC projects totaling \$16.4 million, of which \$11.8 million continue as binding unfunded commitments. These investments are providing 206 additional units of affordable housing within the City of New Orleans. CONA has also invested in New Markets Tax Credits projects in the New Orleans MSA totaling \$3.8 million. Grants and contributions for qualified investment purposes in New Orleans total in excess of \$2.7 million and range in size from \$1 thousand to \$500 thousand.

Other

CONA has also invested in regional opportunities that have potential for benefit to its AAs in both Louisiana and Texas. These are displayed on Table 14 in the State section of Appendix D.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Investment Test performance in the Alexandria AA is not inconsistent with the overall High Satisfactory Investment Test rating in Louisiana. Investment Test performance in the Houma, Lafayette, Lake Charles, Monroe, and Shreveport AAs and in

the Louisiana Non-MSA AA is weaker than the overall High Satisfactory Investment Test rating in Louisiana. The weaker performance is due to relatively lower levels of qualified investments, and does not impact the state rating.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Louisiana is rated "Low Satisfactory". Based on full-scope reviews, the bank's performance in the New Orleans and Baton Rouge AAs is adequate. Delivery systems are reasonably accessible to geographies and individuals of different income levels in the bank's assessment areas

Retail Banking Services

Refer to Table 15 in the State of Louisiana 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.

The dispersion of branches and accessibility to products and services is adequate. CONA's delivery systems are reasonably accessible to geographies and individuals of different income levels in the bank's assessment areas. To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies, and to LMI individuals. CONA's banking services and hours are tailored to the convenience and needs of its AA, including LMI individuals. CONA offers extended lobby and drive-in hours at a majority of its locations, including Saturday banking hours. These services enhance the accessibility of the branches.

Baton Rouge

In the Baton Rouge AA, CONA operates 26 branches, representing 13.5% of all bank branches in the State of Louisiana. Service delivery systems are accessible to all portions of the bank's AA. The bank operates no branches in low-income census tracts, but only 8.5% of the population of the AA resides in those geographies. In moderate-income geographies, the bank operates 23% of its branches, which percentage exceeds the percentage of the population residing in these geographies. One branch was opened in the Baton Rouge AA, in a middle-income geography, and no branches were closed, during the evaluation period.

Lobby hours, services, and products offered do not vary in a way that inconveniences any portion of the assessment area. Banking hours are consistent throughout the AA. Branch lobbies are generally open 9 a.m. to 4 p.m. Monday through Thursday and until 6:00 p.m. on Friday, with some open 9 a.m. to noon on Saturday. Drive-up facilities are generally open from 9 a.m. until 5:00 p.m., with some open 9 a.m. to 11 a.m. on Saturday. Although some branch offices are closed on Saturdays, this is largely due to decreased weekend business in those locations, and there is no apparent correlation that Saturday closing resulted because the branch was in a LMI area.

Automated Teller Machines (ATMs), one of CONA's alternative delivery systems, significantly supplement the branch network, and provide consumers and small business account holders access to funds both during and outside traditional banking hours. The bank operates 43 ATMs in the Baton Rouge AA, including one free-standing ATM in a low-income geography, and 14 ATMs, or 32.6%, in moderate-income geographies. All external ATMs are available 24 hours a day, seven days a week. However, some ATMs are located inside branch or other office buildings, and may be subject to the hours of operation of the building in which they are located. All CONA ATMs have bilingual (English and Spanish) screens.

Other alternative delivery systems include debit cards, bank-by-mail, online banking with a bill-payment feature and telephone banking. The bank has introduced prepaid debit cards to assist the unbanked, including a product that can be used by employers to deposit payroll funds onto the debit card for employees lacking checking accounts, thus saving the employee check cashing fees. Various internet banking services for consumers, as well as businesses, are available at www.capitalonebank.com. Internet services offered are relatively standard, including services such as bill payment (with a fee schedule), transfer between accounts (including loan payments) and balance inquiry. The bank also offers free telephone banking with service in English as well as Spanish. In evaluating the bank's services and products, no significant weight was given to these delivery systems since CONA does not track how well these services benefit LMI individuals or geographies.

New Orleans

CONA operates 58 branches in the New Orleans AA, representing 30.2% of all CONA branches in the State of Louisiana. Service delivery systems are reasonably accessible to essentially all geographies and individuals of different income levels throughout the AA. The percentage of branches in low-income geographies is significantly less than the percentage of the population residing in those tracts; the bank currently has no branches in low-income census tracts, yet 10.6% of the New Orleans AA population resides in those geographies. Prior to Hurricane Katrina, the bank operated a branch in a low-income census tract in the Ninth Ward of New Orleans, but the branch was destroyed, as were the surrounding geographies. These areas have not been rebuilt so the branch remains closed.

The percentage of branches located in moderate-income geographies is near to the percentage of the population residing in those geographies, with 17% of the branches located in moderate-income census tracts and 21% of the population residing in those census tracts. The bank had two additional branches in moderate-income census tracts, closed due to the effects of Hurricane Katrina. One of these branches is expected to re-open in 2007. The branches destroyed by the hurricane were given positive consideration in our analysis. Also, many of the bank's other branches are in close proximity to LMI geographies and are therefore accessible.

Several branches in the New Orleans AA were temporarily closed due to flood and wind damage in the wake of Hurricane Katrina, in addition to those discussed above. Six other branches have been closed throughout the AA, in middle- and upper-income geographies. Two new branches have been opened in the New Orleans AA since our previous examination, including one in a moderate-income geography.

ATMs, one of CONA's alternative delivery systems, significantly supplement the branch network, and provide consumers and small business account holders access to funds both during and outside traditional banking hours. CONA operates a total of 153 ATMs throughout the New Orleans AA as part of its overall service delivery system. The dispersion of the ATMs represents an adequate distribution across the AA, including LMI geographies. Two free-standing ATMs, not associated with a branch, are located in low-income tracts. Another 28 ATMs, or 18.3% of the total, are located in moderate-income census tracts. All external ATMs are available 24 hours a day, seven days a week. However, some ATMs are located inside branch or other office buildings, and may be subject to the hours of operation of the building in which they are located. All CONA ATMs have bilingual (English and Spanish) screens.

Lobby hours, services, and products are the same as those offered in the Baton Rouge AA, as discussed above, and do not vary in a way that inconveniences any portions of the AA.

Community Development Services

Community development services received positive consideration in our evaluation of CONA's performance under the Service Test. Significant efforts include:

Bankwide

Hurricane Assistance – The bank partnered with several nonprofits to provide homeownership counseling and other vital housing information to displaced persons. We also considered the community development service component of the Capital One Community Development Manager's work with HUD, Fannie Mae and the Finance Authority of New Orleans to enhance home purchase and rehabilitation loan programs, as detailed in the Community Development Lending section above.

Capital One Community Development Corporation (COCDC) - The COCDC has been extremely effective in providing community development services and has developed projects in its Louisiana and Texas AAs. The CDC's activities include technical assistance for non-profit organizations, including guidance in securing grants and loans, project management and organizational development. The efforts of the CDC help increase the stock of affordable housing and create opportunities for strong, sustainable neighborhoods for long-term growth and prosperity by increasing capacity and self-sufficiency of local community corporations. During this evaluation period, COCDC constructed 206 affordable housing units at a total cost of \$5.9 million. In addition, the COCDC has partnered with local, state and Federal agencies offering special incentives in areas targeted for redevelopment throughout Louisiana.

Federal Home Loan Bank Grant (FHLB) Assistance - COCDC assisted a variety of housing development groups in completing 52 applications resulting in 964 housing related units during the evaluation period. Total grants received include \$5.8 million awarded through the FHLB Affordable Home program; \$58.1 thousand awarded through the FHLB Partnership Match program; \$100 thousand awarded as part of HELP projects; and \$370 thousand awarded through Disaster Relief programs. During the review period, CONA also provided \$19.75 thousand as part of 3:1 match programs. Grant money was used for a variety of housing related needs such as down payment and closing cost assistance, home repairs, matched savings accounts, principal reduction, gap financing, and general operating funds.

USDA Rural Development Agency - The mission of this Agency is to develop affordable housing programs in rural markets. This includes efforts to leverage funds and provide mortgage financing for LMI families. CONA's Community Development Manager provided technical assistance in creating the MOU/Contracts and Training for the RD Leverage/Grant Program which is an initiative for LMI families in rural markets in Louisiana and Texas. CONA also provided technical assistance in securing a FHLB grant in the amount of \$350 thousand.

Baton Rouge

In the Baton Rouge AA, CONA provides a relatively high level of community development services in addition to the bankwide services discussed above. Included in the numbers above for FHLB grant assistance, CONA assisted with the completion and processing of 8 applications resulting in \$1.1 million in grants used primarily for down payment and closing cost assistance, home repairs, principal loan reduction and operating expenses of the beneficiary nonprofit organizations. Several community and economic development organizations also gain from technical assistance and expertise provided by bank officers on Boards of Directors and planning committees. Through the Mid-City Redevelopment Alliance, CONA has assisted in providing homebuyer education to more than 1700 LMI individuals during the review period.

New Orleans

The bank's community development services are good in the New Orleans AA due to CONA's long history and extensive branch network in the area. Efforts in the New Orleans AA received positive consideration in our evaluation of the bank's performance. As described in the Description of the Institution and in the Community Development Lending Sections of the Performance Evaluation, CONA and its CDC have been very active in the promotion and creation of affordable housing in its AAs, particularly in New Orleans.

Bank officers, including members of the bank's community affairs department, are very active in providing expertise to non-profit organizations regarding community and economic development, community action, affordable home loan programs, and project management. These officers lend expertise as members of the Boards of Directors and planning committees. The bank has partnered with Neighborhood Housing Services, the Neighborhood Development Foundation, and the New Orleans Neighborhood Development Collaborative to fund and manage affordable housing initiatives and provide homebuyer education programs. The bank's Community Development Manager serves on the Board of Community Development Capital, an organization dedicated to the rehabilitation of blighted housing in New Orleans. The CD Manager is also involved with UNITY for the Homeless, whereby more than 200 homeless individuals were impacted during the review period.

CONA has partnered with the Creole Cottage Coalition to construct affordable housing the City. COCDC serves as co-developer of projects, working with the City to identify and designate certain properties as blighted, and providing budgeting and feasibility studies, project design, and homebuyer education.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Alexandria and Lake Charles AAs is stronger than the bank's overall "Low Satisfactory" performance. In Alexandria, the percentage of bank branches exceeds the percentage of the population in low-income geographies, and in Lake Charles the percentage of bank branches exceeds the percentage of the population in moderate-income geographies. The bank's performance in the Houma, Shreveport and Louisiana non-MSA AAs is not inconsistent with the bank's overall "Low Satisfactory" performance under the Service Test in Louisiana. In the Lafayette and Monroe AAs, bank's performance is weaker than the bank's overall "Low Satisfactory" performance; there are no branches or ATMs in LMI geographies, in spite of portions of the population residing in these areas. However, this performance does not impact the state rating. Refer to Table 15 in Appendix D for the facts and data that support these conclusions.

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:	Low Satisfactory

The major factors that support this rating include:

- CONA demonstrates good responsiveness to credit needs, particularly in those areas receiving full scope reviews.
- CRA reportable loan volume in Texas is good.
- A substantial majority of mortgage loans and small loans to businesses are inside the bank's AAs.
- The geographic distribution of reportable loans originated in Texas is adequate.
- The distribution of loans to borrowers of different income levels and to small businesses is excellent.
- CONA originated a good level of community development loans in Texas and this level received positive consideration in our evaluation.
- The bank has an excellent level of qualified community development investments in Texas given its resources and capacity.
- Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the Texas AAs.

Description of Institution's Operations in Texas

CONA has defined 12 assessment areas (AAs) in Texas. The AAs are delineated by the political boundaries of the Counties where the bank has its branch locations. The AAs include the following metropolitan areas (MAs): Austin, Beaumont, Brownsville-Harlingen, Corpus Christi, Dallas-Fort Worth, Houston, Longview, McAllen-Edinburg, San Antonio, Texarkana, Tyler and Victoria. The non-MA counties in which the bank operates a branch were combined for analytical purposes. The AAs that received full-scope reviews are described in detail in the market profile section of this evaluation (Appendix C). All consist of whole geographies, do not reflect illegal discrimination, do not arbitrarily exclude LMI census tracts, and overall meet the requirements of the CRA regulation.

The bank operates 149 branches within the state with deposits totaling more than \$5.1 billion. Of these branches, 25% have been opened within the last year. Based on the June 30, 2006, FDIC Summary of Deposits, CONA ranks 12th in the state with a 1.26% deposit market share. CONA's largest competitors are the large national banks, including Wells Fargo, Bank of America and JP Morgan Chase. All products and services are offered in all markets in Texas. In 2006, 36% of the bank's CRA-reportable loans were originated in Texas, up from 21% in 2004, but the bank holds very modest market share in the state, with less than 0.5% in its AAs. The growing significance of Texas to the bank is demonstrated in the above statistics.

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

Scope of Evaluation in Texas

CONA's overall state rating is based primarily on those areas that receive full-scope reviews. In Texas, we selected the Dallas-Fort Worth and Houston AAs for these reviews. The areas contain 9.3% and 22.5%, respectively, of CONA's \$5.1 billion in deposits within the state. Also, approximately 21% and 34%, respectively, of loan originations and purchases are in these two areas. Dallas-Fort Worth hosts 21.5% of the bank's 149 branches in the state, and Houston hosts 28.9% of the bank's Texas branches. An analysis of the bank's performance in each MD within the Dallas-Fort Worth AA was performed and is presented, but was combined to conclude on the bank's performance within the AA. All other AAs, with the exception of San Antonio, none of which represent more than 15% of loans or deposits, receive limited-scope reviews. The bank's performance in the San Antonio MSA is not evaluated at this time because CONA entered this market in late 2006, at the very end of the evaluation period, and loan and deposit data is insufficient to support a conclusion.

Based on the fact that the Houston AA accounts for a greater percentage of the Texas loans, deposits and branches, Houston receives greater weight than the Dallas-Fort Worth AA in this evaluation. Refer to the Market Profiles in Appendix C and Table 1, Lending Volume, in Appendix D for more information. Home mortgage lending performance is given equal weight with small business lending under the Lending Test, since these were primary business lines during this evaluation period and represent similar percentages of the bank's loan volume in Texas. We gave equal weight to the bank's performance under each home mortgage loan product. Although the bank originated a slightly higher proportion of refinance loans, home improvement and home purchase loans are significant credit needs within the bank's AAs.

The geographic distribution of multifamily loans and the geographic and borrower distribution of small loans to farms are not relevant due to the small volume of loans originated or purchased during the evaluation period. Therefore, an analysis of the geographic distribution of multifamily loans and the geographic and borrower distribution of small loans to farms has been eliminated from the Public Evaluation.

We noted during the conducting and review of 6 community contacts made in the AAs that many opportunities exist in the bank's market to participate in community development lending, investment, and service activities. Our contacts were primarily involved in community and economic development affordable housing, financial education and social services to low-income individuals and families. The Dallas-Fort Worth and Houston AAs have very high levels of opportunities and capacity for community development. The primary needs identified by the community contacts are affordable housing, small business loans, and technical assistance (financial education).

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

Lending Test performance in Texas is rated High Satisfactory. Based on a full-scope review, performance in the Dallas-Fort Worth AA and the Houston AA is good. Performance in the limited-scope assessment areas did not negatively impact the overall rating for the Lending Test in Texas.

Lending Activity

Refer to Tables 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.

Dallas-Fort Worth

Lending activity in the Dallas-Fort Worth AA is good. As the performance regarding lending activity is identical for the Dallas-Fort Worth MDs, our discussion will include only the Dallas MD. In the Dallas MD, the bank has a 0.35% market share which ranks 29th among all deposit-taking institutions. Among all institutions, the bank has nominal market ranks for both the number and dollar of home purchase and home refinance loans. For home improvement loans, the bank has the twelfth and twenty-third market ranks for dollars and numbers among all institutions respectively. Among local deposit-taking institutions, the bank has the fifth and ninth market ranks for home improvement loans in terms of numbers and dollars respectively. Among local deposit-taking institutions, the bank has the thirty-second and thirty-sixth market ranks for home purchase loans in terms of numbers and dollars respectively. For home refinance loans, the bank has the fifteenth and twelfth market ranks for the number and dollars among local deposit-taking institutions respectively.

Regarding small business loans, the bank has the eighteenth and twentieth market ranks for the number and dollar of loans among all institutions respectively. Among local deposit-taking institutions, the bank has the thirteenth and eighteenth market ranks for the number and dollar of small business loans respectively.

Houston

Lending activity in the Houston AA is good. In this AA, CONA has a deposit market share of 0.97% which ranks fourteenth among deposit-taking institutions. Among all institutions, the bank has a nominal market share for the number of home purchase and home refinance loans among all institutions. Also among all institutions, the bank has the tenth market rank for the number of home improvement loans. In terms of dollars, the bank has nominal market ranks for both home purchase and home refinance loans for all institutions, and the sixth market rank for home improvement loans. Among local deposit-taking institutions, the bank has the twenty-first, sixth and fourteenth market ranks for the number of home purchase, home improvement and home refinance loans respectively. In terms of dollars, the bank has the twenty-third, sixth and thirteenth market ranks for the aforementioned products respectively.

Regarding small business loans, the bank has the eighteenth and tenth market ranks in terms of numbers and dollars among all institutions. Also, the bank has the fourteenth market ranks for the number and dollar of loans among local deposit-taking institutions respectively.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

The bank's geographic distribution of home mortgage loans is adequate. Refer to Tables 2, 3, 4 and 5 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.

Dallas-Fort Worth

Home purchase loan geographic distribution in the Dallas MD is good. The percent of loans originated in low-income geographies exceeds the percent of owner-occupied units in like geographies. The percent of loans originated in moderate-income geographies is below the percent of owner-occupied units in like geographies. For market share, the percent of loans in LMI geographies exceeds and is below the bank's overall market share of this type of loan product, respectively.

Home purchase loan geographic distribution in the Fort Worth MD is poor. The percent of loans originated in low-income geographies is significantly below the percent of owner-occupied units in like geographies. The percent of loans originated in moderate-income geographies is significantly below the percent of owner-occupied units in like geographies. For market share, the percent of loans in LMI geographies is well below and equal to the bank's overall market share of this type of loan product respectively.

Home improvement loan geographic distribution in the Dallas MD is poor. The percent of loans originated in low-income geographies is significantly below the percent of owner-occupied units in like geographies. The percent of loans originated in moderate-income geographies is significantly below the percent of owner-occupied units in like geographies. In addition, the market share of loans in LMI geographies is near to the bank's overall market share for home improvement loans.

Home improvement loan geographic distribution in the Fort Worth MD is good. The percent of loans originated in low-income geographies equals the percent of owner-occupied units in like geographies. The percent of loans originated in moderate-income geographies is below the percent of owner-occupied units in like geographies. In addition, the market share of loans in LMI geographies exceeds and is well below the bank's overall market share for home improvement loans.

Home refinance loan geographic distribution in the Dallas MD is poor. The percent of loans in LMI geographies is well below the percent of owner-occupied units in like geographies respectively. Regarding market share, the percent of loans in LMI geographies equals and is well below the bank's overall market share of home refinance loans in the MD respectively.

Home refinance loan geographic distribution in the Fort Worth MD is adequate. The percent of loans in LMI geographies is below the percent of owner-occupied units in like geographies,

respectively. Regarding market share, the percent of loans in LMI geographies is well below and near to the bank's overall market share of home refinance loans in the MD respectively.

Houston

Home purchase geographic distribution in the Houston AA is adequate. The percent of loans originated in LMI geographies is below and near to the percent of owner-occupied units in like geographies respectively. In addition, the market share of loans in LMI geographies is well below and equals the bank's overall market share within the AA respectively.

Home improvement geographic distribution in the Houston AA is poor. The percent of loans originated in LMI geographies is well below and below the percent of owner-occupied units in like geographies. In addition, the market share of loans in LMI geographies is significantly below and well below the bank's overall market share within the AA.

Home refinance geographic distribution in the Houston AA is adequate. The percent of loans originated in LMI geographies is well below and near to the percent of owner-occupied units in like geographies respectively. In addition, the market share of loans in LMI geographies is well below and near to the bank's overall market share within the AA respectively.

Small Loans to Businesses

The bank's geographic distribution of small loans to businesses is poor in Dallas-Fort Worth, and is good in Houston. 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.

Dallas-Fort Worth

The geographic distribution of small loans to businesses in the Dallas MD is poor. The distribution of small loans to businesses in LMI geographies is below the percent of businesses in like geographies respectively. The bank's market share of loans in LMI geographies is below the bank's overall market share of small loans to businesses in the MD respectively.

The geographic distribution of small loans to businesses in the Fort Worth MD is poor. The distribution of small loans to businesses in LMI geographies is significantly below the percent of businesses in like geographies. The bank's market share of loans in LMI geographies is significantly below the bank's overall market share of small loans to businesses in the MD.

Houston

The overall geographic distribution of small loans to businesses in the Houston AA is good. The distribution of small loans to businesses in LMI geographies is near to and below the percent of businesses in like geographies, respectively. The bank's market share of loans in LMI geographies exceeds and is near to the bank's overall market share of small loans to businesses in the AA, respectively.

Small Loans to Farms

Due to the minimal number of small loans to farms originated in the Dallas-Fort Worth MDs as well as in the Houston AA during the assessment period, we did not analyze the bank's performance for this product.

Gap Analysis

During our review we found gaps in HMDA and small loans to businesses both in the Dallas MD and in the Houston AA. These gaps are not unexpected given the relatively short time the bank has had a presence in these markets, and the minimal deposit market share presence in both cities as well as the overall minimal market shares in terms of home mortgage lending and small loans to businesses. We did not identify material gaps in the Fort Worth MD.

Inside/Outside Ratio

Refer to the State of Louisiana section of this evaluation for a discussion of the bank's performance regarding the Inside/Outside ratio.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Borrower distribution in the Dallas-Fort Worth AA and in the Houston AA is excellent. Refer to Tables 8, 9 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.

Dallas-Fort Worth

Home purchase borrower loan distribution in the Dallas MD is excellent. The portion of loans to low-income borrowers is below the percent of low-income families in the MD but is considered adequate given the cost of housing and poverty rate in the Dallas MD. These economic factors are detailed in the market profile in Appendix C. The portion of loans to moderate-income borrowers exceeds the portion of moderate-income families in the MD. In addition, the market share of loans to LMI borrowers exceeds the bank's overall market share of home purchase loans in the MD.

Home purchase borrower loan distribution in the Fort Worth MD is excellent. The portion of loans to low-income borrowers is near the percent of low-income families in the MD. The portion of loans to moderate-income borrowers exceeds the portion of moderate-income families in the MD. In addition, the market share of loans to LMI borrowers exceeds the bank's overall market share of home purchase loans in the MD.

Home improvement borrower loan distribution in the Dallas MD is good. The portion of loans to low-income borrowers is below the percentage of low-income families in the Dallas MD, but is considered adequate given the cost of housing and poverty rate in the Dallas MD. The portion of loans to moderate-income borrowers exceeds the percentage of moderate-income

families in the MD. In addition, the market share of loans to LMI borrowers exceeds and is near to the bank's overall market share of this type of loan within the MD, respectively.

Home improvement borrower loan distribution in the Fort Worth MD is good. The portion of loans to low-income borrowers is significantly below the percentage of low-income families. The portion of loans to moderate-income borrowers exceeds the percentage of moderate-income families in the MD. In addition, the market share of loans to LMI borrowers exceeds the bank's overall market share of this type of loan within the MD.

Home refinance borrower loan distribution in the Dallas MD is excellent. The portion of loans to low-income borrowers is significantly below the percent of low-income families in the MD but is considered adequate given the cost of housing and poverty rate in the Dallas MD. The portion of loans to moderate-income borrowers exceeds the percent of moderate-income families in the MD. For market share, the percent of home refinance loans to LMI borrowers exceeds the bank's overall market share of this type of loan in the MD.

Home refinance borrower loan distribution in the Fort Worth MD is good. The portion of loans to low-income borrowers is significantly below the percent of low-income families in the MD. The portion of loans to moderate-income borrowers exceeds the percent of moderate-income families in the MD. For market share, the percent of home refinance loans to LMI borrowers exceeds the bank's overall market share of this type of loan in the MD.

Houston

Home purchase borrower loan distribution in the Houston AA is good. The portion of loans to low-income borrowers is significantly below the percent of low-income families in the AA but is considered adequate given the cost of housing and poverty rate in Houston, as more fully discussed in the market profile in Appendix C. The portion of loans to moderate-income borrowers exceeds the portion of moderate-income families in the AA. In addition, the market share of loans to LMI borrowers exceeds the bank's overall market share of home purchase loans in the AA.

Home improvement borrower loan distribution is good. The portion of loans to low-income borrowers is significantly below but is considered adequate given the cost of housing and poverty rate in Houston. The portion of loans to moderate-income borrowers exceeds the portion of moderate-income families in the AA respectively. In addition, the market share of loans to LMI borrowers is near to the bank's overall market share of this type of loan within the AA.

Home refinance borrower loan distribution is adequate. The portion of loans to low-income borrowers is significantly below the percent of low-income families in the AA. The portion of loans to moderate-income borrowers exceeds the percent of moderate-income families in the AA. For market share, the percent of home refinance loans to LMI borrowers is well below and exceeds the bank's overall market share of this type of loan in the AA, respectively.

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.

Dallas-Fort Worth

The borrower distribution of small loans to businesses in the Dallas MD is excellent. The percentage of small loans to businesses exceeds the percentage of small businesses in the MD. The bank's market share of small loans to businesses exceeds the bank's overall business loan market share. The bank also makes a significant majority of these loans in smaller amounts.

The borrower distribution of small loans to businesses in the Fort Worth MD is excellent. The percentage of small loans to businesses exceeds the percentage of small businesses in the MD. The bank's market share of small loans to businesses exceeds the bank's overall business loan market share. The bank also makes a significant majority of these loans in smaller amounts.

Houston

The borrower distribution of small loans to businesses is excellent. The percentage of small loans to businesses exceeds the percentage of small businesses in the AA. The bank's market share of small loans to businesses exceeds the bank's overall business loan market share. The bank also makes a significant majority of these loans in smaller amounts.

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 multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

Dallas-Fort Worth

An adequate level of community development lending was originated in the Dallas-Fort Worth AA. During the assessment period, the bank originated 2 loans for \$3.9 million in qualified community development loans in the Dallas MD. One of the loans was for working capital for an organization that assists individuals in obtaining social security, disability and Medicaid benefits but who are unable to navigate the system. The other loan was for financing the acquisition and renovation of owner occupied commercial real estate where the loan will assist in revitalizing and stabilizing a geography that is designated as a Texas Urban Enterprise Community. No CD loans were originated in the Fort Worth MD.

Houston

The level of community development lending in the Houston AA is good. During the assessment period, the bank originated 2 qualified community development loans totaling \$7.3 million. Both of the loans were for affordable housing. One of the loans was a line of credit to construct affordable single family homes. The second loan was for the acquisition and rehabilitation of a 307 unit affordable housing complex in conjunction with the City of Houston Multifamily Housing Program.

Product Innovation and Flexibility

The bank offers flexible lending products in Texas to meet affordable housing credit needs. None of the products are innovative, and these products had a neutral impact on the Lending Test rating due to the low number of loans closed relative to the bank's capacity. CONA participates in the Texas mortgage bond programs, and soft second mortgage programs in the Dallas-Fort Worth and Houston AAs that resulted in 5 loans closed totaling \$79 thousand during this review period.

Conclusions for Limited Scope Areas

Based on limited-scope reviews, Lending Test performance in the Austin AA, Beaumont AA, Brownsville-Harlingen AA, Corpus Christi AA, McAllen-Edinburg AA, Texarkana AA, and the Texas Non-MSA assessment area is good and is not inconsistent with the overall performance under the Lending Test in Texas. Performance in the Longview, Tyler and Victoria AAs is adequate and weaker than the overall performance under the Lending Test in Texas. These areas have a minimal number of loan originations but the percentage of loans in LMI geographies, and to LMI borrowers, as well as small loans to businesses, generally approximate the geographic, population and business distributions. This performance does not impact the state rating. Refer to the Tables 1 through 11 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 full-scope reviews, performance in the Dallas-Fort Worth AA and in the Houston AA is excellent. Performance in the limited-scope AAs did not impact the overall state rating.

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.

Dallas-Fort Worth

Based on a full-scope review, performance is excellent in the Dallas MD, where CONA made 59 qualified investments totaling \$4.1 million during the investment period. The AA continues to benefit from one large investment made during a prior period, currently valued at \$6.4 million. In addition, CONA has executed binding commitments for additional qualified investments totaling \$5 million, which were considered in the performance context but did not impact our conclusions.

The prior period qualified investments in Dallas consist of investment bonds backed by securitized mortgage loans that facilitated affordable housing. The bulk of the current period investments consists of a \$7 million Low-Income Housing Tax Credit project in Mesquite, Texas, that is providing 252 units of affordable housing in that Dallas County community. Unfunded binding commitments are a part of this investment. CONA's other qualified investments in the Dallas MD consist of grants and contributions for qualified purposes to a wide variety of organizations in the community. These grants range in size from \$500 to over \$150 thousand.

Based on a full-scope review, performance in the Fort Worth MD is good, with six qualified investments totaling approximately \$378 thousand. These investments consist of qualified grants and contributions to community organizations, and range in size from \$500 to \$204 thousand.

Houston

Based on a full-scope review, performance in the Houston AA is excellent. During the evaluation period, CONA made 60 qualified investments, totaling \$10.1 million. The bank also contracted for binding commitments for future disbursement totaling \$10.2 million which were considered as performance context but did not impact our conclusions.

The majority of the investments in Houston consist of Low-Income Housing Tax Credit projects totaling slightly more than \$13 million, including unfunded binding commitments. These investments are providing 638 units of mixed-income affordable housing in Harris County. Various grants and contributions, for qualified purposes, were made in the community during the evaluation period. These grants range in size from \$400 to \$100 thousand, and address a variety of identified needs.

Other

CONA has also invested in regional opportunities that have potential for benefit to its AAs in both Texas and Louisiana. These are displayed on Table 14 in the State of Texas section of Appendix D.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Investment Test performance in the Austin, Brownsville-Harlingen, Corpus Christi, Longview, McAllen-Edinburg, and Texarkana AAs is not inconsistent with the overall “Outstanding” Investment Test rating in Texas. The stronger performance is due to relatively higher levels of qualified investments, but does not change the state rating. Performance in the Beaumont, Tyler, and Victoria AAs and in the Texas non-MSA AA is weaker than the overall Investment Test rating. The weaker performance is due to a relatively lower level of qualified investment in these AAs, but does not impact the state rating.

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

The bank’s performance under the Service Test in Texas is rated “Low Satisfactory”. Based on full-scope reviews, the bank’s performance in the Dallas-Forth Worth and Houston AAs is adequate. Delivery systems are reasonably accessible to geographies and individuals of different income levels in the bank’s assessment areas

Retail Banking Services

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.

Dallas-Fort Worth

CONA’s service delivery systems are reasonably accessible to geographies and individuals of different income levels in the bank’s Dallas-Fort Worth AA. CONA operates 32 branches and 72 ATMs in the AA. No bank offices are located in low-income geographies, where 7.4% of the population resides. In moderate-income geographies, with 27.1% of the population, the bank has 3 branches, or 9.4%. For example, six branches are within one mile of 16 LMI census tracts, and 10 branches are within two miles of 38 LMI census tracts.

In the Dallas MD, where the bank operates 26 branches, two branches, or 7.7%, are located in moderate income census tracts where 27.42% of the population resides. In the Fort Worth MD, one branch, representing 16.7%, is in a moderate-income census tract where 26.43% of the population resides.

Automated Teller Machines (ATMs), one of CONA’s alternative delivery systems, supplement the branch network, and provide consumers and small business account holders access to funds both during and outside traditional banking hours. The percentage of ATMs operated

by the bank in LMI census tracts in both the Dallas-Fort Worth MDs is significantly below the percentage of population living in LMI geographies.

It is important to note that 88% of the bank's 26 branches in the Dallas MD, and all of the branches in the Fort Worth MD, were opened during this evaluation period, and 50% opened in the last year. No branches were closed during this period. CONA's hours, services, and products offered do not vary in a way that inconveniences any portion of the AA, including LMI geographies and individuals. Banking hours are consistent throughout the AA. Lobby hours are generally 9 a.m. to 5 p.m. Monday through Thursday, with extended lobby hours until 6 p.m. on Fridays. Drive-up windows are generally open from 7 a.m. to 7 p.m. Monday through Friday. The vast majority of these branches have Saturday and Sunday lobby and drive-up hours.

A wide variety of deposit and loan products as well as business services are available at all branch locations. Products of relevance to this evaluation period are offered bank-wide, available in all AAs, and are described in detail under the Service Test for the State of Louisiana.

Houston

CONA's service delivery systems are reasonably accessible to geographies and individuals of different income levels in the bank's Houston AA. CONA operates 43 branches and 75 ATMs in the AA. No bank offices are located in low-income geographies, where 6.9% of the population resides. The bank has 3 branches, or 7%, in moderate-income geographies, where 31% of the population lives. However, several branch locations in middle- and upper-income census tracts are adjacent to LMI geographies, and this was considered a positive factor in our analysis. For example, 17 branches are within one mile of 45 LMI census tracts, and 19 branches are within two miles of 103 LMI census tracts.

ATMs, one of CONA's alternative delivery systems, significantly supplement the branch network, and provide consumers and small business account holders access to funds both during and outside traditional banking hours. The percentage of ATMs operated by the bank in LMI census tracts is significantly below the percentage of population living in LMI geographies.

In the Houston AA, 77% of the bank's 43 branches were opened during this evaluation period, with more than one-third opened in the last year. Two branches, acquired in the Coastal Bancorp merger, were closed during this period, both in moderate-income geographies. The branches were closed due to duplication and did not have a negative impact on accessibility. CONA's hours, services, and products offered do not vary in a way that inconveniences any portion of the AA, including LMI geographies and individuals. Banking hours are consistent throughout the AA. Lobby hours are generally 9 a.m. to 5 p.m. Monday through Thursday, with extended lobby hours until 6 p.m. on Fridays. Drive-up windows are generally open from 7 a.m. to 7 p.m. Monday through Friday. The vast majority of these branches have Saturday and Sunday lobby and drive-up hours.

A wide variety of deposit and loan products as well as business services are available at all branch locations. Products of relevance to this evaluation period are offered bank-wide, available in all AAs, and are described in detail under the Service Test for the State of Texas.

Community Development Services

Community development services provided by CONA in the Texas AAs received positive consideration in evaluating the bank's performance. In addition to the services discussed below, CONA offers bank-wide CD services listed under the Service Test in the Louisiana section of this evaluation.

Dallas-Fort Worth

In both the Dallas MD and the Fort Worth MD, bank employees provide significant technical assistance to a variety of affordable housing projects, in the form of homebuyer education, credit counseling, project planning and management, and grant applications. The bank is also associated with four community development corporations in addition to its own COCDC. The Community Development Manager sits on the Board of the Federal Home Loan Bank of Dallas.

Houston

CONA employees serve as advisors on financial literacy initiatives, including classes on the "Fundamentals of Good Credit"; homebuyer training; affordable housing site selection; and other financial services targeted to LMI individuals, for a number of non-profit community development organizations in the Houston AA. The bank provides technical assistance to increase the city's capacity for affordable housing. Several organizations with which the bank has partnered target the most distressed areas of Houston.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Beaumont, Brownsville-Harlingen, McAllen-Edinburg, Texarkana and Texas non-MSA AAs, is stronger than the bank's overall "Low Satisfactory" performance in Texas. This stronger performance was given positive consideration in our analysis. In the Austin, Corpus Christi, Longview, Tyler and Victoria AAs the bank's performance is weaker than the bank's overall performance in the state, but had a minimal impact on our analysis. Refer to Table 15 in the State of Texas section of Appendix D for the facts and data that support these conclusions.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excludes CD Loans): 1/1/ 2004 to 12/31/06 Investment and Service Tests and CD Loans: 1/13/2004 to 4/30/2007	
Financial Institution		Products Reviewed
Capital One, National Association (CONA) New Orleans, Louisiana		Home mortgage, Small Business, Community Development (CD) Loans, CD Investments, CD Services
Affiliate(s)	Affiliate Relationship	Products Reviewed
Capital One Community Development Corporation	Affiliate	Home Mortgage and CD Loans
Capital One Capital Corporation	Affiliate	Small business loan conduit
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
State of Louisiana Baton Rouge MSA New Orleans MSA Alexandria Houma Lafayette Lake Charles Monroe Shreveport Non-MSA Parishes State of Texas Dallas-Fort Worth MSA Houston Austin Beaumont Brownsville-Harlingen Corpus Christi Longview McAllen-Edinburg Texarkana Tyler Victoria Non-MSA Counties	Full Scope Full Scope Limited-Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Full Scope Full Scope Limited-Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope	None

Appendix B: Summary of State Ratings

RATINGS CAPITAL ONE, NATIONAL ASSOCIATION				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
Capital One, National Association	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
State:				
Louisiana	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Texas	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory

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

Appendix C: Market Profiles for Full-Scope Areas

State of Louisiana Full-Scope Areas

Baton Rouge AA

Demographic Information for Full-Scope Area: Baton Rouge, Louisiana Metropolitan Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	120	11.67	23.33	35.00	30.00	0.00
Population by Geography	602,894	8.55	18.94	40.13	32.37	0.00
Owner-Occupied Housing by Geography	151,630	4.29	14.95	43.95	36.81	0.00
Businesses by Geography	44,271	6.14	18.47	37.33	38.06	0.00
Farms by Geography	775	3.10	10.19	41.55	45.16	0.00
Family Distribution by Income Level	155,783	21.99	16.11	19.28	42.62	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	59,355	13.29	27.76	41.55	17.40	0.00
Median Family Income = \$45,620			Median Housing Value = \$95,950			
HUD Adjusted Median Family Income for XXXX = \$55,800			Unemployment Rate = 2.91%			
Households Below the Poverty Level = 16%						

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

In the State of Louisiana, the bank's secondary market is the Baton Rouge AA, which is comprised of four of the nine Parishes in the Baton Rouge MSA, including Ascension, East Baton Rouge, Livingston and West Baton Rouge Parishes. There are 120 census tracts in the AA of which 14 (11.7%) are low-income, 28 (23.3%) are moderate-income, 42 (35%) are middle-income, and 36 (30%) are upper-income.

The Baton Rouge AA represents 7.6% of the bank's total branch network, 10.7% of the bank's total deposit base, and 13% of total reportable loans in 2006. CONA ranks as the 2nd largest commercial bank in the AA with a 19.3% deposit market share. CONA operates 26 full service branches and 43 ATMs in the Baton Rouge AA.

Population

The population living in the bank's Baton Rouge AA was 602,894 in 2000 according to U.S. Census Bureau data. Of this total population, 22% were low-income families, 16.1% were moderate-income families, 19.3% were middle-income families, and 42.6% were upper income families. Approximately 16% of the households had income below the poverty level. In the aftermath of Hurricanes Katrina and Rita, these numbers changed significantly; see the Economic Conditions discussion below.

Dwellings

In 2000, the housing stock in the Baton Rouge AA was 242,827 units; with 8.4% in low-income geographies, 18.3% in moderate-income geographies, 39.9% in middle-income geographies, and 33.4% in upper-income geographies.

Median Housing Value

In 2000, the median housing value in the Baton Rouge AA was \$95,950. Of the housing units available in 2000, 62.5% were owner-occupied, 29.5% of the units were occupied-rental units, and 8% of the units were vacant. The percentage of owner-occupied units located in the low-, moderate-, middle-, and upper-income geographies was: 4.2%, 15%, 44%, and 36.8%, respectively. The aftermath of the hurricanes put pressure on rents and vacancies, but housing prices, after experiencing an initial sharp increase, have stabilized.

Economic Conditions

The population of the Greater Baton Rouge area has grown approximately 50% since Hurricanes Katrina and Rita struck south Louisiana in August and September 2005. The growth is as much due to the hurricane recovery efforts as it is to relocation of affected persons and businesses. The same holds true for Ascension and Livingston Parishes. Growth has been slower in West Baton Rouge Parish. The sudden growth in population has strained infrastructure and caused a spike in housing costs, particularly rental, that has not fully abated.

Baton Rouge is home to Louisiana State and Southern Universities, which are major employers. Other primary employers are centered in government, the petro-chemical industry, construction, and health care. Employment issues vary depending on the type of business. Retail businesses have been hardest hit since the hurricanes, have experienced difficulty filling vacancies and have been forced to pay higher wages to retain employees. IT and high-tech companies have been unable to attract employees from out of state because of the hurricane recovery and potential socio-economic issues.

Community Contacts

We conducted one community contact interview and reviewed the summaries of other recent contacts conducted in the Baton Rouge AA. Organizations contacted included a small business development center and community development organizations. The contacts indicated that there is a high level of community development need in the AA, especially post-Hurricane Katrina. The primary community development and credit needs identified are affordable housing and rehabilitation loans, small business financing, and technical assistance. Banks have been responsive in meeting community credit needs. Opportunities for bank participation, identified by the community contacts, include state and local financing programs for affordable housing, small business, and micro-enterprise development; first time homebuyer training, incentives for IDA participation, and assistance to small emerging business entrepreneurial districts.

New Orleans AA

Demographic Information for Full-Scope Area: New Orleans, Louisiana Metropolitan Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	380	15.26	23.95	33.68	26.58	0.53
Population by Geography	1,289,753	10.62	21.56	37.90	29.91	0.01
Owner-Occupied Housing by Geography	299,498	4.52	16.34	42.05	37.09	0.00
Businesses by Geography	89,139	8.01	20.67	35.42	35.89	0.00
Farms by Geography	1,235	4.78	15.47	45.18	34.57	0.00
Family Distribution by Income Level	330,651	23.85	16.31	18.86	40.99	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	132,779	18.29	29.99	36.48	15.24	0.00
Median Family Income	= \$42,770					
HUD Adjusted Median Family Income for 2006	= \$52,300					
Households Below the Poverty Level	= 17%					
				Median Housing Value	= \$108,092	
				Unemployment Rate	= 3.15%	

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

Source: 2000 U.S. Census and 2006 HUD updated MFI.

In the State of Louisiana, the bank's primary market is the New Orleans AA, which is comprised of six of the seven Parishes in the New Orleans-Metairie-Kenner MSA, and includes Jefferson, Orleans, St. Bernard, St. Charles, St. John the Baptist and St. Tammany Parishes. The bank does not include Plaquemines Parish in its assessment area. There are 380 census tracts in the AA of which 58 (15.3%) are low-income, 91 (24%) are moderate-income, 128 (33.7%) are middle-income, and 101 (26.6%) are upper-income. Two census tracts have not been assigned an income classification.

The New Orleans AA represents 17% of the bank's total branch network, 39.2% of the bank's total deposit base, and 19.8% of total reportable loans in 2006 (down from 28.8% of reportable loans in 2004). CONA ranks as the largest commercial bank in the New Orleans AA with a 9.3% deposit market share. CONA operates 58 full service branches and 153 ATMs in the New Orleans AA.

Population

The population living in the New Orleans AA was 1,289,753 in 2000 according to U. S. Census Bureau data. Of this total population, 23.8% were low-income families, 16.5% were moderate-income families, 18.9% were middle-income families, and 41.0% were upper income families. Approximately 17% of households had income below the poverty level. In the city of New Orleans, consisting of Orleans Parish, the level of poverty is significantly higher at 24%. The total number of families in Orleans Parish was 113,948 in 2000 with 62.7% in low-income, 40.7% in moderate-income, 23.1% in middle-income and 10.3% in upper-income geographies.

After August 2005, the effects of Hurricane Katrina significantly changed these numbers, as discussed below.

Dwellings

In 2000, the housing stock in the New Orleans AA was 533,097 units; with 10.6% in low-income geographies, 21.2% in moderate-income geographies, 38% in middle-income geographies, and 30.2% in upper-income geographies. In the city of New Orleans, there was a significant percentage of rental properties, and the majority of these were essentially destroyed by Hurricane Katrina. LMI geographies were hit the hardest and have not yet recovered.

Median Housing Value

In 2000, the median housing value in the New Orleans AA was \$113,569, compared to \$173,100 in 2006. The aftermath of the hurricanes also put pressure on rents and vacancies. Of the housing units available in 2000, 55.4% were owner-occupied, 35.5% of the units were occupied-rental units, and 9.2% of the units were vacant. The percentage of owner-occupied units located in the low-, moderate-, middle-, and upper-income geographies was: 4.6%, 15.6%, 42.2%, and 37.6%, respectively. It is estimated that 20% of the owner-occupied housing stock, and a high percentage of rental properties were severely damaged or destroyed by Hurricane Katrina. Housing values have fluctuated widely since the hurricane and have not yet stabilized.

Economic Conditions

Probably the single event that had the greatest economic impact on the AA was Hurricane Katrina in August 2005. Economic conditions are improving, but slowly. In the aftermath of the storm, the New Orleans AA economy is struggling and the City of New Orleans continues to suffer below average per capita income, high poverty, a lack of affordable housing, escalating crime rates, job losses in virtually every employment sector, and a loss of health care professionals, teachers, and police personnel.

The New Orleans AA population decreased 52% between 2003 and 2006. Between December 2003 and December 2006, the New Orleans AA experienced a 28.8% reduction in the civilian workforce and reported an average unemployment rate of 5.9% (8.2% at year-end 2005), over the same time period. The City of New Orleans is experiencing much difficulty attracting the middle class back to the area, which is the tax base for the city. Jobs are returning to the area, but most are lower-paying jobs, with many considered temporary as they are related to reconstruction.

The main obstacle to economic recovery is the rising cost of housing. The extensive damage caused by the hurricane reduced the stock of owner-occupied housing units in the metro area by an estimated 20%, and concurrently displaced 30% of the population. Additionally, the growth of fair market rents for multifamily dwellings increased roughly 40%. This led to an undersupplied market and subsequently, to rising housing prices. The higher cost of housing has also been exacerbated by an increase in homeowner insurance rates.

Another obstacle to recovery is the slow flow of public funds into the community to finance the rebuilding efforts. The Road Home Program has been slow to issue checks to residents. Approximately \$2.3 billion in recovery funds have been disbursed to local homeowners. This represents 1/3 of the total calculated benefits. Additionally, only 2/3 of the applications for

benefits have been processed. Thus, injection of capital into the community to spur construction, population growth, and demand for consumer-related industries has been slow.

The redevelopment of the AA's infrastructure has been slow as well. Although the federal government earmarked approximately \$300 million in emergency funds for the city's recovery, nearly half has been spent on clean-up efforts and the remainder is being held by the Louisiana Recovery Authority, pending release for future public works projects. The lack of infrastructure redevelopment remains a significant deterrent to recovery of the metropolitan area.

Community Contacts

We conducted three community contact interviews and reviewed the summaries of two other recent contact interviews conducted in the New Orleans AA. Organizations contacted included affordable housing group and community development organizations. The contacts indicated that there is a high level of community development need in the AA, especially post-Hurricane Katrina. Banks have been responsive in meeting community credit needs. The primary needs identified by the community contacts are affordable housing and rehabilitation loans, small business financing, and technical assistance.

State of Texas Full-Scope Areas

Dallas-Fort Worth MA

Demographic Information for Full-Scope Area: Dallas-Fort Worth Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	951	9.04	28.60	32.07	29.86	0.42
Population by Geography	4,661,082	7.41	27.11	33.65	31.82	0.00
Owner-Occupied Housing by Geography	996,245	3.09	19.78	35.40	41.73	0.00
Businesses by Geography	411,339	4.29	24.18	33.78	37.05	0.69
Farms by Geography	7,318	2.58	18.75	39.94	38.54	0.19
Family Distribution by Income Level	1,174,394	20.75	18.03	20.50	40.72	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	455,474	12.95	39.32	33.46	14.27	0.00
Median Family Income	= \$55,274					
HUD Adjusted Median Family Income for 2006	= \$65,471					
Households Below the Poverty Level	= 10%					
				Median Housing Value	= \$116,184	
				Unemployment Rate	= 2.48%	

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

Source: 2000 U.S. Census and 2006 HUD updated MFI.

In the State of Texas, one of the bank's primary markets is the Dallas-Fort Worth AA, comprised of four of the eight counties in the Dallas MD, namely Collin, Dallas, Denton and Kaufman Counties, and one county (Tarrant) in the Fort Worth MD. The Dallas and Fort Worth MDs make up the Dallas-Fort Worth-Arlington MSA. There are 951 census tracts in the AA of which 86 (9%) are low-income, 272 (28.6%) are moderate-income, 305 (32%) are middle-income, and 284 (28.4%) are upper-income. Four census tracts have no income designation.

CONA operates 32 full service branches and 61 ATMs in the Dallas-Fort Worth AA. Six of these branches and 11 ATMs are in the Fort Worth MD. The Dallas-Fort Worth AA represents 9.4% of the bank's total branch network and accounts for 4.4% of the bank's total deposit base, and 7.8% of total reportable loans in 2006 (compared to 2.5% of reportable loans in 2004). CONA holds a modest 0.31% deposit market share, ranking 28th among financial institutions in this market in 2006. Competition is very strong with 140 direct competitors operating more than 1000 branches in the MSA. The major competitors include Bank of America, N.A., JPMorgan Chase Bank, N.A., and Wells Fargo Bank, N.A.

Population

The population living in the bank's Dallas-Fort Worth AA was 4,661,082 in 2000 according to U. S. Census Bureau data. Of this total population, 20.8% were low-income families, 18% were moderate-income families, 20.5% were middle-income families, and 40.7% were upper income families. Approximately 10% of households had income below the poverty level.

Dwellings

In 2000, the housing stock in the Dallas-Fort Worth AA was 1,809,043 units; with 7% in low-income geographies, 25.1% in moderate-income geographies, 35.8% in middle-income geographies, and 32.1% in upper-income geographies. The number of apartments constructed in the City of Dallas outpaces houses 2:1, with renters accounting for 57% of Dallas households.

Median Housing Value

In 2000, the median housing value in the Dallas-Fort Worth AA was \$116,184. Of the housing units available in 2000, 55% were owner-occupied, 39.3% of the units were occupied-rental units, and 5.7% of the units were vacant. The percentage of owner-occupied units located in the low-, moderate-, middle-, and upper-income geographies was: 3.1%, 19.8%, 35.4%, and 41.7%, respectively. Median housing prices as reported by The National Association of Home Builders increased 20% during the evaluation period reaching \$176 thousand by the end of 2006. For the same period, the area median income increased less than 3%.

Economic Conditions

The Dallas MD is urban in nature and was the fastest growing metro area in Texas. The Fort Worth MD is also growing rapidly. Growth was driven by the business services industry through corporate relocations and expansions. The economy of the area went through a healthy recovery during the evaluation period. Business services, and trade and financial services industries drove growth, while defense industries contributed less to job and income growth than they had during the last two years. Other important sectors of the economy include technological industries, telecommunications manufacturing, and tourism.

The largest employer in the area is the Dallas Independent School District with more than 19,000 employees. Unemployment in the Dallas metro area decreased during the evaluation period from 6.0% in 2004 to 4.9% in 2006.

A key challenge facing the Dallas MD is a declining tax base. Dallas residents are migrating from the city to the suburbs at a faster rate than elsewhere in the nation, causing a decrease in the number of businesses and tax dollars in Dallas, but increasing the same in Fort Worth.

During the evaluation period, it was revealed that the FBI was investigating bribery, extortion, and money laundering related to affordable housing programs and developers in Dallas. Prior to the announcement, the Dallas Mayor had urged Texas Department of Community Affairs officials to stop approving low-income housing projects for Dallas. The investigative environment had a negative impact on affordable housing efforts in Dallas.

Community Contacts

We conducted one community contact interview and reviewed the summaries of several other recent contacts conducted in the Dallas-Fort Worth MSA. Organizations contacted included community and economic development organizations. The contacts indicated that there is a high level of community development need in the AA, centered in the creation, rehabilitation and financing of affordable housing, small business financing, and technical assistance. Banks have been responsive in meeting community credit needs. Opportunities for bank participation include state and local financing programs for affordable housing, small businesses, and micro-enterprise development, as well as first time homebuyer training.

Houston MA

Demographic Information for Full-Scope Area: Houston, Texas Metropolitan Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	820	8.54	32.07	28.66	29.76	0.98
Population by Geography	4,322,546	6.93	30.99	29.58	32.44	0.05
Owner-Occupied Housing by Geography	907,051	3.15	23.36	30.84	42.65	0.00
Businesses by Geography	356,958	5.21	25.49	27.00	41.74	0.55
Farms by Geography	6,249	3.10	19.30	36.42	41.05	0.13
Family Distribution by Income Level	1,088,148	22.68	17.35	18.71	41.25	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	435,650	12.26	44.57	28.58	14.59	0.00
Median Family Income	= \$51,431					
HUD Adjusted Median Family Income for XXXX	= \$60,900					
Households Below the Poverty Level	= 12%					
				Median Housing Value	= \$100,957	
				Unemployment Rate	= 3.01%	

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

Source: 2000 U.S. Census and 2006 HUD updated MFI.

The Houston AA is comprised of five counties in the Houston-Sugarland-Baytown MSA, including Austin, Fort Bend, Galveston, Harris and Montgomery Counties. There are 820 census tracts in the AA of which 64 (9.1%) are low-income, 227 (32.1%) are moderate-income, 199 (28.2%) are middle-income, and 210 (29.7%) are upper-income. Seven census tracts have not been assigned an income classification.

The Houston AA represents 12.6% of the bank's total branch network, 5.4% of the deposit base, and 12.4% of total reportable loans in 2006. In 2004, the Houston AA accounted for only 3.8% of total reportable loans. The bank operates 43 full service branches and 75 ATMs in the Houston AA.

Competition is very strong with over 105 direct competitors operating more than 1200 branches in the MSA. The major competitors include Bank of America, N.A., JPMorgan Chase Bank, N.A., Wells Fargo Bank, N.A., and Amegy Bank of Texas, N.A. CONA has a very small presence in this market, reporting a 1.25% deposit market share, and ranks 15th.

Population

The population living in the Houston AA was 3,755,030 in 2000 according to U.S. Census Bureau data. Of this total population, 22.7% were low-income families, 17.4% were moderate-income families, 18.7% were middle-income families, and 41.2% were upper-income families. Approximately 12% of households in the population had income below the poverty level.

Dwellings

In 2000, the housing stock in the Houston AA was more than 1.4 million units; with 7.2% in low-income geographies, 29.8% in moderate-income geographies, 30.4% in middle-income geographies, and 32.6% in upper-income geographies.

Median Housing Value

In 2000, the median housing value in the Houston AA was \$100,957, compared to \$149,100 in 2006, which is well below the national average of \$222 thousand. Of the housing units available in 2000, 55% were owner-occupied, 37.4% of the units were occupied rental units, and 7.6% of the units were vacant. The percentage of owner-occupied units located in the low-, moderate-, middle-, and upper-income geographies were: 3.2%, 23.4%, 30.8%, and 42.6%, respectively.

Economic Conditions

The Houston AA economy is growing at a strong pace, however hiring has slowed in response to the volatility in the energy industry. The key drivers of the Houston AA economy are the significant trade and export links, global leadership in oil and gas technology; affordable housing and low business cost, strong hiring in education/health services and an expanding public sector. Steady population growth continues to spur growth in consumer services and in the construction industry. Conversely, the fact that the Houston AA competes with the other important regional centers for expansion and growth and the metropolitan area is highly dependent on the volatile energy industry weakens the economy of this market. The market is experiencing falling vacancy rates for office, warehouse, and apartments.

Home prices in the region have risen at a moderate pace in recent years. The National Association of Realtors reports the median price of homes in Houston rose from \$136 thousand in 2004 to \$149,100 in 2006. Lower housing costs contribute to a low cost of living. The cost of living in Houston was 12 percent below the average for 289 urban areas nationwide in the third quarter of 2006.

The jobless rate in Houston has fallen back to pre-Katrina levels. The surge of over 150,000 residents into Houston in the aftermath of the hurricanes created concern about the ability of the area to absorb these new residents into the local economy. However, the strong local economy kept labor force growth at an elevated pace, even after the initial influx of Katrina victims. The Texas Workforce Commission's 2006 estimate put job growth in the Houston metropolitan area at 3.0 percent which was more than twice the 1.4 percent increase in jobs nationwide and a third faster than job growth statewide.

The top employers in the Houston AA (employ 10,000 or more) include: Shell Oil Company, ExxonMobil Corporation, Administaff, Continental Airlines, Inc., Halliburton Company, McDonald's Corporation, University of Texas M.D. Anderson Cancer Center, Wal-Mart Stores, Inc., Dow Chemical Company, and Memorial Hermann Healthcare System. Per capita income in the Houston AA of \$39,199 is above the state and national averages of \$32,460 and \$34,471, respectively.

Community Contacts

We received the summaries of seven recent community contact interviews conducted in the Houston AA. The contacts were of the opinion that there are a wide range of opportunities for community development lending, investments, and services throughout the assessment area. Community development opportunities include working with and providing financing to the

numerous organizations whose mission is to provide affordable housing and/or community services for LMI persons, as well as organizations with a mission of economic development.

Types of community development investments available in the Houston AA include, but are not limited to, participation in numerous local Community Development Corporations (CDCs) and Community Development Financial Institutions (CDFI's) and opportunities to contribute to qualified non-profit organizations whose missions are focused on providing affordable housing, community services for LMI persons and economic development. The City of Houston has approximately 41 Community Development Areas and 22 Tax Increment Reinvestment Zones that are targeted for redevelopment. Homeownership Zones have been designated in sections of the Third and Fourth Wards to help develop affordable housing. However, the shortage of housing subsidies has increased the challenge to provide affordable housing in the assessment area. There are also opportunities for the purchase of mortgage-backed securities.

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. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the

percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

Table 3. Geographic Distribution of Home Improvement Loans - See Table 2.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans - See Table 2.

Table 5. Geographic Distribution of Multifamily Loans - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

Table 6. Geographic Distribution of Small Loans to Businesses - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

Table 7. Geographic Distribution of Small Loans to Farms - The percentage distribution of the number of small loans (less than or equal to \$500,000) 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 Home Mortgage 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) – Omitted at bank’s option. For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank’s assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a

bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Qualified Investments” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of the Assessment Area” is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

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

Tables of Performance Data

State of Louisiana

Table 1. Lending Volume

LENDING VOLUME		Geography: LOUISIANA						Evaluation Period: January 1, 2004 TO December 31, 2006				
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)	
Full Review:												
Baton Rouge	18.85	9,152	930,012	2,582	316,324	5	803	6	53,392	11,745	1,300,531	14.18
New Orleans	34.28	15,244	1,690,324	6,086	736,621	12	178	20	157,084	21,362	2,584,207	51.79
Limited Review:												
Alexandria	3.14	1,403	105,466	538	74,233	11	890	3	18,850	1,955	199,439	2.96
Houma-Thibodaux	9.63	4,731	408,119	1,252	145,312	20	748	0	0	6,003	554,179	6.64
Lafayette	3.69	1,546	146,410	739	89,587	14	551	1	5,000	2,300	241,548	2.57
Lake Charles	5.41	2,340	161,290	921	98,828	106	8,520	2	13,075	3,369	281,713	5.19
Louisiana Non-MSA	12.53	5,372	324,133	1,483	121,316	949	110,689	3	15,804	7,807	571,942	7.46
Monroe	2.49	1,021	92,630	521	77,917	8	1,339	1	1,500	1,551	173,386	1.39
Shreveport	10.00	4,313	324,534	1,897	217,723	18	617	1	6,500	6,229	549,374	7.82

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

** The evaluation period for Community Development Loans is January 13, 2004 to April 30, 2007.

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

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: LOUISIANA								Evaluation Period: January 1, 2004 TO December 31, 2006					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Baton Rouge	3,638	26.21	4.29	1.76	14.95	6.51	43.95	40.57	36.81	51.15	6.31	5.67	3.91	5.27	8.20
New Orleans	5,086	36.64	4.52	2.03	16.34	10.07	42.05	34.11	37.09	53.79	5.82	3.42	3.82	4.93	7.59
Limited Review:															
Alexandria	373	2.69	2.68	0.27	15.76	8.31	42.72	43.43	38.83	47.99	4.12	0.00	2.36	3.46	5.03
Houma-Thibodaux	1,331	9.59	0.78	0.60	14.52	6.61	69.72	66.19	14.98	26.60	11.64	18.75	7.78	11.60	13.24
Lafayette	489	3.52	3.23	0.82	12.70	6.95	42.62	39.67	41.44	52.56	3.20	2.47	2.83	3.13	3.34
Lake Charles	549	3.96	1.30	0.55	17.64	18.58	47.96	38.62	33.10	42.26	4.16	0.00	7.59	3.83	3.75
Louisiana Non-MSA	1,036	7.46	1.98	1.06	11.50	8.88	56.20	60.71	30.33	29.34	4.03	5.08	4.50	4.59	3.09
Monroe	281	2.02	6.97	1.78	15.00	9.61	43.46	39.15	34.57	49.47	3.44	3.39	1.90	2.81	4.32
Shreveport	1,098	7.91	4.37	1.82	21.02	14.12	32.08	25.96	42.54	58.11	3.52	2.17	4.58	2.66	3.84

* Based on 2005 Peer Mortgage Data: Eastern Region.

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

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 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: LOUISIANA								Evaluation Period: January 1, 2004 TO December 31, 2006					
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 ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Baton Rouge	1,677	15.62	4.29	2.27	14.95	11.57	43.95	48.00	36.81	38.16	28.64	18.18	26.09	29.36	29.47
New Orleans	3,626	33.78	4.52	4.08	16.34	17.18	42.05	43.88	37.09	34.86	28.79	28.57	32.86	28.19	27.68
Limited Review:															
Alexandria	349	3.25	2.68	1.72	15.76	13.18	42.72	45.85	38.83	39.26	27.98	40.00	32.65	28.38	25.85
Houma-Thibodaux	1,006	9.37	0.78	0.50	14.52	9.64	69.72	74.75	14.98	15.11	37.31	25.00	35.24	38.99	31.91
Lafayette	369	3.44	3.23	1.63	12.70	6.50	42.62	43.36	41.44	48.51	14.32	4.35	5.56	14.89	16.77
Lake Charles	669	6.23	1.30	1.94	17.64	20.18	47.96	49.48	33.10	28.40	26.49	33.33	38.68	28.57	18.55
Louisiana Non-MSA	1,687	15.72	1.98	1.66	11.50	10.79	56.20	62.83	30.33	24.72	23.90	36.67	25.22	26.39	17.98
Monroe	202	1.88	6.97	5.94	15.00	14.85	43.46	43.07	34.57	36.14	16.82	15.79	15.79	16.41	17.83
Shreveport	1,148	10.70	4.37	4.62	21.02	21.17	32.08	36.24	42.54	37.98	36.04	36.96	32.62	42.33	32.73

Based on 2005 Peer Mortgage Data: Eastern Region

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

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE												Geography: LOUISIANA				Evaluation Period: January 1, 2004 TO December 31, 2006				
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					
Full Review:																				
Baton Rouge	3,818	18.71	4.29	1.10	14.95	9.11	43.95	46.67	36.81	43.11	9.06	4.95	6.26	9.27	10.00					
New Orleans	6,487	31.79	4.52	2.02	16.34	11.21	42.05	42.28	37.09	44.49	7.65	2.83	5.54	8.29	8.55					
Limited Review:																				
Alexandria	680	3.33	2.68	0.44	15.76	8.97	42.72	41.32	38.83	49.26	8.97	0.00	5.84	9.02	10.00					
Houma-Thibodaux	2,384	11.68	0.78	0.71	14.52	7.76	69.72	69.46	14.98	22.06	22.90	25.00	19.94	23.47	22.49					
Lafayette	686	3.36	3.23	0.87	12.70	7.14	42.62	44.90	41.44	47.08	5.75	4.84	3.52	5.65	6.38					
Lake Charles	1,117	5.47	1.30	0.98	17.64	15.76	47.96	41.00	33.10	42.26	13.51	17.65	13.90	13.50	13.26					
Louisiana Non-MSA	2,646	12.97	1.98	1.74	11.50	7.71	56.20	61.49	30.33	29.06	11.37	19.35	10.02	12.14	10.19					
Monroe	530	2.60	6.97	2.08	15.00	11.51	43.46	44.53	34.57	41.89	7.16	5.26	10.38	6.99	6.69					
Shreveport	2,060	10.09	4.37	2.57	21.02	15.29	32.08	35.44	42.54	46.70	9.36	13.07	9.50	11.09	8.15					

* Based on 2005 Peer Mortgage Data: Eastern Region.

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

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: LOUISIANA						Evaluation Period: January 1, 2004 TO December 31, 2006							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Baton Rouge	19	17.59	15.85	31.58	21.16	26.32	26.14	21.05	36.86	21.05	4.76	6.25	0.00	5.26	7.69
New Orleans	45	41.67	16.43	8.89	27.22	22.22	32.61	42.22	23.74	26.67	6.16	0.00	3.57	5.13	16.67
Limited Review:															
Alexandria	1	0.93	5.46	0.00	20.33	0.00	24.71	0.00	49.51	100.00	0.00	0.00	0.00	0.00	0.00
Houma-Thibodaux	10	9.26	1.72	0.00	8.01	10.00	61.93	80.00	28.34	10.00	30.77	0.00	0.00	33.33	0.00
Lafayette	10	9.26	1.72	0.00	8.01	10.00	61.93	80.00	28.34	10.00	30.77	0.00	0.00	33.33	0.00
Lake Charles	5	4.63	1.23	0.00	41.68	20.00	25.53	60.00	31.56	20.00	8.70	0.00	11.11	16.67	0.00
Louisiana Non-MSA	3	2.78	5.13	0.00	20.86	33.33	46.24	33.33	27.77	33.33	0.00	0.00	0.00	0.00	0.00
Monroe	8	7.41	8.84	0.00	8.06	0.00	33.17	25.00	49.93	75.00	18.75	0.00	0.00	0.00	42.86
Shreveport	7	6.48	9.23	0.00	19.86	42.86	40.26	0.00	30.65	57.14	7.69	0.00	20.00	0.00	0.00

* Based on 2005 Peer Mortgage Data: Eastern Region.

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

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

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: LOUISIANA				Evaluation Period: January 1, 2004 TO December 31, 2006				
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					
Full Review:																				
Baton Rouge	2,580	16.12	6.14	2.21	18.47	14.42	37.33	37.02	38.06	46.36	5.79	4.64	7.00	5.67	6.06					
New Orleans	6,080	37.99	8.01	5.25	20.67	17.80	35.42	34.39	35.89	42.57	7.64	8.25	8.32	7.47	8.05					
Limited Review:																				
Alexandria	537	3.36	10.97	16.39	15.35	10.43	39.71	39.29	33.98	33.89	4.94	10.73	4.91	5.42	3.87					
Houma-Thibodaux	1,246	7.79	1.34	0.72	13.00	12.84	68.85	63.40	16.37	23.03	9.71	8.70	9.34	10.17	10.56					
Lafayette	739	4.62	3.19	2.57	8.26	4.87	43.78	37.08	44.76	55.48	3.59	4.19	1.26	3.86	4.03					
Lake Charles	921	5.75	1.12	1.74	30.41	24.97	43.12	37.46	25.35	35.83	7.72	7.69	8.40	7.42	8.35					
Louisiana Non-MSA	1,483	9.27	2.57	3.57	13.09	7.82	56.53	63.79	27.81	24.81	4.85	16.49	3.42	6.01	3.95					
Monroe	521	3.26	12.12	6.91	23.10	19.39	33.45	28.79	31.32	44.91	4.27	4.09	4.35	3.52	5.26					
Shreveport	1,897	11.85	7.54	6.43	24.89	18.71	34.51	33.90	33.06	40.96	7.99	8.41	7.45	7.82	9.05					

* Based on 2005 Peer Small Business Data: US.

** 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 2005.

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: LOUISIANA								Evaluation Period: January 1, 2004 TO December 31, 2006					
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Baton Rouge	5	0.44	3.10	0.00	10.19	40.00	41.55	20.00	45.16	40.00	1.35	0.00	0.00	3.45	0.00
New Orleans	12	1.06	4.78	0.00	15.47	16.67	45.18	41.67	34.57	41.67	4.48	0.00	5.26	5.77	3.64
Limited Review:															
Alexandria	11	0.97	2.64	0.00	9.06	45.45	52.83	36.36	35.47	18.18	2.48	0.00	25.00	2.27	0.00
Houma-Thibodaux	20	1.77	0.65	0.00	13.92	25.00	68.93	75.00	16.50	0.00	16.36	0.00	14.29	21.05	0.00
Lafayette	14	1.24	0.81	0.00	11.11	0.00	44.17	42.86	43.90	57.14	13.46	0.00	0.00	9.52	25.00
Lake Charles	106	9.36	0.32	0.00	16.13	6.60	50.97	70.75	32.58	22.64	38.27	0.00	11.11	48.94	33.33
Louisiana Non-MSA	939	82.88	1.75	3.62	10.30	10.22	66.05	69.76	21.90	16.40	37.50	33.33	48.61	39.37	29.50
Monroe	8	0.71	3.21	0.00	13.25	0.00	44.18	50.00	39.36	50.00	8.33	0.00	0.00	5.88	11.76
Shreveport	18	1.59	4.80	0.00	14.74	11.11	36.06	77.78	44.40	11.11	6.45	0.00	0.00	11.11	5.00

* Based on 2005 Peer Small Business Data: US.

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

*** Source Data - Dun and Bradstreet 2005.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: LOUISIANA						Evaluation Period: January 1, 2004 TO December 31, 2006							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Baton Rouge	3,638	26.21	21.99	6.81	16.11	20.46	19.28	23.75	42.62	48.98	7.57	6.52	6.88	7.19	8.28
New Orleans	5,086	36.64	23.85	3.88	16.31	13.93	18.86	21.78	40.99	60.41	6.75	4.85	5.68	4.96	8.19
Limited Review:															
Alexandria	373	2.69	23.02	5.51	16.69	17.63	18.56	24.79	41.73	52.07	5.39	2.60	6.07	5.38	5.37
Houma-Thibodaux	1,331	9.59	22.82	5.55	16.00	20.64	20.83	25.02	40.36	48.79	14.16	14.09	14.43	10.99	16.23
Lafayette	489	3.52	21.48	4.85	15.76	16.96	19.09	24.89	43.67	53.30	3.66	1.24	2.88	3.23	4.55
Lake Charles	549	3.96	22.43	9.73	16.77	16.60	19.63	29.58	41.17	44.08	4.92	4.05	4.37	5.56	4.96
Louisiana Non-MSA	1,036	7.46	23.97	6.33	15.47	15.00	18.46	22.24	42.10	56.43	5.02	7.09	5.06	3.97	5.35
Monroe	281	2.02	23.24	6.25	16.12	22.79	18.50	22.06	42.15	48.90	4.51	1.89	3.98	4.32	5.31
Shreveport	1,098	7.91	24.01	7.26	15.99	18.01	19.34	24.30	40.65	50.44	4.03	4.23	3.10	3.23	4.84

^{*} Based on 2005 Peer Mortgage Data: Eastern Region.

^{**} As a percentage of loans with borrower income information available. No information was available for [Percentage] 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.

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

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: LOUISIANA						Evaluation Period: January 1, 2004 TO December 31, 2006						
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
Full Review:															
Baton Rouge	1,677	15.62	21.99	9.55	16.11	19.09	19.28	25.18	42.62	46.18	29.45	26.32	32.01	27.30	30.49
New Orleans	3,626	33.78	23.85	14.54	16.31	19.40	18.86	24.99	40.99	41.07	31.68	39.68	34.52	31.14	28.55
Limited Review:															
Alexandria	349	3.25	23.02	10.37	16.69	14.99	18.56	21.33	41.73	53.31	28.82	27.42	32.18	27.08	28.64
Houma-Thibodaux	1,006	9.37	22.82	11.18	16.00	18.76	20.83	20.86	40.36	49.20	39.70	33.57	39.44	37.35	43.30
Lafayette	369	3.44	21.48	9.76	15.76	17.34	19.09	25.20	43.67	47.70	15.03	9.28	18.79	14.20	15.45
Lake Charles	669	6.23	22.43	15.42	16.77	20.36	19.63	24.70	41.17	39.52	29.04	36.63	29.86	31.52	24.66
Louisiana Non-MSA	1,687	15.72	23.97	10.32	15.47	16.90	18.46	20.76	42.10	52.02	24.76	23.81	28.57	23.06	24.48
Monroe	202	1.88	23.24	9.41	16.12	20.30	18.50	25.25	42.15	45.05	17.69	10.81	18.82	18.75	17.99
Shreveport	1,148	10.70	24.01	17.55	15.99	21.83	19.34	21.57	40.65	39.04	36.65	43.43	38.64	34.80	33.82

^{*} Based on 2005 Peer Mortgage Data: Eastern Region.

^{**} As a percentage of loans with borrower income information available. No information was available for [Percentage] 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.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE				Geography: LOUISIANA				Evaluation Period: January 1, 2004 TO December 31, 2006							
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
Full Review:															
Baton Rouge	3,818	18.71	21.99	3.96	16.11	13.41	19.28	23.84	42.62	58.80	10.94	6.37	7.64	10.14	13.59
New Orleans	6,487	31.79	23.85	4.61	16.31	12.91	18.86	23.27	40.99	59.21	9.01	5.29	6.15	8.54	10.97
Limited Review:															
Alexandria	680	3.33	23.02	4.06	16.69	10.53	18.56	22.26	41.73	63.16	10.83	7.41	6.51	10.05	12.88
Houma-Thibodaux	2,384	11.68	22.82	4.51	16.00	12.81	20.83	23.24	40.36	59.43	25.52	16.19	20.08	21.29	30.65
Lafayette	686	3.36	21.48	3.25	15.76	11.39	19.09	22.93	43.67	62.43	6.88	4.35	4.91	6.19	8.36
Lake Charles	1,117	5.47	22.43	4.09	16.77	13.09	19.63	23.73	41.17	59.09	15.30	9.27	10.34	15.05	17.68
Louisiana Non-MSA	2,646	12.97	23.97	2.99	15.47	9.92	18.46	19.91	42.10	67.19	13.22	8.48	10.71	12.21	14.63
Monroe	530	2.60	23.24	3.31	16.12	12.09	18.50	21.25	42.15	63.35	8.59	3.20	6.90	7.08	10.40
Shreveport	2,060	10.09	24.01	5.08	15.99	15.23	19.34	24.14	40.65	55.55	10.83	5.23	9.53	10.67	12.24

^{*} Based on 2005 Peer Mortgage Data: Eastern Region.

^{**} As a percentage of loans with borrower income information available. No information was available for [Percentage] of loans originated and purchased by Bank.

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

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

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: LOUISIANA			Evaluation Period: January 1, 2004 TO December 31, 2006		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		% Loans by Original Amount Regardless of Business Size			Market Share [*]	
	#	% of Total ^{**}	% of Businesses ^{***}	% BANK Loans ^{****}	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Baton Rouge	2,580	16.12	64.31	82.52	71.74	14.34	13.91	5.79	9.61
New Orleans	6,080	37.99	68.14	83.09	71.76	15.07	13.17	7.64	13.85
Limited Review:									
Alexandria	537	3.36	61.73	80.45	67.04	17.32	15.64	4.94	7.09
Houma-Thibodaux	1,252	7.79	64.81	79.63	69.17	19.49	11.34	9.71	17.19
Lafayette	739	4.62	67.40	78.21	72.94	12.58	14.48	3.59	6.20
Lake Charles	921	5.75	62.85	85.34	71.23	17.59	11.18	7.72	13.28
Louisiana Non-MSA	1,483	9.27	61.73	85.10	81.73	10.59	7.69	4.85	7.88
Monroe	521	3.26	62.58	79.65	61.23	19.19	19.58	4.27	7.31
Shreveport	1,897	11.85	65.13	81.23	72.38	15.71	11.91	7.99	12.85

^{*} Based on 2005 Peer Small Business Data: US.

^{**} 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 - 2005).

^{****} 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 [*Percentage*] of small loans to businesses originated and purchased by the Bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			Geography: LOUISIANA		Evaluation Period: January 1, 2004 TO December 31, 2006				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		% Loans by Original Amount Regardless of Farm Size			Market Share [*]	
	#	% of Total ^{**}	% of Farms ^{***}	% BANK Loans ^{****}	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
Full Review:									
Baton Rouge	5	0.44	91.10	100.00	60.00	0.00	40.00	1.35	1.56
New Orleans	12	1.06	92.23	100.00	100.00	0.00	0.00	4.48	5.17
Limited Review:									
Alexandria	11	0.97	89.81	90.91	81.82	9.09	9.09	2.48	1.94
Houma-Thibodaux	20	1.77	94.82	100.00	100.00	0.00	0.00	16.36	20.00
Lafayette	14	1.24	93.50	100.00	92.86	7.14	0.00	13.46	17.07
Lake Charles	106	9.36	90.65	99.06	71.70	21.70	6.60	38.27	40.00
Louisiana Non-MSA	939	82.88	91.22	94.46	63.05	25.03	11.93	37.50	38.17
Monroe	8	0.71	95.18	100.00	62.50	0.00	37.50	8.33	9.38
Shreveport	18	1.59	92.72	100.00	100.00	0.00	0.00	6.45	8.33

^{*} Based on 2005 Peer Small Business Data: US.

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

^{***} Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2005).

^{****} Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for [Percentage] of small loans to farms originated and purchased by Bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: LOUISIANA				Evaluation Period: January 13, 2004 TO April 30, 2007			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Baton Rouge	2	300	25	7,950	27	8,250	10.90	3	6,201
New Orleans	2	277	88	47,174	90	48,051	63.46	3	11,778
Statewide	6	6,650	9	5,389	15	12,039	15.91	0	0
Limited Review:									
Alexandria	0	0	15	2,107	15	2,107	2.78	0	0
Houma	0	0	2	92	2	92	0.12	0	0
Lafayette	1	165	8	337	9	502	0.66	0	0
Lake Charles	1	2,376	2	677	3	3,053	4.03	0	0
Monroe	0	0	18	270	18	270	0.36	0	0
Non-MSA	0	0	4	778	4	778	0.75	0	0
Shreveport	0	0	15	571	15	571	1.03	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: LOUISIANA Evaluation Period: January 13, 2004 TO April 30, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Baton Rouge	14.18	26	13.5	0	23.1	42.3	34.6	1	0	0	0	+1	0	8.55	18.94	40.13	32.37
New Orleans	51.79	58	30.2	0	17.2	43.1	39.7	2	9	-1	-1	-3	-2	10.62	21.56	37.90	29.91
Limited Review:																	
Alexandria	2.96	8	4.2	25	0	25	50	0	1	0	0	-1	0	4.77	20.21	41.19	33.84
Houma	6.64	16	8.3	6.2	0	68.8	25	1	0	0	0	+1	0	1.28	15.59	68.29	14.53
Lafayette	2.57	7	3.7	0	0	57.1	42.9	0	0	0	0	0	0	5.14	13.48	43.93	37.45
Lake Charles	5.19	16	8.3	0	37.5	43.8	18.8	0	0	0	0	0	0	2.03	23.18	44.76	30.03
Monroe	7.46	4	2.1	0	0	75	25	0	0	0	0	0	0	12.01	18.66	38.12	31.21
Non-MSA	1.39	35	18.2	2.9	17.1	65.7	14.3	1	0	0	0	+1	0	3.09	13.35	55.91	27.65
Shreveport	7.82	22	11.5	0	22.7	54.6	22.7	0	0	0	0	0	0	7.27	25.05	32.27	35.41

State of Texas

Table 1. Lending Volume

LENDING VOLUME		Geography: TEXAS						Evaluation Period: January 1, 2004 TO December 31, 2006				
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)	
Full Review:												
Dallas	13.91	1,637	191,769	1,674	186,775	9	1,540	2	3,900	3,322	383,984	9.64
Fort Worth	3.50	477	50,925	356	42,668	3	82	0	0	836	93,675	1.58
Houston	27.45	3,264	338,009	3,274	418,288	16	771	2	7,300	6,556	764,368	26.62
Limited Review:												
Austin	3.84	488	72,702	427	62,222	3	104	0	0	918	135,028	1.34
Beaumont	12.34	1,682	131,802	1,148	132,857	115	8,658	2	7,500	2,947	280,817	17.91
Brownsville-Harlingen	3.98	408	21,220	489	58,473	54	5,428	0	0	951	85,121	5.18
Corpus Christi	0.67	135	10,086	24	2,418	1	40	0	0	160	12,544	1.52
Longview	2.99	391	27,951	322	28,669	2	65	0	0	715	56,685	2.38
McAllen-Edinburg	3.57	446	27,326	394	48,958	12	500	1	7,500	853	84,284	2.95
Texarkana	7.62	1,193	84,970	601	55,671	25	623	0	0	1,819	141,264	6.65
Texas Non-MSA	14.20	2,121	125,181	1,190	100,525	80	3,645	1	5,000	3,392	234,351	19.17
Tyler	5.06	671	57,663	536	62,901	1	45	0	0	1,208	120,609	2.64
Victoria	0.85	166	9,984	37	4,899	1	18	0	0	204	14,901	2.41

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

** The evaluation period for Community Development Loans is January 13, 2004 to April 30, 2007.

*** Deposit Data as of June 30, 2006. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: TEXAS					Evaluation Period: January 1, 2004 TO December 31, 2006					Market Share (%) by Geography [*]				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans ^{****}						
Full Review:																
Dallas	684	13.80	2.72	2.78	19.80	14.47	34.88	40.64	42.60	42.11	0.05	0.11	0.04	0.05	0.05	
Fort Worth	276	5.57	3.85	0.36	19.76	11.59	36.48	45.65	39.91	42.39	0.05	0.00	0.05	0.07	0.04	
Houston	1,621	32.71	3.15	2.04	23.36	21.59	30.84	33.50	42.66	42.87	0.13	0.05	0.13	0.13	0.13	
Limited Review:																
Austin	308	6.22	3.00	7.14	16.72	26.30	40.19	42.53	40.10	24.03	0.07	0.11	0.06	0.07	0.08	
Beaumont	585	11.81	3.76	0.85	18.35	8.55	48.52	39.83	29.36	50.77	3.08	2.86	2.29	2.53	3.85	
Brownsville-Harlingen	67	1.35	0.87	4.48	21.06	25.37	43.90	32.84	34.18	37.31	0.44	0.36	0.31	0.63	0.34	
Corpus Christi	81	1.63	4.68	3.70	24.99	20.99	35.81	46.91	34.52	28.40	0.11	1.00	0.23	0.17	0.04	
Longview	159	3.21	0.00	0.00	22.65	27.04	44.16	39.62	33.19	33.33	1.85	0.00	1.83	2.17	1.47	
McAllen-Edinburg	65	1.31	0.00	0.00	27.56	23.08	48.45	38.46	23.99	38.46	0.22	0.00	0.28	0.26	0.16	
Texarkana	429	8.66	3.51	3.73	8.79	11.42	72.42	55.94	15.28	28.90	4.51	8.33	7.47	3.76	5.95	
Texas Non-MSA	401	8.09	0.31	0.25	5.12	4.99	64.49	65.34	30.08	29.43	1.27	0.00	1.13	1.36	1.14	
Tyler	210	4.24	2.09	0.00	17.19	9.05	55.58	62.86	25.14	28.10	0.85	0.00	0.29	1.01	0.77	
Victoria	69	1.39	1.64	0.00	21.48	36.23	51.15	44.93	25.73	18.84	0.38	0.00	0.52	0.27	0.46	

^{*} Based on [Year] Peer Mortgage Data: Southwest Region

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

^{***} Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 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, 2004 TO December 31, 2006				
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 ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Dallas	454	12.38	2.72	0.88	19.80	11.89	34.88	31.50	42.60	55.73	1.98	1.96	1.74	1.97	2.06
Fort Worth	78	2.13	3.85	3.85	19.76	14.10	36.48	30.77	39.91	51.28	0.67	0.98	0.31	0.57	0.84
Houston	771	21.02	3.15	1.30	23.36	15.82	30.84	35.02	42.66	47.86	2.79	1.47	1.31	3.63	2.98
Limited Review:															
Austin	41	1.12	3.00	7.32	16.72	12.20	40.19	34.15	40.10	46.34	0.28	1.90	0.00	0.29	0.25
Beaumont	507	13.82	3.76	3.16	18.35	21.50	48.52	48.92	29.36	26.43	19.67	26.67	30.25	21.34	12.08
Brownsville-Harlingen	198	5.40	0.87	1.01	21.06	23.23	43.90	47.47	34.18	28.28	8.28	7.14	9.40	9.14	6.54
Corpus Christi	26	0.71	4.68	0.00	24.99	34.62	35.81	34.62	34.52	30.77	0.96	0.00	0.98	1.00	0.99
Longview	70	1.91	0.00	0.00	22.65	12.86	44.16	51.43	33.19	35.71	10.95	0.00	7.69	14.40	8.60
McAllen-Edinburg	193	5.26	0.00	0.00	27.56	19.69	48.45	53.89	23.99	26.42	5.00	0.00	5.56	5.37	4.12
Texarkana	309	8.42	3.51	3.24	8.79	7.77	72.42	70.23	15.28	18.77	24.12	22.22	25.81	25.27	19.44
Texas Non-MSA	800	21.81	0.31	0.13	5.12	8.63	64.49	69.88	30.08	21.38	21.76	33.33	28.43	23.16	16.62
Tyler	172	4.69	2.09	0.58	17.19	12.21	55.58	59.88	25.14	27.33	10.21	25.00	9.73	11.14	8.18
Victoria	49	1.34	1.64	0.00	21.48	12.24	51.15	67.35	25.73	20.41	9.05	0.00	7.69	10.85	6.45

^{*} Based on 2005 Peer Mortgage Data: Southwest Region.

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

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: TEXAS								Evaluation Period: January 1, 2004 TO December 31, 2006				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography ¹				
	#	% of Total ²	% Owner Occ Units ³	% BANK Loans ⁴	% Owner Occ Units ³	% BANK Loans ⁴	% Owner Occ Units ³	% BANK Loans ⁴	% Owner Occ Units ³	% BANK Loans ⁴	Overall	Low	Mod	Mid	Upp
Full Review:															
Dallas	490	11.17	2.72	1.22	19.8	9.39	34.88	37.76	42.60	51.63	0.24	0.24	0.11	0.26	0.27
Fort Worth	121	2.76	3.85	2.48	19.76	14.88	36.48	31.40	39.91	51.24	0.08	0.00	0.07	0.05	0.11
Houston	862	19.64	3.15	0.58	23.36	20.88	30.84	31.79	42.66	46.75	0.33	0.07	0.32	0.32	0.36
Limited Review:															
Austin	138	3.14	3.00	3.62	16.72	19.57	40.19	39.13	40.10	37.68	0.16	0.18	0.10	0.19	0.16
Beaumont	587	13.38	3.76	1.02	18.35	15.67	48.52	48.55	29.36	34.75	6.95	5.00	7.50	6.90	6.92
Brownsville-Harlingen	135	3.08	0.87	1.48	21.06	14.07	43.90	44.44	34.18	40.00	1.47	0.00	1.17	1.37	1.70
Corpus Christi	28	0.64	4.68	3.57	24.99	21.43	35.81	46.43	34.52	28.57	0.08	0.00	0.16	0.07	0.06
Longview	160	3.65	0.00	0.00	22.65	17.50	44.16	53.75	33.19	28.75	3.71	0.00	2.97	3.96	3.79
McAllen-Edinburg	175	3.99	0.00	0.00	27.56	19.43	48.45	49.14	23.99	31.43	1.11	0.00	1.05	1.20	1.03
Texarkana	446	10.16	3.51	3.36	8.79	11.43	72.42	63.00	15.28	22.20	9.80	16.67	7.63	9.23	11.88
Texas Non-MSA	913	20.81	0.31	0.00	5.12	4.27	64.49	74.48	30.08	21.25	7.07	0.00	6.56	8.53	4.59
Tyler	285	6.49	2.09	1.05	17.19	10.53	55.58	64.56	25.14	23.86	3.90	3.70	2.44	4.73	2.98
Victoria	48	1.09	1.64	0.00	21.48	20.83	51.15	54.17	25.73	25.00	2.25	0.00	2.07	3.18	0.78

¹ Based on [Year] Peer Mortgage Data: Southwest Region.

² Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

³ Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: TEXAS				Evaluation Period: January 1, 2004 TO December 31, 2006					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						
Full Review:																
Dallas	0	0.00	19.20	0.00	17.75	0.00	58.70	0.00	4.35	0.00	0.00	0.00	0.00	0.00	0.00	
Fort Worth	2	3.39	7.17	100.00	28.46	0.00	45.23	0.00	19.13	0.00	0.00	0.00	0.00	0.00	0.00	
Houston	10	16.95	10.05	30.00	36.23	30.00	30.04	30.00	23.67	10.00	0.32	0.00	0.00	1.05	0.00	
Limited Review:																
Austin	1	1.69	17.82	0.00	30.83	0.00	35.62	0.00	15.72	100.00	0.00	0.00	0.00	0.00	0.00	
Beaumont	3	5.08	6.31	0.00	27.87	0.00	33.89	66.67	31.94	33.33	0.00	0.00	0.00	0.00	0.00	
Brownsville-Harlingen	8	13.56	2.93	0.00	15.31	50.00	19.84	37.50	61.92	12.50	0.00	0.00	0.00	0.00	0.00	
Corpus Christi	0	0.00	8.18	0.00	14.05	0.00	45.39	0.00	32.39	0.00	0.00	0.00	0.00	0.00	0.00	
Longview	2	3.39	0.00	0.00	19.87	50.00	45.64	0.00	34.49	50.00	0.00	0.00	0.00	0.00	0.00	
McAllen-Edinburg	13	22.03	0.00	0.00	11.56	7.69	31.77	46.15	56.67	46.15	7.61	0.00	0.00	14.29	4.76	
Texarkana	9	15.25	9.15	11.11	21.05	0.00	48.59	88.89	21.22	0.00	0.00	0.00	0.00	0.00	0.00	
Texas Non-MSA	7	11.86	0.24	0.00	19.83	0.00	45.49	71.43	34.44	28.57	0.00	0.00	0.00	0.00	0.00	
Tyler	4	6.78	0.53	0.00	28.79	50.00	34.75	50.00	35.93	0.00	0.00	0.00	0.00	0.00	0.00	
Victoria	0	0.00	1.85	0.00	33.54	0.00	42.83	0.00	21.78	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2005 Peer Mortgage Data: Southwest Region.

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

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

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: TEXAS				Evaluation Period: January 1, 2004 TO December 31, 2006				
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					
Full Review:																				
Dallas	1,667	15.94	4.46	2.34	24.10	16.14	32.95	32.69	37.43	48.83	0.55	0.27	0.42	0.60	0.64					
Fort Worth	355	3.40	3.84	2.25	25.56	14.08	35.74	24.51	34.86	59.15	0.32	0.16	0.16	0.26	0.50					
Houston	3,266	31.24	5.21	4.99	25.49	20.70	27.00	26.39	41.74	47.92	0.86	1.18	0.79	0.89	0.92					
Limited Review:																				
Austin	427	4.08	4.81	2.34	17.03	14.52	37.29	48.95	40.76	34.19	0.30	0.08	0.25	0.47	0.23					
Beaumont	1,147	10.97	3.22	3.14	22.43	22.58	44.23	37.75	29.96	36.53	4.46	15.32	4.64	4.23	4.80					
Brownsville-Harlingen	489	4.68	2.30	1.84	28.83	22.09	33.82	33.33	35.05	42.74	2.85	2.03	2.98	2.91	3.15					
Corpus Christi	24	0.23	13.25	8.33	24.71	54.17	34.80	12.50	27.24	25.00	0.10	0.10	0.18	0.04	0.13					
Longview	322	3.08	0.00	0.00	33.25	17.39	39.10	56.21	27.66	26.40	3.25	0.00	2.60	4.90	2.52					
McAllen-Edinburg	394	3.77	0.00	0.00	19.14	12.94	41.31	40.86	39.55	46.19	1.03	0.00	0.85	1.12	1.12					
Texarkana	601	5.75	7.56	6.32	13.80	8.15	60.60	60.07	18.04	25.46	4.51	3.10	3.21	4.63	6.32					
Texas Non-MSA	1,190	11.38	0.44	0.00	8.56	14.29	59.40	51.60	31.59	34.12	2.87	0.00	7.07	2.85	2.74					
Tyler	536	5.13	3.68	1.49	24.64	17.54	44.05	48.51	27.63	32.46	2.80	1.06	2.56	3.53	2.77					
Victoria	37	0.35	0.96	0.00	32.20	16.22	43.37	43.24	23.47	40.54	0.39	0.00	0.32	0.35	0.61					

* Based on 2005 Peer Small Business Data: US.

** 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 (2005).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: TEXAS						Evaluation Period: January 1, 2004 TO December 31, 2006						
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Dallas	9	2.80	3.01	0.00	18.68	0.00	40.16	44.44	37.81	55.56	0.29	0.00	0.00	0.30	0.47
Fort Worth	3	0.93	2.24	0.00	18.75	0.00	39.57	66.67	39.43	33.33	0.00	0.00	0.00	0.00	0.00
Houston	16	4.97	3.10	6.25	19.30	0.00	36.42	43.75	41.05	50.00	0.61	0.00	0.00	0.36	1.12
Limited Review:															
Austin	3	0.93	2.50	0.00	15.36	0.00	48.58	33.33	33.56	66.67	0.35	0.00	0.00	0.00	1.08
Beaumont	115	35.71	3.30	0.00	13.55	2.61	53.85	42.61	29.30	54.78	31.30	0.00	7.69	25.81	51.35
Brownsville-Harlingen	54	16.77	0.00	0.00	14.32	1.85	52.19	62.96	33.49	35.19	7.14	0.00	0.00	6.54	14.81
Corpus Christi	1	0.31	6.30	0.00	17.21	100.00	41.40	0.00	35.09	0.00	0.00	0.00	0.00	0.00	0.00
Longview	2	0.62	0.00	0.00	23.53	0.00	42.53	50.00	33.94	50.00	0.00	0.00	0.00	0.00	0.00
McAllen-Edinburg	12	3.73	0.00	0.00	15.76	8.33	53.69	75.00	30.54	16.67	0.85	0.00	1.43	0.00	2.04
Texarkana	25	7.76	1.87	0.00	9.33	0.00	73.51	92.00	15.30	8.00	3.01	0.00	0.00	3.66	0.00
Texas Non-MSA	80	24.84	0.13	0.00	2.96	11.25	59.10	61.25	37.81	27.50	1.58	0.00	17.65	1.00	2.30
Tyler	1	0.31	1.53	0.00	11.57	0.00	62.45	100.00	24.45	0.00	0.93	0.00	0.00	1.45	0.00
Victoria	1	0.31	0.33	0.00	15.38	0.00	58.86	100.00	25.42	0.00	0.33	0.00	0.00	0.50	0.00

* Based on 2005 Peer Small Business Data: US.

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

*** Source Data - Dun and Bradstreet (2005).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: TEXAS						Evaluation Period: January 1, 2004 TO December 31, 2006							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Dallas	684	13.80	21.33	14.18	17.89	50.07	20.10	12.26	40.68	23.49	0.06	0.12	0.09	0.05	0.05
Fort Worth	276	5.57	19.49	16.42	18.35	63.87	21.37	6.57	40.80	13.14	0.06	0.08	0.17	0.03	0.03
Houston	1,621	32.71	22.68	10.39	17.35	45.68	18.71	15.31	41.25	28.62	0.15	0.22	0.19	0.12	0.15
Limited Review:															
Austin	308	6.22	19.07	8.94	17.62	42.72	22.47	18.54	40.84	29.80	0.08	0.06	0.13	0.06	0.08
Beaumont	585	11.81	23.21	5.58	16.66	10.65	19.64	19.90	40.49	63.87	3.59	2.80	1.51	2.99	4.92
Brownsville-Harlingen	67	1.35	23.75	6.15	16.04	23.08	17.82	16.92	42.40	53.85	0.50	1.14	0.75	0.30	0.50
Corpus Christi	81	1.63	22.72	15.00	16.60	70.00	19.41	2.50	41.27	12.50	0.13	0.00	0.78	0.06	0.04
Longview	159	3.21	20.39	5.84	16.86	22.73	20.16	22.73	42.60	48.70	2.14	4.00	2.92	0.86	2.37
McAllen-Edinburg	65	1.31	23.48	3.13	16.86	7.81	17.67	18.75	41.98	70.31	0.26	0.00	0.21	0.30	0.26
Texarkana	429	8.66	23.23	7.14	16.47	14.52	19.47	22.86	40.83	55.48	5.85	4.59	4.31	5.22	6.87
Texas Non-MSA	401	8.09	18.99	4.12	16.62	20.88	20.54	19.07	43.85	55.93	1.59	1.46	1.84	1.05	1.77
Tyler	210	4.24	20.31	7.37	18.42	29.47	20.71	17.89	40.55	45.26	0.90	1.56	1.80	0.53	0.72
Victoria	69	1.39	21.02	23.19	17.44	36.23	20.32	17.39	41.22	23.19	0.45	0.00	0.26	0.38	0.62

^{*} Based on 2005 Peer Mortgage Data: Southwest Region.

^{**} As a percentage of loans with borrower income information available. No information was available for [Percentage] 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.

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

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: TEXAS						Evaluation Period: January 1, 2004 TO December 31, 2006						
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
Full Review:															
Dallas	454	12.38	21.33	10.20	17.89	21.06	20.10	20.18	40.68	48.56	2.08	1.99	2.47	2.49	1.84
Fort Worth	78	2.13	19.49	8.97	18.35	24.36	21.37	16.67	40.80	50.00	0.73	0.87	0.74	0.37	0.84
Houston	771	21.02	22.68	7.79	17.35	18.05	18.71	22.60	41.25	51.56	2.87	2.70	2.47	3.09	2.94
Limited Review:															
Austin	41	1.12	19.07	0.00	17.62	19.51	22.47	21.95	40.84	58.54	0.30	0.00	0.40	0.32	0.31
Beaumont	507	13.82	23.21	18.18	16.66	18.97	19.64	21.94	40.49	40.91	19.95	40.00	22.31	23.12	14.36
Brownsville-Harlingen	198	5.40	23.75	10.10	16.04	20.71	17.82	21.21	42.40	47.98	8.57	6.59	7.75	11.72	8.12
Corpus Christi	26	0.71	22.72	19.23	16.60	23.08	19.41	19.23	41.27	38.46	0.99	1.19	1.22	0.57	1.03
Longview	70	1.91	20.39	4.29	16.86	17.14	20.16	21.43	42.60	57.14	11.27	11.11	8.89	9.84	12.58
McAllen-Edinburg	193	5.26	23.48	10.42	16.86	12.50	17.67	18.23	41.98	58.85	5.13	5.04	5.76	4.95	5.05
Texarkana	309	8.42	23.23	11.33	16.47	21.04	19.47	24.60	40.83	43.04	25.07	17.07	29.49	32.91	21.62
Texas Non-MSA	800	21.81	18.99	8.02	16.62	18.80	20.54	23.93	43.85	49.25	22.10	21.65	26.42	25.00	19.79
Tyler	172	4.69	20.31	7.02	18.42	26.32	20.71	27.49	40.55	39.18	10.48	8.51	14.71	15.17	7.17
Victoria	49	1.34	21.02	16.67	17.44	12.50	20.32	33.33	41.22	37.50	9.29	11.76	5.56	12.50	8.33

* Based on 2005 Peer Mortgage Data: Southwest Region.

** As a percentage of loans with borrower income information available. No information was available for [Percentage] 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.

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE				Geography: TEXAS				Evaluation Period: January 1, 2004 TO December 31, 2006							
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
Full Review:															
Dallas	490	11.17	21.33	7.31	17.89	28.18	20.10	18.58	40.68	45.93	0.30	0.31	0.40	0.17	0.33
Fort Worth	121	2.76	19.49	9.09	18.35	35.54	21.37	13.22	40.80	42.15	0.11	0.14	0.20	0.06	0.09
Houston	862	19.64	22.68	6.92	17.35	27.35	18.71	17.02	41.25	48.71	0.41	0.14	0.44	0.34	0.47
Limited Review:															
Austin	138	3.14	19.07	6.92	17.62	40.77	22.47	18.46	40.84	33.85	0.22	0.26	0.37	0.19	0.16
Beaumont	587	13.38	23.21	5.15	16.66	14.07	19.64	20.58	40.49	60.21	8.10	7.32	5.99	6.37	9.38
Brownsville-Harlingen	135	3.08	23.75	2.99	16.04	15.67	17.82	18.66	42.40	62.69	1.79	0.00	2.41	2.06	1.71
Corpus Christi	28	0.64	22.72	11.11	16.60	44.44	19.41	7.41	41.27	37.04	0.10	0.00	0.00	0.00	0.18
Longview	160	3.65	20.39	4.43	16.86	15.19	20.16	18.99	42.60	61.39	4.63	2.56	5.56	4.72	4.54
McAllen-Edinburg	175	3.99	23.48	2.87	16.86	12.07	17.67	13.79	41.98	71.26	1.29	1.45	1.45	1.00	1.33
Texarkana	446	10.16	23.23	4.32	16.47	11.36	19.47	18.64	40.83	65.68	11.95	8.33	5.03	10.62	14.52
Texas Non-MSA	913	20.81	18.99	2.90	16.62	11.71	20.54	21.85	43.85	63.55	8.63	9.26	6.92	9.07	8.74
Tyler	285	6.49	20.31	3.19	18.42	14.18	20.71	25.89	40.55	56.74	4.76	0.79	3.59	4.74	5.60
Victoria	48	1.09	21.02	6.38	17.44	10.64	20.32	23.40	41.22	59.57	2.91	2.94	2.20	2.99	3.06

^{*} Based on 2005 Peer Mortgage Data: Southwest Region.

^{**} As a percentage of loans with borrower income information available. No information was available for [Percentage] of loans originated and purchased by Bank.

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

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

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: TEXAS			Evaluation Period: January 1, 2004 TO December 31, 2006		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share [*]		
	#	% of Total ^{**}	% of Businesses ^{***}	% BANK Loans ^{****}	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less	
Full Review:										
Dallas	1,672	15.97	63.73	73.44	78.11	10.17	11.72	0.55	0.88	
Fort Worth	355	3.39	65.96	72.11	71.55	16.90	11.55	0.32	0.50	
Houston	3,274	31.27	68.36	76.15	71.47	14.63	13.90	0.86	1.30	
Limited Review:										
Austin	427	4.08	67.43	69.79	63.00	19.91	17.10	0.30	0.45	
Beaumont	1,148	10.97	66.36	79.18	71.43	16.46	12.11	4.46	6.31	
Brownsville-Harlingen	489	4.67	60.23	81.80	69.33	17.79	12.88	2.85	3.92	
Corpus Christi	24	0.23	67.10	95.83	83.33	8.33	8.33	0.10	0.19	
Longview	322	3.08	63.76	82.61	80.12	11.49	8.39	3.25	5.64	
McAllen-Edinburg	394	3.76	63.00	78.17	71.57	14.21	14.21	1.03	1.25	
Texarkana	601	5.74	54.65	88.85	79.20	11.65	9.15	4.51	6.57	
Texas Non-MSA	1,190	11.37	58.34	84.96	81.18	11.01	7.82	2.87	4.65	
Tyler	536	5.12	64.82	82.28	69.40	18.28	12.31	2.80	4.55	
Victoria	37	0.35	65.60	97.30	81.08	5.41	13.51	0.39	0.69	

^{*} Based on 2005 Peer Small Business Data: US.

^{**} 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 - 2005).

^{****} 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 [*Percentage*] of small loans to businesses originated and purchased by the Bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS					Geography: TEXAS			Evaluation Period: January 1, 2004 TO December 31, 2006	
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share [*]	
	#	% of Total ^{**}	% of Farms ^{***}	% BANK Loans ^{****}	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
Full Review:									
Dallas	9	2.80	86.33	88.89	33.33	66.67	0.00	0.29	0.21
Fort Worth	3	0.93	91.30	100.00	100.00	0.00	0.00	0.00	0.00
Houston	16	4.97	91.34	100.00	87.50	12.50	0.00	0.61	0.74
Limited Review:									
Austin	3	0.93	91.56	100.00	100.00	0.00	0.00	0.35	0.58
Beaumont	115	35.71	95.42	98.26	77.39	19.13	3.48	31.30	33.64
Brownsville-Harlingen	54	16.77	90.07	98.15	61.11	31.48	7.41	7.14	8.43
Corpus Christi	1	0.31	93.36	100.00	100.00	0.00	0.00	0.00	0.00
Longview	2	0.62	95.48	100.00	100.00	0.00	0.00	0.00	0.00
McAllen-Edinburg	12	3.73	82.92	100.00	91.67	8.33	0.00	0.85	1.11
Texarkana	25	7.76	94.03	100.00	96.00	4.00	0.00	3.01	3.11
Texas Non-MSA	80	24.84	92.55	98.75	88.75	8.75	2.50	1.58	1.75
Tyler	1	0.31	92.58	0.00	100.00	0.00	0.00	0.93	0.00
Victoria	1	0.31	94.65	100.00	100.00	0.00	0.00	0.33	0.45

^{*} Based on 2005 Peer Small Business Data: US.

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

^{***} Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2005).

^{****} Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for [Percentage] of small loans to farms originated and purchased by Bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: TEXAS				Evaluation Period: January 13, 2004 TO April 30, 2007				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**		
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)	
Full Review:										
Dallas MD	1	6,401	59	4,147	60	10,548	24.51	1	5,075	
Fort Worth MD	0	0	6	378	6	378	.88	0	0	
Houston	0	0	60	10,164	60	10,164	22.80	3	10,219	
Limited Review:										
Austin	0	0	9	3,746	9	3,746	8.40	0	0	
Beaumont	0	0	14	1,487	14	1,487	3.34	1	2,588	
Brownsville	0	0	6	4,614	6	4,614	10.35	0	0	
Corpus Christi	0	0	6	1,938	6	1,938	4.35	1	2,153	
Longview	1	538	6	289	7	827	1.85	0	0	
McAllen	0	0	7	3,042	7	3,042	6.82	1	2,892	
Non-MSA	0	0	10	2,937	10	2,937	6.59	0	0	
Texarkana	1	2,630	16	28	17	2,658	5.96	0	0	
Tyler	0	0	3	397	3	397	0.89	0	0	
Victoria	0	0	2	3	2	3	0.01	0	0	
Regional Area including Bank AAs	0	0	1	1,840	1	1,840	4.13	0	0	

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: TEXAS Evaluation Period: January 13, 2004 TO April 30, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Dallas MD	9.64	26	17.9	0	7.7	30.1	61.5	23	0	0	+2	+7	+14	8.04	27.42	32.78	31.77
Fort Worth MD	1.58	6	4.1	0	16.7	0	83.3	6	0	0	+1	0	+5	6.03	26.43	35.58	31.96
Houston	26.62	43	28.9	0	7.0	32.6	60.5	33	2	0	-1	+13	+19	6.93	30.99	29.58	32.44
Limited Review:																	
Austin	1.34	9	6.0	0	0	22.2	77.8	8	0	0	0	+2	+6	8.82	24.08	37.58	29.29
Beaumont	17.91	10	6.7	10	20	30	40	0	0	0	0	0	0	4.64	23.23	43.77	26.15
Brownsville	5.18	8	5.4	0	37.5	25	37.5	2	0	0	+2	0	0	2.26	25.87	42.69	29.18
Corpus Christi	1.52	2	1.3	0	0	50	50	0	0	0	0	0	0	7.65	27.78	35.18	29.39
Longview	2.38	3	2.0	0	0	66.7	33.3	0	0	0	0	0	0	0.00	30.08	41.47	28.45
McAllen	2.95	6	4.0	0	33.3	16.7	50	0	0	0	0	0	0	0.00	29.73	48.29	21.98
Non-MSA	6.65	22	14.8	0	22.7	50.0	27.3	0	0	0	0	0	0	0.47	8.04	61.05	30.44
Texarkana	19.17	7	4.7	28.6	14.3	57.1	0	0	0	0	0	0	0	7.06	9.72	70.89	12.33
Tyler	2.64	5	3.4	0	0	40	60	1	0	0	0	0	+1	3.06	24.26	49.91	22.77
Victoria	2.41	2	1.3	0	0	50	50	0	0	0	0	0	0	2.00	27.09	48.19	22.72