



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

March 17, 2008

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Broadway National Bank
Charter Number: 14447

1177 N.E. Loop 410
San Antonio, TX 78209-4133

Office of the Comptroller of the Currency
Southern District
San Antonio - North
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San Antonio, TX 78216

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 the safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

Table of Contents

OVERALL CRA RATING	1
DEFINITIONS AND COMMON ABBREVIATIONS	2
DESCRIPTION OF INSTITUTION	6
SCOPE OF THE EVALUATION.....	7
FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW.....	8
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....	9
LENDING TEST.....	9
INVESTMENT TEST.....	15
SERVICE TEST.....	16
APPENDIX A: SCOPE OF EXAMINATION.....	A-1
APPENDIX B: MARKET PROFILES FOR FULL-SCOPE AREAS	B-1
APPENDIX C: TABLES OF PERFORMANCE DATA	C-1

Overall CRA Rating

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

The following table indicates the performance level of **Broadway National Bank (BNB)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Broadway National Bank, San Antonio, Texas Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- Lending activity reflects good responsiveness to credit needs in the bank’s assessment areas (AAs), given the bank’s business strategy and performance context.
- A substantial majority (92 percent) of the number of Home Mortgage Disclosure Act (HMDA) and small business/small farm loans, originated by BNB during the evaluation period, were within its AAs.
- The overall distribution of loans by income level of the geographies and among borrowers of different income levels is good in the San Antonio Metropolitan Area (MA).
- Community development lending had a positive impact on the Lending Test performance.
- The level of community development investments is excellent, based on the quantity and quality of the investments.
- The accessibility of BNB’s offices to geographies and individuals of different income levels and the responsiveness of BNB’s services to the needs of its AAs are adequate.
- The bank’s level of community development services is excellent.

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 (AA).

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

Community Development: Affordable housing (including multifamily rental housing) for low- or moderate-income (LMI) individuals; community services targeted to LMI 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 LMI geographies.

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

- (i) LMI geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Fed, the FDIC, and the OCC, based on:
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of LMI individuals.

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

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

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

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

Geography: A CT 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, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for pre-approval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement, and 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/AA.

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 (HUD) 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.

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

Metropolitan Division: As defined by OMB, a county or group of counties within a MSA 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 (MSA): An area, defined by the OMB, as having at least one urbanized area that has a population of at least 50,000. The MSA 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 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 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Description of Institution

Broadway National Bank (BNB) was established in 1941 to primarily serve the deposit and credit needs of military families stationed in San Antonio, Texas. BNB started as a small, suburban neighborhood bank. It has grown into the largest independent, locally owned bank headquartered in San Antonio. As of December 31, 2007, BNB reported total assets of \$1.7 billion and net income of \$28 million.

BNB is an intrastate bank that is wholly owned by Broadway Bancshares of Delaware, Inc. (BBDI), an intermediary multi-bank holding company. BNB owns Broadway Brokerage Securities, Inc., a full-service brokerage company based in San Antonio. BBDI is a shell corporation whose only asset is BNB. It is wholly owned by Broadway Bancshares, Inc. (BBI), a Texas-based bank holding company. BBI's total assets as of December 31, 2007 were \$1.79 billion. There are no activities of any affiliates or subsidiaries of BNB that were reviewed in this Performance Evaluation.

In 1973, BBI separately chartered the Eisenhower National Bank (ENB) to serve U.S. military clientele on Fort Sam Houston in San Antonio and at other military facilities in Texas and the Southwest U.S. On August 11, 2004, ENB merged into BNB. All former ENB locations continue to operate as a distinct division of BNB, and maintain the ENB primary strategy of meeting the banking needs of U.S. military personnel throughout the world. Four of the five former ENB branches are on U.S. military bases. Three are located in the San Antonio MA, including Fort Sam Houston, Randolph Air Force Base (AFB), and Lackland AFB. There is also a branch on Goodfellow AFB (San Angelo MA), and the fifth branch is located just outside another U.S. military base (Fort Hood in the Killeen MA). Many customers of the former ENB are stationed at military installations throughout the world and use online, telephone, and mobile banking services. BNB's performance in and around those geographies, primarily reflects the former ENB's military banking strategy.

During this evaluation period, BNB acquired Balcones Bank, a State Savings Bank headquartered in San Marcos, Texas. BNB acquired four branches located throughout Hays County in the purchase. As of the evaluation period, the bank has 36 total banking locations throughout Texas. The main office and 27 branches are located in the San Antonio MSA. The other eight branches are located in the surrounding communities of Kerrville, Fredericksburg, San Marcos, Kyle, Wimberley, Buda, Killeen, and San Angelo.

BNB faces strong competition in the San Antonio area from multinational and regional companies that have a significant presence in the San Antonio area. These include Frost National Bank, International Bank of Commerce, Compass Bank, Bank of America NA, Wachovia Bank NA, Washington Mutual, Wells Fargo Bank NA, and JPMorgan Chase Bank NA. Additional competition comes from the area's large number of community banks, credit unions, national and regional mortgage companies, federal savings banks, and finance companies. Credit unions are especially competitive in consumer deposits, auto lending, and home mortgage lending.

As of June 2006, BNB's market share of bank deposits was 3.10 percent for a ranking of fifth in its combined AAs. As of December 31, 2007, net loans represented 50 percent of total assets.

BNB offers a full range of financial and credit services, with an emphasis on business and real estate lending. These include commercial, real estate, and consumer loan products. BNB's previous CRA Performance Evaluation is dated June 6, 2005. The bank was rated "Satisfactory" under Large Bank CRA guidelines. No legal impediments or other factors hinder the bank's ability to provide credit in its AA.

Please refer to Appendix B for a market profile for the San Antonio MA that received a full-scope review. This section contains detailed demographics, descriptions of the institution's operations, and other performance context information for the San Antonio MA AA.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This Performance Evaluation assesses BNB's performance under the Lending, Investment, and Service Tests. To evaluate the bank's lending performance, we reviewed residential mortgage loans subject to filing under the HMDA, small loans to businesses and farms subject to filing under the CRA, and community development loans. The Investment Test included a review of investments and donations made in the bank's AAs that meet the definition of community development investments. The Service Test included a review of retail and community development services provided in the bank's AAs.

The evaluation period for the Lending Test is HMDA and CRA reported loans for the years of 2005, 2006, and 2007, beginning June 30, 2005 and ending December 31, 2007. The evaluation period for community development loans, the Investment and Service Tests is June 7, 2005, which is the day after the date of the last CRA evaluation, through March 17, 2008, the date of this evaluation.

Data Integrity

In March 2008, prior to this evaluation, OCC personnel verified the accuracy of data made available to the public in accordance with HMDA and CRA loan data reporting requirements. Public data includes home mortgage lending and small loans to businesses and farms. During the CRA evaluation, we reviewed the non-public data that management submitted for community development loans, community development investments, and community development services to ensure that they met the regulatory definition for community development. Based on verification work performed, we consider the publicly reported lending data and non-public community development data accurate.

Selection of Areas for Full-Scope Review

We selected the San Antonio MA as the only full-scope area, as it is where a substantial majority of BNB's business is located. In the bank's combined AAs in 2007, 91 percent of reported loan activity, 89 percent of deposits, and 78 percent of all branches were in the San Antonio MA. We conducted a limited-scope review in the remaining AAs.

Ratings

We base our ratings primarily on the area(s) that received full-scope review. As a result, performance in the San Antonio MA received the most weight in the overall analysis. Lending performance in small business loans received the most weight in determining the Lending Test rating, followed to a lesser extent by residential home purchase and residential home improvement performance. Home mortgage refinance, multifamily, and small farm loans received less weight as they represent smaller percentages of BNB's lending activity.

Other

For this evaluation, we met with individuals from four local non-profit organizations promoting economic development, affordable housing, or community service needs in the community to determine credit needs and opportunities for financial institutions to meet those needs.

We also reviewed summaries of other interviews with individuals from community groups conducted during the evaluation period. The two contacts were from a local San Antonio Community Development Corporation (CDC) and an Economic Development Corporation. The individuals indicated there are available, though not abundant, community development opportunities in the AAs for banks to help meet community credit needs.

The individuals identified primary needs as small business, affordable housing, and economic development loans. Their comments were positive and reflected that financial institutions throughout the full-scope review areas are meeting credit needs.

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.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Area Receiving Full-Scope Reviews

The bank's performance under the Lending Test is "High Satisfactory."

Based on full-scope reviews, BNB's performance in the San Antonio MA is good.

These conclusions are based on the bank's performance context and the full-scope review of the San Antonio MA AA. Small business lending is BNB's primary product for evaluating CRA performance and had the most impact on the final rating. Other factors that had a positive impact on the rating were the significant majority of loans originated within the combined AA and the bank's level of community development lending.

Lending Activity

BNB's responsiveness to credit needs in its AAs during the evaluation period is good. Identified credit needs include loans to small businesses and affordable housing. In the AA, small loans to businesses comprised 76 percent of originated loans and 21 percent were home mortgage loans. Community development lending was good, particularly those benefiting LMI borrowers, and totaled 2 percent of originated loans. Community development lending had a positive effect on the Lending Test conclusions.

Since the last evaluation, loans and deposits grew 47 percent and 8 percent, respectively. During this period, the quarterly net loan-to-deposit ratio fluctuated between a high of 60 percent to a low of 46 percent, increasing each year. The ratio averaged 49 percent over the evaluation period. The ratio as of December 31, 2007 of 60 percent is lower than the peer average of 95 percent.

We selected the primary loan product, small loans to businesses, for assessing CRA performance. Small loans to businesses represent 75 percent of the number and 79 percent of the dollar amount of loans originated within the AA. Small farm loans represented only 2 percent of the number and 1 percent of the dollar amount of loans originated within the AA, and are not a primary business line.

We also selected three home mortgage products for assessing CRA performance: home purchase, home refinance, and home improvement. These products combined represent 21 percent of the number and 18 percent of the dollar amount of total reported loan originations in the AA. Home purchase loans represent 37 percent of total home mortgage products, home improvement loans represent 33 percent, and home refinance loans represent 30 percent. The bank made no reported multi-family loans.

BNB also participates in numerous specialized and flexible mortgage loan programs. As BNB loans made under these programs are subsequently sold to third parties, who in turn report the loans for HMDA purposes, they are not included in BNB's mortgage loan data. Nevertheless,

BNB originated 53 loans totaling \$2.7 million to Neighborhood Housing Association, a non-profit LMI affordable housing provider and 15 loans totaling \$1.2 million through SWBC Mortgage Corporation for LMI affordable housing.

In the San Antonio MA AA, BNB ranked fifth in deposit market share in 2007 (3.02 percent), 2006 (3.59 percent), and 2005 (4.18 percent). Based on 2006 HMDA aggregate data, BNB had a 0.09 percent overall market share in home purchase loans (116th), a 1.69 percent overall market share in home improvement loans (17th), and a 0.25% market share in home-refinance loans (68th). Based on 2006 CRA aggregate data, BNB had a 1.39 percent market share of small loans to businesses (13th). BNB's market share of home mortgage loans and small loans to businesses is less than its deposit market share.

Overall, BNB does not have a significant market share of loans or deposits in its AAs. The lower market share numbers for home mortgage products in the AAs is indicative of intense mortgage loan competition. Large national mortgage lenders, such as Countrywide Home Loans (and affiliates), Wells Fargo Bank, N.A. (and affiliates), CitiMortgage Inc., and Bank of America, N.A., command a very significant market share. Refer to Tables 1 Lending Volume and 1 Other in Appendix C for the facts and data used to evaluate BNB's lending activity.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

BNB's distribution of home mortgage loans by geography is adequate in the San Antonio AA.

The geographic distribution of home purchase loans is good. The distribution of loans in moderate-income geographies exceeds the percentage of owner-occupied housing units. The bank has no loans in low-income geographies; however, the percentage of owner-occupied housing units in low-income CTs is very low at less than 2 percent. We factored the difficulty in making loans mortgage loans to individuals in the low-income geographies (due to low housing unit volume) in our analysis. BNB's market share in moderate-income geographies is somewhat lower than the overall market share.

The geographic distribution of home improvement loans is adequate. The distribution of loans in moderate-income geographies is lower than the percentage of owner-occupied housing units. The distribution of loans in low-income geographies is lower than the percentage of owner-occupied housing units. The bank's market share in moderate- and low-income geographies is somewhat lower than the overall market share.

The geographic distribution of home refinance loans is adequate. The distribution of loans in LMI geographies is lower than the percentage of owner-occupied housing units. BNB's market share in low-income geographies exceeds the overall market share. BNB's market share in moderate-income geographies is somewhat lower than the overall market share.

Small Loans to Businesses

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

The geographic distribution of small loans to businesses is excellent. The distribution of loans in low-income geographies exceeds the percentage of small businesses located in low-income geographies. The percentage of loans in moderate-income geographies is somewhat lower than the percentage of small businesses located in moderate-income geographies. The bank's market share in low-income geographies exceeds the overall market share. The bank's market share in moderate-income geographies exceeds the overall market share.

Small Loans to Farms

Refer to Table 7 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms. Small business loans are not a primary loan product and are not included in the analysis of the lending performance. Table information is provided for informational purposes only.

Lending Gap Analysis

We reviewed maps, reports, and analysis detailing BNB's lending activity over the evaluation period for home mortgage and small loans to businesses to identify gaps in the geographic distribution of those loans. We did not identify any unexplained conspicuous gaps.

Inside/Outside Ratio

A majority of the HMDA, small business, and small farm loans originated by BNB during the evaluation period were within its AAs. BNB originated 92 percent of the total number of loans and 90 percent of the total dollar volume of loans within the combined AA. Small business loans within the AAs represent 95 percent by number and 93 percent by dollar amount of all small business loan originations during the evaluation period. Mortgage loans within the combined AAs represent 88 percent by number and 81 percent by dollar amount of all mortgage loan originations during the evaluation period.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

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

BNB's distribution of home mortgage loans by income level of borrowers is adequate in the San Antonio AA. We considered the difficulty for LMI individuals to purchase homes in the AAs in our analysis of home mortgage loans. When compared with a HUD-Adjusted MFI of

\$53,100 for 2007 and a weighted average of median housing price of \$84 thousand, the unsubsidized purchase of an average single-family residence might be beyond the financial means of a number of individuals classified as LMI. In addition, the percentage of households below the poverty level is elevated at 14 percent.

The distribution of home purchase loans by borrower income level is adequate. The percentage of loans to LMI individuals is lower than the percentage of LMI families in the AA. BNB's market share to low-income borrowers exceeds the overall market share. The bank's market share to moderate-income borrowers is somewhat lower than the overall market share.

The distribution of home improvement loans by borrower income level is adequate. The percentage of loans to low-income individuals is lower than the percentage of low-income families in the AA. The percentage of loans to moderate-income individuals is near to the percentage of moderate-income families in the AA. The bank's market share to low-income borrowers is significantly lower than the overall market share. The bank's market share to moderate-income borrowers is near to the overall market share.

The distribution of home refinance loans by borrower income level is good. The percentage of loans to low-income individuals is slightly lower than the percentage of low-income families in the assessment area. The percentage of loans to moderate-income individuals is near to the percentage of moderate-income families. The bank's market share to low-income borrowers exceeds the overall market share. The bank's market share to moderate-income borrowers is near to the overall market share.

Small Loans to Businesses

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

The distribution of loans to businesses with annual revenues of \$1 million or less is good.

BNB's percentage of small loans to businesses with annual revenues of \$1 million or less is somewhat lower than the percentage of businesses with annual revenues of \$1 million or less in the AA. Approximately 68 percent of the bank's small loans to businesses were in original amounts of \$100,000 or less. The bank's market share to businesses with annual revenues of \$1 million or less exceeds its overall market share.

Small Loans to Farms

Refer to Table 12 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses. Because these loans are not a primary product line of the bank, we did not conduct an analysis. The table is included for informational purposes only.

Community Development Lending

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

BNB's community development lending had a positive impact on the Lending Test conclusions in the San Antonio AA. BNB made 73 community development loans totaling \$9.4 million in the San Antonio AA during the evaluation period. This volume is favorable as these loans were highly responsive to the prominent credit need of affordable housing. The loans also provided financing for small businesses that have difficulty obtaining financing under normal bank underwriting standards. None of the community development loans are considered complex or innovative.

The following highlights some of BNB's community development lending activity, by purpose.

Affordable Housing

- Habitat for Humanity - Habitat for Humanity is an ecumenical Christian non-profit housing organization that builds affordable houses without interest or profit. They work with very low-income families whose total income is generally 25 percent to 50 percent of the area median income. Applicants must be residents of Bexar County and spend a minimum of 300 hours investing in "sweat equity" where they support and help build their own house and that of their neighbors. The loan provides assurance of completion of infrastructure improvements in the Palo Alto subdivision-Unit 1 in San Antonio. BNB originated loans totaling \$505 thousand.

The bank also works with and provides financing to a number of local affordable housing builders. BNB originated 63 interim-construction loans in LMI areas totaling \$5.5 million.

Community Development Services

- George Gervin Youth Center Inc. - George Gervin is a 501(c)3 non-profit organization that provides vocational training, remedial education, mentoring, tutoring, job placement, and supportive services for over 1,400 of San Antonio's at-risk and disadvantaged youth. BNB originated loans totaling \$381 thousand. The purpose of the loan is to purchase equipment and furniture for the Newell Senior Citizens Apartments.

- Baptist Child and Family Services - Baptist Child & Family Services is a San Antonio based agency of the Baptist General Convention of Texas. This human services organization has locations and programs offering residential services for emotionally disturbed children and assisted living for special needs adults. BNB originated a loan for \$740,000. The purpose of the loan is to fund equipment, installation, and soft costs for information technology.
- Assistance League of San Antonio – BNB made one revitalization loan for \$527 thousand to the Assistance League of San Antonio (ASLA). ALSA is a 501(c)3 nonprofit organization dedicated to providing community assistance to low-income residents of San Antonio. The loan provides construction and permanent financing of improvements to the Thrift House.

Economic Development

- ACCION, Texas - BNB originated a \$500,000 loan to ACCION in 50 percent participation with USAA. ACCION is the country's largest micro lender, providing business loans to both start-up and existing businesses in Texas. They offer SBA 504 and home mortgage loans. Since 1994, ACCION has made over 8,000 loans to aspiring business owners who were unable to obtain financing from traditional sources. ACCION is a 501(c)3 non-profit organization.
- Magnificent SoFlo Ltd. 7 – BNB made a loan totaling \$1.08 million to fund renovation of three freestanding industrial buildings located in a moderate-income area designated for revitalization by the City.

Product Innovation and Flexibility

BNB has taken a leadership role in several flexible loan programs to address the credit needs of LMI individuals and geographies and of small business owners. Although these programs are not innovative, they are flexible in that BNB provides credit opportunities for individuals and businesses that may not qualify under traditional underwriting standards. Major flexible programs include, but are not limited to, the following:

- Neighborhood Housing Services of San Antonio - NHSSA is a non-profit builder and lender for affordable housing in San Antonio and Bexar County. NHSSA is a certified Full Cycle Lender offering down payment assistance, pre-purchase counseling, homebuyer education, and post-purchase counseling/training. NHSSA's public funding provides second lien soft mortgages at low interest rates to enable LMI families the opportunity to purchase affordable housing. BNB has a partnership with NHSSA to originate tandem loans to families below 80 percent of the MFI. During the review period, BNB originated 53 first lien mortgage loans totaling \$ 2.7 million, with second liens by NHS totaling \$1.1 million. BNB subsequently sells the mortgages to Neighborhood Housing Services of America.
- Habitat for Humanity - Habitat is a 501(c)3 non-profit organization that works with low-income families who would not otherwise be able to afford a house. During the review period, the Bank purchased 65 Habitat mortgage loans, with balances of \$1.8 million, from

Habitat to finance the acquisition of a Habitat for Humanity retail location. The Habitat Home Centers are home improvement thrift stores that sell both new and used home improvement materials to the public. All proceeds from sales in these stores benefit Habitat for Humanity of San Antonio and allows for the further development of affordable housing within Bexar County.

- **SBA Lending** – BNB became a preferred lender as a part of SBA's Preferred Lender Program (PLP) as of June 2, 2005. As a preferred lender, BNB's procedures necessary to provide financial assistance to the small business community are streamlined. As a result, BNB's level of SBA lending has increased from the prior evaluation. BNB financed 45 SBA 504 and 7(a) program loans totaling \$11.6 million during the evaluation period.
- **SBA Patriot Express Loans** – BNB acted as a leader and became one of the first lenders in San Antonio to participate in this pilot-lending program by the SBA. The Patriot Express is offered by participating lenders nationwide and features fast loan approvals to veterans and members of the military community. Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 85 percent for loans of \$150,000 or less and up to 75 percent for loans over \$150,000 up to \$500,000. The Patriot Express loan can be used for most business purposes, including start-up, expansion, equipment purchases, working capital, inventory, or business-occupied real-estate purchases. BNB made two Patriot Express loans during the evaluation period totaling \$157 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, BNB's performance under the Lending Test in the San Angelo MSA, Killeen-Temple-Fort Hood MSA, Austin-Round Rock MSA, Kerr County AA, and Gillespie County AA is consistent with BNB's overall high satisfactory performance under the Lending Test. Refer to Tables 1 through 13 in Appendix C for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

BNB's performance under the Investment Test is "Outstanding." Based on a full scope review, the bank's performance in the San Antonio MA is excellent.

The overall level of qualified investments is high when compared to the size of the bank. During the evaluation period, BNB invested in qualified investments and donations totaling \$21 million. This represents approximately 13 percent of bank's Tier 1 capital. BNB also has prior period investments still outstanding, which total \$2.4 million. Major investments include, but are not limited to, the following:

- Mortgage-Backed Securities - BNB invested in eight mortgage-backed securities totaling \$19 million. The securities are comprised of pools of mortgages to borrowers in the San Antonio MA who are either residing in a LMI geography or earn less than 80 percent of the MFI.
- Senior Housing Crime Prevention Foundation – BNB invested \$1 million in the Senior Housing Crime Prevention Foundation (SHCPF), a 501(c)3 non-profit organization. The mission of SHCPF is to reduce all aspects of crime in senior housing venues and to provide ongoing, effective crime prevention programs that ensure safe, secure, and high quality of life environments for residents of these facilities. The bank’s investment goes to benefit a nursing facility in the San Antonio MA located in a moderate-income CT.
- Lone Star Capital Markets Fund – BNB invested \$800 thousand of a \$1 million total commitment in the Lone Star Capital Markets Fund (LSCMF). LSCMF is a Certified Development (CDE) formed to make \$1 million to \$10 million equity-oriented investments in middle market U.S. companies. Lone Star Capital applies for Treasury New Markets Tax Credits. Funds committed are invested in companies located in LMI areas in Texas. This is a complex state-wide investment with the potential to benefit the bank’s AA.

BNB also made charitable contributions during the evaluation period totaling \$813 thousand. Prior period investments include three mortgage-backed securities with a remaining book value as of month-end February 2008 of \$1.8 million and an investment in the Independent Bankers Capital Fund (IBCF) of \$579 thousand. IBCF is a state-wide small business investment company (SBIC) that has the potential to benefit the bank’s AA.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, BNB’s performance under the Investment Test in the San Angelo MSA, Killeen-Temple-Fort Hood MSA, Austin-Round Rock MSA, Kerr County AA, and Gillespie County AA is weaker than BNB’s overall outstanding performance under the Lending Test. The bank did make material investments directly benefiting these areas. Refer to Table 14 in Appendix C for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

BNB’s performance under the Service Test is “High Satisfactory.” Based on a full-scope review, the bank’s performance in the San Antonio MA is good.

Retail Banking Services

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of BNB’s branch delivery system and branch openings and closings.

Delivery Systems

Branch distribution in the San Antonio MA is not comparable to the percentage of the population residing in moderate-income CTs. Three of 28 branches (10.7 percent) are located in a moderate-income CT. In comparison, 36 percent of the population resides in moderate-income CTs. There are no branches in low-income CTs; however, less than 3 percent of the population resides in low-income tracts. Eleven branches (39 percent), including the main office, are located in middle-income CTs where 48 percent of the population resides. Fourteen branches (50 percent) are located in upper-income CTs, but only 22 percent of the population resides in upper-income CTs.

BNB also has eight branches in San Antonio located in middle- or upper-income tracts, which are adjacent moderate-income tracts. Two branches are also adjacent to low-income tracts and three of the banking centers are located in designated empowerment zones. The banking services, including hours of operation and available loan and deposit products, does not vary materially by bank branch or location.

BNB provides traditional banking services and products, including commercial, consumer and mortgage-related lending services at each branch with no geographic limitations for products and/or services. Consumer products and services include Relationship Checking, Free Checking, Interest Checking, Senior Citizens Accounts, Online Banking, Savings, Money Market, and Certificates of Deposit, IRAs and Mortgage, Home Equity, and Consumer Loans. Business choices consist of Free and Preferred Business Checking, Business Money-Market Accounts, Preferred Savings - Treasury Management Services, Remote Deposit Express, Business Debit Cards, Merchant Account, Broadway Business Line, Business Loans, Small Business Administration Loans (SBA), Military Loan Programs, Equipment Financing, and Commercial Real Estate lending, as well as, Brokerage Services, Investment Management Services, and Wealth Advisory and Trust Management Services.

Internet Banking includes account inquiry, statements, stop payments, and transfers; check ordering, and bill payment service. In addition, BNB offers business on-line services of ACH origination and wire origination. The bank also offers a debit/ATM card, electronic mobile banking, telephone banking products, as well as direct deposit, lock bags, safe deposit boxes and night deposit services.

The 24-hour telephone banking service is automated and limited to balance inquiry. Bilingual customer representatives are available for telephone banking during business hours on weekdays and Saturdays. Eisenhower Bank offers toll free lines for callers in Germany and Italy as well as the US. Both telephone banking and "Bank by Mail" services are key services provided to military personnel through Eisenhower Bank.

No data was available to determine the effect of these services on LMI individuals; therefore, these were not key considerations in drawing our overall CRA Service Test performance conclusions.

Opening and Closing Branches

BNB's record of opening branches has not adversely affected the overall accessibility of the bank's services in both LMI CTs. BNB opened eight branches since our previous evaluation. Three of the opened branches in the San Antonio MA are located in an upper-income CT. One of the opened branches in the San Antonio MA is located in a middle-income tract. Two branches located in the San Antonio MA were closed during the evaluation period. One of the closed branches was located in an upper-income tract and one was located in a middle-income tract. The bank also acquired four branches in Hays County with the acquisition of Balcones Bank, SSB. Of the four branches, one is located in a moderate-income tract, two are located in a middle-income tract, and one is located in an upper-income tract.

Community Development Services

The bank's community development services efforts are excellent. The bank's commitment to community development includes providing technical assistance on financial literacy financial and banking related matters to community groups and participating in a leadership capacity with local community development and non-profit organizations. BNB personnel have worked with over 30 different community groups or government agencies over the course of the evaluation period. Activities have focused on helping LMI families find affordable housing and on small business development. The most prominent qualifying services are providing financial literacy education, loan review, small business/homeownership counseling, and financial analysis and leadership skills to organizations. Major community development services include, but are not limited to, the following:

- ACCION, Texas – BNB provides ACCION the use of office space located within the bank's City Base Landing branch free of charge. This allows the non-profit micro-lender greater accessibility to small businesses located in the predominately moderate-income geography.
- Habitat for Humanity – BNB officers are actively involved in providing financial literacy training to Habitat families. The officers use the FDIC Money Smart Program. Another bank officer serves on the interview committee for potential Habitat home candidates.
- Community Development Loan Fund (CDLF) – The City of San Antonio and 17 local financial institutions founded and capitalized CDLF to provide loans to small businesses and community organizations with limited or no access to capital from traditional financial institutions. Over its 13-year history, CDLF has deployed more than \$9.7 million in loans to 154 small businesses and non-profit organizations. Bank officers serve on loan committees and one serves on the Board of Directors.
- NHS – Bank officers serve on the Board of Directors and loan committees. Officers also provide technical assistance in the way of homebuyer education and financial literacy.
- SAMMinistries – Founded in 1983, SAMMinistries is an interfaith 501(c)3 non-profit ministry organization dedicated to providing shelter and care to the homeless of San Antonio. Today, SAMMinistries is the largest service provider of direct care and shelter in the San

Antonio and surrounding area. A Director of the bank is on the Board of Directors for SAMMinistries and a bank officer provided technical assistance in the way of interview skill development to the homeless.

- United Way – The United Way is 501(c)3 non-profit organization with a mission to improve lives by mobilizing the caring power of communities. Numerous BNB officers serve on United Way of San Antonio committees and councils. One officer serves on the Board of Trustees and on the Executive Committee.
- UU Housing - UU Housing Assistance Corporation is a 501(c)3 non-profit organization committed to enriching the lives and neighborhoods of LMI families through housing preservation, rehabilitation, new construction, and educational programs. Bank officers are on committees and the Board of Directors.
- The Volunteer Income Tax Assistance (VITA) Program – The Internal Revenue Service’s VITA program provides free income tax return preparation to hard working taxpayers earning up to \$45,000 annually. VITA helps working families take advantage of all of the tax credits they are eligible for including the Earned Income Tax Credit (EITC), Child Tax Credit (CTC), and education credits. Volunteers from the community help prepare basic, current year tax returns for eligible taxpayers free of charge. Bank officers provided technical assistance by volunteering under the VITA program as well as providing financial literacy education to first time homebuyers.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, BNB’s performance under the Service Test in the San Angelo MSA, Killeen-Temple-Fort Hood MSA, Austin-Round Rock MSA, Kerr County AA, and Gillespie County AA is weaker than the bank’s overall outstanding performance under the Service Test. The bank’s community development services in these areas are minimal. Refer to Table 15 in Appendix C for the facts and data to support this conclusion.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excludes CD Loans): 06/30/2005 to 12/31/2007 Investment and Service Tests and CD Loans: 06/07/2006 to 3/17/2008	
Financial Institution	Products Reviewed	
Broadway National Bank San Antonio, Texas	HMDA, CRA, Community Development Loans, Community Development Investments, and Community Development Services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
San Antonio MA #41700	Full Scope	Bexar, Comal, Guadalupe, Kendall, and Medina Counties
Fredericksburg	Limited Scope	One branch location, Non-MA
Kerrville	Limited Scope	One branch location, Non-MA
San Angelo MA #41660	Limited Scope	One branch location, Goodfellow AFB
Killeen-Temple-Fort Hood #28660	Limited Scope	One branch location, Killeen
Austin – San Marcos MA #12420	Limited Scope	Four branch locations, San Marcos, Kyle, Wimberley, Buda

Appendix B: Market Profiles for Full-Scope Areas

San Antonio MA

Demographic Information for Full-Scope Area: San Antonio MA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	318	3.77	37.11	33.65	24.53	0.94
Population by Geography	1,623,022	2.58	36.46	33.10	27.85	0.01
Owner-Occupied Housing by Geography	362,531	1.60	29.56	33.64	35.20	0.01
Businesses by Geography	89,400	2.03	28.41	35.35	33.97	0.23
Farms by Geography	2,346	0.81	17.52	42.46	39.00	0.21
Family Distribution by Income Level	410,957	21.07	17.91	20.45	40.57	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	160,202	4.23	51.85	31.56	12.35	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below the Poverty Level	= \$47,620 = \$53,100 = 13.67%				Median Housing Value = \$84,446 Unemployment Rate = 2.6%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, and 2007 HUD updated MFI.

BNB's AAs include certain counties in the San Antonio MSA, part of Gillespie County, part of Kerr County, part of the San Angelo MSA, part of the Killeen-Temple-Fort Hood MSA, and part of the Austin-Round Rock MSA. The San Antonio MA AA consists of five contiguous counties: Bexar, Comal, Guadalupe, Kendall, and Medina. There are three other counties in the San Antonio MSA - Atascosa, Bandera, and Wilson - but they are not included in BNB's AA.

The City of San Antonio predominately comprises the San Antonio MA. San Antonio is the nation's seventh largest city and second largest in Texas, by population. The local economy is comprised of a strong, diverse workforce. The city's high number of government, healthcare, education and service sectors makes San Antonio more stable and attractive economically. Tourism remains one of the major contributors to the local economy. The city has shown its progressive nature in successfully convincing international and/or national companies to locate major business centers in San Antonio. The more notable is the Toyota truck manufacturing plant in south San Antonio, which was established in 2003 and began operation in 2006, and the recent decision by Microsoft Corporation to build a 470,000 square foot \$550 million server facility on the city's northwest side.

The San Antonio economy continues to grow, as indicated by the annualized growth in employment in December of 2.3% and growth in the Business Cycle Index of 3.01% on an annualized basis in December. The unemployment rate in San Antonio is lower than state and

national averages. According to the Bureau of Labor Statistics, the updated December 2007 unemployment rate for the San Antonio MA is 4.0 percent. This is down from the June 2005 unemployment rate of 5.3 percent and compares favorably to the December 2007 national average of 4.9 percent and Texas state average of 4.2 percent. The trend in the unemployment rate for San Antonio is stable to declining.

The local real estate market remained strong through 2005 and 2006, but has since slowed. Single-family home sales peaked in 2006 at approximately 26 thousand sales and declined slightly to 24 thousand in 2007. Early housing numbers for 2008 are also slightly below that of prior years. The average sales price increased from 2006 to 2007 from \$169 thousand to \$179, but early data indicates home prices have trended down to \$172 thousand. Single-family building permits have also slowed, declining from 156 thousand in 2006, to 112 thousand in 2007.

The largest private sector employers include USAA Federal Savings Bank, HEB Food Stores, and AT&T Communications. Principal public sector employers include the U.S. Government, primarily because of the three active area military bases – Lackland AFB, Fort Sam Houston, and Randolph AFB. The military bases account for nearly 92 thousand civilian and military jobs in San Antonio. Other large public employers include the City of San Antonio, and the San Antonio Independent School District.

Community development investment and lending opportunities are increasing as the large new businesses and existing city strengths in tourism, healthcare, government, and information technology are attracting other economic development. The City of San Antonio's Economic Development Department is the main contact point for securing economic incentives for doing business in the area. Some incentives are due in large part to the federal Empowerment Zones and state enterprise zones that have been designated within the San Antonio MA.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

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

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

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

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

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

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

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

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

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

Institution ID: BROADWAY NATIONAL

BANK (1000014447) (Included)

Table 1. Lending Volume

LENDING VOLUME		Geography: TEXAS				Evaluation Period: JUNE 30, 2005 TO DECEMBER 31, 2007						
MA/Assessment Area (2007):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Broadway NB AA - San	90.64	677	70,484	2,593	346,113	67	4,871	73	9,380	3,410	430,899	88.68
Limited Review:												
Broadway NB AA - Bell	0.11	2	104	2	93	0	0	0	0	4	197	1.51
Broadway NB AA - Gille	1.59	26	2,587	33	3,661	1	35	0	0	60	6,283	1.87
Broadway NB AA - Hays	6.41	70	8,487	167	16,876	4	130	0	0	241	25,493	4.24
Broadway NB AA - Kerr	1.25	15	622	32	3,335	0	0	0	0	47	3,957	3.59
Broadway NB AA - Tom G	0.00	0	0	0	0	0	0	0	0	0	0	0.12

* Loan Data as of December 31, 2007. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from June 7, 2005 to March 17, 2008.

*** Deposit Data as of March 19, 2008. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: BROADWAY NATIONAL BANK

(1000014447) (Included)

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: TEXAS				Evaluation Period: JUNE 30, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa ll	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Broadway NB AA - San Antonio MSA	245	87.50	1.60	0.00	29.56	42.86	33.64	20.82	35.20	36.33	0.08	0.00	0.04	0.07	0.09	
Limited Review:																
Broadway NB AA - Bell County	0	0.00	0.76	0.00	14.15	0.00	71.13	0.00	13.97	0.00	0.00	0.00	0.00	0.00	0.00	
Broadway NB AA - Gillespie Co	4	1.43	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	0.81	0.00	0.00	0.00	0.81	
Broadway NB AA - Hays County	29	10.36	4.45	6.90	25.26	17.24	58.61	72.41	11.68	3.45	0.05	0.00	0.00	0.06	0.00	
Broadway NB AA - Kerr County	2	0.71	0.00	0.00	0.00	0.00	77.68	100.00	22.32	0.00	0.00	0.00	0.00	0.00	0.00	
Broadway NB AA - Tom Green Co	0	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2006 Peer Mortgage Data (Western)

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

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

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

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: TEXAS						Evaluation Period: JUNE 30, 2005 TO DECEMBER 31, 2007								
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	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:																	
Broadway NB AA - San Antonio MSA	243	87.73	1.60	0.41	29.56	12.76	33.64	30.04	35.20	56.79	1.77	1.35	0.91	1.80	2.26		
Limited Review:																	
Broadway NB AA - Bell County	1	0.36	0.76	0.00	14.15	0.00	71.13	100.00	13.97	0.00	0.40	0.00	0.00	0.54	0.00		
Broadway NB AA - Gillespie Co	9	3.25	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	12.20	0.00	0.00	0.00	12.20		
Broadway NB AA - Hays County	17	6.14	4.45	0.00	25.26	11.76	58.61	70.59	11.68	17.65	5.24	0.00	4.26	4.52	11.11		
Broadway NB AA - Kerr County	7	2.53	0.00	0.00	0.00	0.00	77.68	71.43	22.32	28.57	4.55	0.00	0.00	5.13	0.00		
Broadway NB AA - Tom Green Co	0	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		

* Based on 2006 Peer Mortgage Data (Western)

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

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

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

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE 2007				Geography: TEXAS				Evaluation Period: JUNE 30, 2005 TO DECEMBER 31,							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Broadway NB AA - San Antonio MSA	189	81.12	1.60	0.53	29.56	14.29	33.64	44.97	35.20	40.21	0.39	0.52	0.28	0.46	0.40
Limited Review:															
Broadway NB AA - Bell County	1	0.43	0.76	0.00	14.15	0.00	71.13	100.00	13.97	0.00	0.13	0.00	0.00	0.17	0.00
Broadway NB AA - Gillespie Co	13	5.58	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	4.19	0.00	0.00	0.00	4.19
Broadway NB AA - Hays County	24	10.30	4.45	4.17	25.26	12.50	58.61	79.17	11.68	4.17	0.73	0.00	0.00	0.90	0.85
Broadway NB AA - Kerr County	6	2.58	0.00	0.00	0.00	0.00	77.68	83.33	22.32	16.67	0.51	0.00	0.00	0.60	0.00
Broadway NB AA - Tom Green Co	0	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2006 Peer Mortgage Data (Western)

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

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

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

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: TEXAS				Evaluation Period: JUNE 30, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overa II	Low	Mod	Mid	Upp	
Full Review:																
Broadway NB AA - San Antonio MSA	0	0.00	1.82	0.00	35.36	0.00	40.73	0.00	22.09	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
Broadway NB AA - Bell County	0	0.00	8.93	0.00	46.57	0.00	34.48	0.00	10.03	0.00	0.00	0.00	0.00	0.00	0.00	
Broadway NB AA - Gillespie Co	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	
Broadway NB AA - Hays County	0	0.00	43.86	0.00	28.58	0.00	27.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Broadway NB AA - Kerr County	0	0.00	0.00	0.00	0.00	0.00	93.27	0.00	6.73	0.00	0.00	0.00	0.00	0.00	0.00	
Broadway NB AA - Tom Green Co	0	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2006 Peer Mortgage Data (Western)

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

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

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

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: TEXAS				Evaluation Period: JUNE 30, 2005 TO DECEMBER 31, 2007				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
Full Review:																				
Broadway NB AA - San Antonio MSA	2,572	91.66	1.87	2.57	27.16	20.92	35.04	32.81	35.68	43.70	1.39	2.72	1.38	1.35	1.43					
Limited Review:																				
Broadway NB AA - Bell County	2	0.07	11.65	50.00	22.75	0.00	56.59	50.00	9.01	0.00	0.00	0.00	0.00	0.00	0.00					
Broadway NB AA - Gillespie Co	33	1.18	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	0.85	0.00	0.00	0.50	0.93					
Broadway NB AA - Hays County	167	5.95	6.71	8.98	35.10	27.54	51.56	52.10	6.63	11.38	1.17	0.00	2.22	1.40	0.45					
Broadway NB AA - Kerr County	32	1.14	0.00	0.00	0.00	0.00	88.16	96.88	11.84	3.13	0.60	0.00	0.00	0.74	0.00					
Broadway NB AA - Tom Green Co	0	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					

* Based on 2006 Peer Small Business Data -- US and PR

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

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

(10000014447) (Included)

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS 31, 2007		Geography: TEXAS								Evaluation Period: JUNE 30, 2005 TO DECEMBER					
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:															
Broadway NB AA - San Antonio MSA	67	93.06	0.85	0.00	16.75	8.96	42.33	76.12	39.87	14.93	5.25	0.00	4.76	8.77	1.53
Limited Review:															
Broadway NB AA - Bell County	0	0.00	5.33	0.00	16.00	0.00	73.33	0.00	5.33	0.00	0.00	0.00	0.00	0.00	0.00
Broadway NB AA - Gillespie Co	1	1.39	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	2.17	0.00	0.00	2.56	2.02
Broadway NB AA - Hays County	4	5.56	7.14	25.00	21.43	0.00	63.74	75.00	7.69	0.00	2.22	0.00	0.00	7.14	0.00
Broadway NB AA - Kerr County	0	0.00	0.00	0.00	0.00	0.00	85.94	0.00	14.06	0.00	0.00	0.00	0.00	0.00	0.00
Broadway NB AA - Tom Green Co	0	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2006 Peer Small Business Data -- US and PR

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

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

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: TEXAS					Evaluation Period: JUNE 30, 2005 TO DECEMBER 31, 2007					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families ¹	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****						
Full Review:																
Broadway NB AA - San Antonio MSA	245	87.50	21.07	2.88	17.91	5.04	20.45	7.19	40.57	84.89	0.09	0.09	0.05	0.02	0.12	
Limited Review:																
Broadway NB AA - Bell County	0	0.00	19.23	0.00	22.56	0.00	23.77	0.00	34.44	0.00	0.00	0.00	0.00	0.00	0.00	
Broadway NB AA - Gillespie Co	4	1.43	10.87	0.00	14.38	0.00	22.05	0.00	52.70	100.00	0.90	0.00	0.00	0.00	1.17	
Broadway NB AA - Hays County	29	10.36	21.47	10.00	22.03	15.00	24.49	25.00	32.01	50.00	0.06	0.00	0.07	0.06	0.05	
Broadway NB AA - Kerr County	2	0.71	19.28	0.00	17.45	50.00	22.77	50.00	40.50	0.00	0.00	0.00	0.00	0.00	0.00	
Broadway NB AA - Tom Green Co	0	0.00	21.21	0.00	19.19	0.00	37.37	0.00	22.22	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2006 Peer Mortgage Data (Western)

** As a percentage of loans with borrower income information available. No information was available for 41.1% 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.

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

(10000014447) (Included)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT 2007		Geography: TEXAS						Evaluation Period: JUNE 30, 2005 TO DECEMBER 31,							
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 ²	% BANK Loans ^{****}	% Families [*]	% BANK Loans ^{****}	% Families [*]	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Broadway NB AA - San Antonio MSA	243	87.73	21.07	3.29	17.91	15.64	20.45	18.93	40.57	62.14	1.81	0.00	1.65	1.13	2.47
Limited Review:															
Broadway NB AA - Bell County	1	0.36	19.23	0.00	22.56	0.00	23.77	0.00	34.44	100.00	0.41	0.00	0.00	0.00	0.65
Broadway NB AA - Gillespie Co	9	3.25	10.87	0.00	14.38	0.00	22.05	22.22	52.70	77.78	12.50	0.00	0.00	0.00	18.52
Broadway NB AA - Hays County	17	6.14	21.47	6.25	22.03	18.75	24.49	18.75	32.01	56.25	5.43	0.00	5.26	3.64	7.92
Broadway NB AA - Kerr County	7	2.53	19.28	14.29	17.45	14.29	22.77	28.57	40.50	42.86	4.65	0.00	0.00	14.29	3.45
Broadway NB AA - Tom Green Co	0	0.00	21.21	0.00	19.19	0.00	37.37	0.00	22.22	0.00	0.00	0.00	0.00	0.00	0.00

^{*} Based on 2006 Peer Mortgage Data (Western)

^{**} As a percentage of loans with borrower income information available. No information was available for 0.4% 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.

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

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE				Geography: TEXAS				Evaluation Period: JUNE 30, 2005 TO DECEMBER 31, 2007							
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 ³	% BANK Loans ^{****}	% Families [*] **	% BANK Loans ^{****}	% Families [*] **	% BANK Loans ^{**} **	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Broadway NB AA - San Antonio MSA	189	81.12	21.07	11.76	17.91	14.44	20.45	22.99	40.57	50.80	0.49	1.32	0.43	0.45	0.42
Limited Review:															
Broadway NB AA - Bell County	1	0.43	19.23	0.00	22.56	0.00	23.77	0.00	34.44	100.00	0.21	0.00	0.00	0.00	0.37
Broadway NB AA - Gillespie Co	13	5.58	10.87	0.00	14.38	15.38	22.05	15.38	52.70	69.23	4.67	0.00	0.00	3.45	5.88
Broadway NB AA - Hays County	24	10.30	21.47	0.00	22.03	29.17	24.49	20.83	32.01	50.00	0.90	0.00	2.29	0.00	0.79
Broadway NB AA - Kerr County	6	2.58	19.28	33.33	17.45	0.00	22.77	0.00	40.50	66.67	0.61	14.29	0.00	0.00	0.00
Broadway NB AA - Tom Green Co	0	0.00	21.21	0.00	19.19	0.00	37.37	0.00	22.22	0.00	0.00	0.00	0.00	0.00	0.00

^{*} Based on 2006 Peer Mortgage Data (Western)

^{**} As a percentage of loans with borrower income information available. No information was available for 0.9% of loans originated and purchased by bank.

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

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

³ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: TEXAS			Evaluation Period: JUNE 30, 2005 TO DECEMBER 31, 2007	
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:									
Broadway NB AA - San Antonio MSA	2,593	91.72	68.83	36.91	68.15	17.74	14.11	1.39	1.50
Limited Review:									
Broadway NB AA - Bell County	2	0.07	69.03	100.00	100.00	0.00	0.00	0.00	0.00
Broadway NB AA - Gillespie Co	33	1.17	72.67	54.55	81.82	9.09	9.09	0.85	0.91
Broadway NB AA - Hays County	167	5.91	69.37	61.08	76.05	15.57	8.38	1.17	1.45
Broadway NB AA - Kerr County	32	1.13	75.24	59.38	75.00	9.38	15.63	0.60	0.85
Broadway NB AA - Tom Green Co	0	0.00	19.05	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2006 Peer Small Business Data -- US and PR

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

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

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 13.72% of small loans to businesses originated and purchased by the bank.

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS					Geography: TEXAS			Evaluation Period: JUNE 30, 2005 TO DECEMBER 31, 2007	
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Broadway NB AA - San Antonio MSA	67	93.06	96.61	73.13	79.10	14.93	5.97	5.25	5.00
Limited Review:									
Broadway NB AA - Bell County	0	0.00	97.33	0.00	0.00	0.00	0.00	0.00	0.00
Broadway NB AA - Gillespie Co	1	1.39	97.14	100.00	100.00	0.00	0.00	2.17	2.26
Broadway NB AA - Hays County	4	5.56	99.45	50.00	100.00	0.00	0.00	2.22	2.44
Broadway NB AA - Kerr County	0	0.00	98.44	0.00	0.00	0.00	0.00	0.00	0.00
Broadway NB AA - Tom Green Co	0	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2006 Peer Small Business Data -- US and PR

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

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

**** 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 19.44% of small loans to farms originated and purchased by the bank.

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

Table 13. Geographic and Borrower Distribution of Consumer Loans (Institution's Option)

Geographic and Borrower Distribution: CONSUMER LOANS 2007		Geography: TEXAS								Evaluation Period: JUNE 30, 2005 TO DECEMBER 31,								
MA/Assessment Area:	Geographic Distribution										Borrower Distribution							
	Total Consumer Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers	
	#	% of Total	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds*	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds*	% of BANK Loans	% of Hhlds*	% of BANK Loans	% of Hhlds*	% of BANK Loans
Full Review:																		
Broadway NB AA - San Antonio MSA	0	0.00	2.19	0.00	33.43	0.00	35.02	0.00	29.35	0.00	22.50	0.00	16.57	0.00	19.39	0.00	41.54	0.00
Limited Review:																		
Broadway NB AA - Bell County	0	0.00	3.82	0.00	24.78	0.00	59.83	0.00	11.57	0.00	19.35	0.00	21.09	0.00	23.34	0.00	36.21	0.00
Broadway NB AA - Gillespie Co	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	15.87	0.00	15.27	0.00	19.04	0.00	49.82	0.00
Broadway NB AA - Hays County	0	0.00	13.35	0.00	27.82	0.00	51.34	0.00	7.49	0.00	28.88	0.00	18.09	0.00	20.16	0.00	32.87	0.00
Broadway NB AA - Kerr County	0	0.00	0.00	0.00	0.00	0.00	82.56	0.00	17.44	0.00	22.46	0.00	17.14	0.00	20.62	0.00	39.79	0.00
Broadway NB AA - Tom Green Co	0	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	17.17	0.00	13.13	0.00	30.30	0.00	39.39	0.00

* Consumer Loans originated and purchased in the MA/AA as a percentage of all consumer loans originated and purchased in the rated area.

** Percentage of households is based on 2000 Census Information.

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: TEXAS									
Evaluation Period: JUNE 7, 2005 TO MARCH 17, 2008									
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:									
Broadway NB AA - San Antonio MSA	3	1,803	143	20,596	149	22,399	94.20	2	25
Limited Review:									
Broadway NB AA - Bell County	0	0	0	0	0	0	0.00	0	0
Broadway NB AA - Gillespie Co	0	0	0	0	0	0	0.00	0	0
Broadway NB AA - Hays County	0	0	0	0	0	0	0.00	0	0
Broadway NB AA - Kerr County	0	0	4	1	4	1	0.01	0	0
Broadway NB AA - Tom Green Co	0	0	0	0	0	0	0.00	0	0
Statewide/Regional Investment	1	579	3	800	4	1,379	5.80	1	200

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

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

Institution ID: BROADWAY NATIONAL BANK

(10000014447) (Included)

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: TEXAS				Evaluation Period: JUNE 30, 2005 TO DECEMBER 31, 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:																	
Broadway NB AA - San Antonio MSA	88.68	28	77.77	0.00	10.71	39.29	50.00	4	2	0	0	0	+2	2.58	36.46	33.10	27.85
Limited Review:																	
Broadway NB AA - Bell County	1.51	1	2.78	0.00	0.00	100.00	0.00	0	0	0	0	0	0	3.03	21.89	62.31	12.77
Broadway NB AA - Gillespie Co	1.87	1	2.78	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	0.00	0.00	100.00
Broadway NB AA - Hays County	4.24	4	11.11	0.00	25.00	50.00	25.00	4	0	0	+1	+2	+1	12.02	32.66	47.52	7.80
Broadway NB AA - Kerr County	3.59	1	2.78	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	84.35	15.65
Broadway NB AA - Tom Green Co	0.12	1	2.78	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	100.00	0.00