



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

**Public Disclosure**

**June 12, 2006**

Community Reinvestment Act  
**Performance Evaluation**

**The Summit National Bank  
Charter Number: 21484**

**4360 Chamblee-Dunwoody Road  
Atlanta, GA 30341**

**Office of the Comptroller of the Currency**

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

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## Overall CRA Rating

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

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

Performance Levels	The Summit National Bank 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:

- Lending levels for small business loans reflect good responsiveness to meeting the credit needs of the assessment areas.
- Overall, Summit's geographic distribution of loans is good.
- The borrower distribution is good. Performance for Georgia is adequate and for California it is outstanding based on the penetration of reported loans made to businesses with revenues less than \$1 million.
- A substantial majority of the bank's loans are originated within its assessment areas.
- Summit's dollar level of investments is good given the available community development opportunities in the assessment areas.
- Summit's delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. Summit has adequate involvement in community development services.

## 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 areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

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

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-

couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

**Geography:** A census tract 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 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:** 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

The Summit National Bank (Summit) is an interstate financial institution headquartered in Atlanta, Georgia and is owned by Summit Bank Corporation. The holding company does not own any other entities. Summit operates five branches in the Atlanta area, operates two branches in California, and recently purchased a bank in Houston, Texas.

As of March 2006, Summit had total assets of \$553 million. Loans represented the largest portion of Summit's assets representing 66 percent of total assets. The major focus for Summit is serving commercial customers through loans and other banking services. Total loans were \$363 million with the majority of loans concentrated in commercial and commercial real estate loans at \$330 million. Summit does not offer residential mortgage products and only had \$10 million in residential real estate loans, primarily made to investors. Consumer loans totaled \$692 thousand. The Tier 1 capital ratio was 17 percent.

Banking competition is aggressive in all of Summit's markets and includes large national banking companies, regional and small community banks, credit unions, and non-bank financial service providers.

Summit offers a variety of business deposit accounts, consumer deposit products, commercial lending, international banking services, and cash management services. SBA guaranteed loans are also offered.

Since the prior evaluation, Summit opened a branch and closed a deposit service location in the Atlanta area. Summit opened a branch in Fremont, California during the evaluation period and purchased Concord Bank, N.A. in Houston, Texas in April 2006. Performance for Texas was not evaluated for this evaluation since the acquisition was recent. Summit also has a loan production office in California.

No affiliate or subsidiary activity impacts CRA performance. No legal, financial or other factors impede Summit's ability to help meet the credit needs in its assessment areas (AA).

Summit was rated "Outstanding" at the prior CRA evaluation dated August 6, 2001.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This Performance Evaluation assesses the bank's performance under the Lending, Investment, and Service Tests. Lending data presented reflects the two previous calendar years to improve clarity in reading the lending tables; however, the evaluation period for the Lending Test was January 1, 2002 through December 31, 2005. Data for the prior two years is reflective of lending performance for the entire evaluation period. For community development (CD) loans, Investment Test, and Service Test, the evaluation period is August 8, 2001 through June 9, 2006.

In evaluating the bank's lending performance, we reviewed small business loans and qualified CD loans. The bank does not offer residential mortgage loans subject to filing under The Home Mortgage Disclosure Act (HMDA). The six loans recorded on the Loan Application Registers during the evaluation period reflect loans to commercial borrowers for investment purposes. Community development and small farm loans were not originated.

Investment Test conclusions were based on an evaluation of equity and debt investments, grants, and donations made during the evaluation period that met the definition of CD. The Service Test was evaluated based on branch distribution, hours of operation, branch openings and closings, alternative delivery systems, retail and commercial deposit and loan products and services, and CD services made during the evaluation period.

### Data Integrity

A sample of Summit's small loans to businesses was tested for accuracy. The data was reliable and used for this evaluation.

Investments and services submitted by bank management were verified to ensure they met the regulatory definition for CD. Some items were excluded from this evaluation because they did not meet the definition or purpose of CD.

### Selection of Areas for Full-Scope Review

In each state where the bank had an office since the prior evaluation, an AA was selected for full-scope review. The Atlanta-Sandy Springs-Marietta, GA MSA (Atlanta MSA AA) and San Jose-Sunnyvale-Santa Clara, CA MSA (San Jose MSA AA) received full-scope reviews. The selection of the full-scope areas represents Summit's operations in its significant markets. The remaining AA, Oakland-Fremont-Hayward, CA MD (Oakland MSA AA) received a limited-scope review.

Refer to the "Scope" section under each State Rating for details regarding how the areas were selected.

## Ratings

The bank's overall rating is a blend of the state ratings and based primarily on areas that received full-scope reviews. Performance in Georgia received the most weight since a significant majority of Summit's deposits and loans and a substantial majority of bank offices were located in this area. Performance in California received the least weight since a minimal percent of Summit's deposits and loans were located in this area.

## Fair Lending Review

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

## State Rating

### State of Georgia

<b>CRA Rating for Georgia:</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>High Satisfactory</b>
<b>The investment test is rated:</b>	<b>High Satisfactory</b>
<b>The service test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- Overall lending levels reflect good responsiveness to meeting the small business credit needs of the AA. No residential mortgage products are offered.
- Summit's geographic distribution of small loans to businesses is good.
- Summit's borrower distribution is adequate based on the penetration of small business loans made to businesses with revenues less than \$1 million.
- Investment performance is good. The dollar level of investments is high, but the primary current period investment has a limited impact on the bank's AAs. Prior period investments remain responsive to AA needs.
- Services are adequate. Delivery systems are reasonably accessible and products and services are geared toward commercial needs. Summit has shown adequate responsiveness to CD needs by providing qualified financial services.

### Description of Institution's Operations in Georgia

The majority of Summit's operations are in Georgia. Deposits represent 79 percent of total bank deposits. Small business loans in Georgia account for 81 percent of total reported small business loans. In addition to small business loans, Summit focuses on commercial and commercial real estate lending. Summit designated five counties within the 28 county Atlanta MSA as their AA, and ranks 30<sup>th</sup> for deposit market share in the Atlanta MSA AA.

Refer to the market profiles for the state of Georgia in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## Scope of Evaluation in Georgia

The evaluation in Georgia was based upon a full-scope review of the Atlanta MSA AA. The Atlanta MSA represents the only assessment area in the state and Summit's largest market. See appendix A for more information.

Most weight was placed on the bank's small loans to businesses when evaluating CRA performance. This emphasis was based on identified credit needs and Summit's focus on commercial lending. The borrower and geographic distributions of home mortgage loans were not relevant due to the small volume and the analysis has been eliminated from the Public Evaluation. No small farm loans or community development loans were made during this evaluation period.

Several community contacts were conducted and reviewed to ascertain credit needs in the Atlanta MSA. The types of organizations contacted included Chamber of Commerce and Economic Development organizations. These organizations identified affordable housing and small business loans as primary credit needs. Based on these reviews, there was ample opportunity for Summit to make community development loans and investments and provide community development services. Competition remains strong among financial institutions to provide the products and services needed by the community.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Georgia is rated "High Satisfactory." Based on the full-scope review of the Atlanta MSA AA, the bank's performance in Georgia is good.

The level of lending and geographic distribution of small business lending are both good, while the distribution of small business loans to businesses with revenues less than \$1 million is adequate.

### Lending Activity

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

Overall lending levels reflect good responsiveness to meeting the small business credit needs of the AA. Summit does not offer residential mortgage loan products, so these products did not impact lending levels.

As of June 30, 2005, Summit ranked 30th for deposit market share in the Atlanta MSA with less than one percent market share. Small business lending levels show good responsiveness with a similar market share ranking as Summit ranked 30 of 268 reporting banks during 2004.

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

The geographic distribution of loans is good based on the distribution of small business loans.

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

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

The number and amount of home mortgage loans originated in Georgia were insignificant and not evaluated for analytical purposes.

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

Refer to Table 6 in the *State of Georgia* 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.

Summit's geographic distribution of small loans to businesses was good. The percentage of loans in low-income tracts was near to the percentage of businesses located in these tracts. The bank's penetration of loans in moderate-income tracts exceeds the percentage of businesses located in moderate-income tracts. The bank's market share in low-income tracts is near its overall market share. Its market share in moderate-income tracts exceeded its overall market share.

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

The geographic distribution of small business loans was analyzed to determine if any unexplained conspicuous gaps existed. None were identified. This performance had a positive effect on the bank's overall geographic distribution analysis.

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

A substantial majority of the bank's loans were originated within its AA. Overall, 90 percent of Summit's small loans to businesses were inside the AAs. This analysis was performed on the entire bank rather than by AA. This performance had a positive effect on the bank's overall geographic distribution analysis.

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

The distribution of loans to borrowers with different incomes is adequate based on small business lending performance.

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

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

The number and amount of home mortgage loans originated in Georgia were insignificant and not evaluated for analytical purposes.

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

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

Overall, Summit's distribution of small loans to businesses was adequate. The percentage of small loans to small businesses (businesses with annual revenues of \$1 million or less) was approximately 9 percent less than the percentage of small businesses in the AA, but near enough to be considered adequate. The bank's market share of small loans to small businesses exceeded its overall market share of small loans to all businesses and reflected positively on the borrower distribution.

## **Community Development Lending**

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

Summit did not originate/purchase CD loans during the evaluation period. This factor had a neutral impact on the performance evaluation of the lending test.

## **Product Innovation and Flexibility**

Summit does not offer innovative or flexible lending products targeted to low- or moderate-income individuals in Georgia. This factor had a neutral impact on the performance evaluation of the lending test.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

Summit's performance under the Investment Test in Georgia is rated "High Satisfactory." Based on a full scope review, the bank's performance in the Atlanta MSA AA is good.

Given available CD opportunities and dollar amount of investments in the Atlanta MSA AA, the bank's performance was good. Refer to the *Scope of the Evaluation* section for additional information on the available CD opportunities in this AA. The Bank's current period investments, while a high dollar amount, were not considered innovative or responsive to the AA. However, Summit still had significant prior period investments that are responsive to the Atlanta MSA.

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

**Current Period Investments:** Summit invested \$3 million in a Low Income Housing Tax Credit that includes thirteen properties in seven states. Only one property is located within Summit's Atlanta AA. The tax credit was used to construct 1,482 housing units, but only 13 percent of the units are within the AA. While the investment serves a CD purpose, only a small portion of the dollars invested impact any of the bank's AAs.

**Charitable Donations:** Summit has made nine contributions to five organizations totaling \$17 thousand within the Atlanta AA. Contributions include donations to groups such as The Boys and Girls Club of America and Sheltering Arms, both organizations seek to provide basic services to low- and moderate-income individuals. In addition to donations within the Atlanta MSA AA, Summit donated \$6 thousand to the American Red Cross Katrina Fund to benefit the victims of Hurricane Katrina.

**Prior Period Investments:** Summit invested in two government backed FNMA securities with a current book value of \$3.46 million. The securities were issued to construct affordable housing for low-and moderate-income families. A \$3.4 million FNMA mortgage backed security was secured by property in DeKalb County, Georgia. The construction of the property received Low Income Housing Tax Credits, which require units to be set aside for low- and moderate-income buyers. In addition, \$55 thousand was used to construct single family, low- and moderate-income housing in the AA. These investments are not considered innovative but are responsive to identified needs in the community.

## SERVICE TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test for Georgia is rated "Low Satisfactory." Based on a full-scope review, the bank's performance in the Atlanta MSA AA is adequate. Branches provide reasonable accessibility to products and services and are geared toward commercial banking needs. The use of CD services is adequate.

### Retail Banking Services

Refer to Table 15 in the *State of Georgia* 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.

In the Atlanta MSA, Summit's service delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the AA. The bank has five branch offices, with a 24 hour ATM at each location. One branch office is in a low-income census tract and the other four offices are in middle- and upper-income geographies. Although Summit has no offices in moderate-income geographies, this does not adversely affect their ability to service low- and moderate-income communities as two branches in upper-income geographies are located adjacent to low- and moderate-income census tracts and help provide service accessibility to these portions of the AA.

Summit opened the Park Village branch in a middle-income geography in 2005. There have been no branch closings. Branch openings and closings did not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies.

Summit's services and business hours in the Atlanta MSA AA do not vary in a way that inconveniences portions of the Atlanta MSA, particularly low- and moderate- income individuals and/or low- and moderate-income geographies. Banking hours are offered Monday through Friday from 9:00 AM to 4:00 PM for all of the Atlanta MSA AA branches. The Asian Banking Center is open on Saturdays from 9:00 AM to 1:00 PM. The bank also provides Internet banking services. With the exception of residential mortgage products that are not offered, Summit offers traditional products and services that are responsive to the basic banking needs of the community.

### Community Development Services

The bank's level of community development services is adequate. This is based on the ample number of community development opportunities available in the AA, and the number and impact of services provided. Three bank employees and the bank's community service group, Summaritans, performed five qualified community development services during the evaluation period.

The following briefly describes the organizations and types of CD services provided:

- Sheltering Arms Early Education and Family Center – A child care program based in DeKalb County, Georgia that provides child care and other support services to low- and moderate-income families. One of the bank's executive officers serves on the board of this foundation and provides financial expertise.
- Senior Connection - A community service organization designed to aid seniors in the community remain independent. Programs benefit lower-income people and include meals-on-wheels, in-home-care, and home repairs. A bank officer serves on the board of this foundation and provides financial expertise.
- Consumer Credit Counseling Services – A non-profit service organization that provides the community with services such as free budget counseling, money management classes, debt management programs, and comprehensive housing counseling. One of the bank's employees serves on the executive committee.
- Nancy Creek Elementary – An elementary school with 69 percent of the student population from homes with income below the poverty level. The bank's Summaritans group frequently visits Nancy Creek Elementary to educate students about banking through the School's Banking Day program.
- DeKalb Enterprise Business Corporation – An organization that targets minority- and women-owned business persons and businesses located in selected economic revitalization corridors to improve business opportunities. Funding is provided by DeKalb County government, HUD, SBA, and United Way of metropolitan Atlanta. A bank employee serves on the board of this corporation.

## State Rating

### State of California

<b>CRA Rating for California:</b>	<b>Satisfactory</b>
<b>The lending test is rated:</b>	<b>High Satisfactory</b>
<b>The investment test is rated:</b>	<b>Low Satisfactory</b>
<b>The service test is rated:</b>	<b>Low Satisfactory</b>

The major factors that support this rating include:

- Overall lending levels reflect a good responsiveness to meeting the needs of the AA, through loans to small businesses. Home mortgage products are not offered.
- The geographic distribution and borrower distribution of small business loans are both excellent.
- No community development loans or innovative and flexible products were extended and have a neutral impact on the lending test rating.
- The dollar amount of community development investments is adequate given the bank's size and the available community development opportunities in the California AAs.
- Summit's delivery systems are reasonably accessible to geographies and individuals of different incomes. The only branch in the San Jose MSA AA is in a moderate-income geography, and this had a positive influence on the service test rating. One community development service was provided in California, this did not substantially impact the service test rating since the bank's market presence in the California AAs is limited.

### Description of Institution's Operations in California

Summit's operations in California represent a small portion of overall business and do not carry as much weight in the overall evaluation as performance in Georgia. Deposits account for 11 percent of total bank deposits. Approximately 17 percent of small business loans reviewed for this evaluation were extended in California. Summit has two AAs in California; the San Jose MSA AA was reviewed using full-scope procedures and the Oakland MSA AA was reviewed using limited-scope procedures. Summit operates one branch in each AA, and each market has strong competition for financial services through large national banks, smaller banks, and other financial service providers. The Oakland MSA AA branch was opened during the evaluation period and accounts for a minimal portion of the bank's deposits and lending. Summit's lending focuses on commercial borrowers in the California markets.

Refer to the market profiles for the state of California in appendix C for detailed demographics and other performance context information for AA the received full-scope reviews.

## **Scope of Evaluation in California**

The San Jose MSA AA was reviewed using full-scope review procedures and the Oakland MSA AA was reviewed using limited-review procedures. Ratings are based primarily on findings for the San Jose MSA AA. Refer to appendix A for more information.

Most weight for the rating is given to small business lending since the bank does not offer residential mortgage products.

Primary needs include affordable housing and small business lending in the California AAs. Median housing prices are extremely high, and low- and moderate-income families have difficulty affording a home in both of the California AAs. Needs were identified through interviews with community leaders and a review of public information. Based on these reviews, there is ample opportunity for community development involvement in both AAs. Competition remains strong among financial institutions to provide the products and services needed by the communities.

## **LENDING TEST**

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

The bank's performance under the lending test is rated "High Satisfactory" and is based on the bank's performance in the San Jose MSA AA. Findings are based primarily on small business lending, which demonstrated a good level of lending, strong penetration to low- and moderate-income geographies, and strong performance for lending to businesses with revenues less than \$1 million.

### **Lending Activity**

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

In the San Jose MSA AA, lending levels reflect good responsiveness to meeting the credit needs of the community through its small business lending. Summit has a small share of the market in San Jose, but market share rankings indicate Summit has been responsive to small business credit needs. As of June 30, 2005, Summit ranked 37th in deposit market share in the AA and ranked slightly higher for small business loans during 2004 with a market share rating of 31. Summit does not extend mortgage loans in the San Jose AA.

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

Overall, Summit's geographic distribution of loans is excellent. Conclusions are based on the distribution of small business loans since the bank does not offer mortgage products.

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

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

The number of home loans in California was insignificant, with only two loans reported in the San Jose MSA AA. No analysis of the geographic distribution of mortgage loans was conducted.

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

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

Summit's geographic distribution of small loans to business is excellent. The percentage of loans in low- and moderate-income tracts exceeds the percentage of assessment area businesses in those tracts. The bank's market share for small business loans is only 0.09 percent, and the market share for low- and moderate-income geographies is higher and reflects a strong penetration of small loans to businesses.

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

No unexplained conspicuous gaps were identified in the San Jose MSA AA.

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

Overall, the distribution of loans by income level is excellent and is based on the evaluation of small loans to businesses.

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

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

The level of home mortgage lending is insignificant and no borrower income distribution analysis was conducted.

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

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

Overall, the distribution of loans by income level of the borrower is excellent. The conclusion is based on the distribution of small loans to businesses.

The percentage of small loans to small businesses (businesses with annual revenues less than \$1 million) exceeds the percentage of small businesses in the AA. Summit's market share for small loans to small businesses exceeds its market share of small loans to all businesses.

### **Community Development Lending**

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

Summit did not extend any community development loans in California during this evaluation period. Performance has a neutral impact on the performance evaluation for the lending test.

### **Product Innovation and Flexibility**

Summit does not offer innovative or flexible products targeted toward low- or moderate-income borrowers or geographies in the California market. This has a neutral impact on the performance evaluation for the lending test.

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

In the Oakland MSA AA the bank's performance is weaker than the bank's overall performance. Summit only extended a small number of loans in the AA with eight reported small business loans. The geographic distribution is adequate, and the borrower distribution is good. Refer to Tables 1 through 13 in the *State of California* section of Appendix D for the facts and data that support these conclusions. Performance in the Oakland MSA AA does not have a significant impact on the lending test conclusions.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

Summit's performance under the investment test in California is rated "Low Satisfactory." Based on a full scope review, the bank's performance in the San Jose MSA AA is adequate.

Given the available CD opportunities and dollar amount of investments in the San Jose MSA AA, the bank's performance is adequate. Refer to the Scope of Evaluation section for additional information on the available CD opportunities in this AA. Summit does not take a leadership role with their investments in the AA. Investments are not considered innovative or complex in nature but are responsive to the housing needs in the AA.

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

**Current Period Investments:** Summit has a qualified CD investment of \$100 thousand in the San Jose MSA through the Neighborhood Housing Authority (NHA) of Silicon Valley. This investment is targeted to funding low-and moderate-income housing. This investment is responsive to the dire need for affordable housing in the San Jose market.

**Charitable Donations:** Summit has made three contributions totaling \$5 thousand to two organizations within the San Jose MSA AA. The majority of the donations were made to Lenders for Community Development, an organization that focuses on economic development needs of low- and moderate-income communities.

**Prior Period Investments:** Summit has a \$100 thousand investment with the NHA of Silicon Valley-Vernal Fund. The fund targets low-and moderate-income homebuyers. The investment is responsive to the AA's need for affordable housing. Summit has a qualified CD investment in the MSA for \$50 thousand with Lenders for Community Development and the funds are used for an operating loan.

### Conclusions for Areas Receiving a Limited Scope Review

Based on limited-scope reviews, the bank's performance under the investment test in the Oakland MSA AA is weaker than the overall "High Satisfactory" performance under the investment test. The bank did not have any investments in the Oakland MSA. However, their small presence in the area does not warrant the expectation for significant investment in the area. Refer to table 14 in the *State of California* section appendix D for the facts and data that support these conclusions. The bank's performance in the limited-scope areas does not have a significant impact on the investment test conclusions.

## SERVICE TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test for California is rated "Low Satisfactory." Based on full-scope review, the bank's performance in the San Jose MSA AA is adequate.

#### Retail Banking Services

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

In the San Jose MSA AA, Summit's service delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the assessment area. The bank has one branch office with a 24-hour ATM in the San Jose MSA AA. This office is in a moderate-income geography. Although Summit has no offices in low-income geographies their ability to service low- and moderate-income communities is not adversely affected.

No branches were opened or closed in the San Jose MSA AA during the evaluation period.

Summit's services and business hours do not vary in a way that inconveniences any portions of San Jose MSA AA, particularly low- and moderate- income individuals and/or low- and moderate-income geographies. Banking hours are offered Monday through Friday from 9:00 AM to 4:00 PM. The bank provides internet banking services. With the exception of residential mortgage products that are not offered, Summit offers traditional products and services that are responsive to the basic banking needs of the community.

#### Community Development Services

Summit has limited involvement in CD services with one CD service in the San Jose MSA AA. An employee serves on the loan committee for Neighborhood Housing Services of Silicon Valley. This activity is very responsive to community needs for affordable housing for low- and moderate-income first time home buyers.

### Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited scope reviews, the bank's performance under the Service Test in the Oakland MSA AA is not inconsistent with the bank's overall "Low Satisfactory" performance under the Service Test. Refer to Table 15 in the *State of California* 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”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): (01/01/02 to 12/31/05) Investment and Service Tests and CD Loans: (08/08/01 to 06/09/06)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
The Summit National Bank (Summit) Atlanta, Georgia	Home Mortgages, Small loans to businesses, CD loans, CD investments, CD services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Georgia Atlanta MSA #12060 California San Jose MSA #41940 Oakland MSA #36084	Full-Scope  Full-Scope Limited-Scope	None

## Appendix B: Summary of State Ratings

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<b>RATINGS THE SUMMIT NATIONAL BANK</b>				
<b>Overall Bank:</b>	<b>Lending Test Rating*</b>	<b>Investment Test Rating</b>	<b>Service Test Rating</b>	<b>Overall Bank/State Rating</b>
Summit	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
<b>State:</b>				
Georgia	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
California	High Satisfactory	Low Satisfactory	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 Georgia

### Atlanta MSA

Demographic Information for Full-Scope Area: Atlanta MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	478	14.44	25.52	29.71	30.33	0.00
Population by Geography	2,914,587	7.84	23.78	33.73	34.65	0.00
Owner-Occupied Housing by Geography	664,417	3.40	16.32	36.31	43.97	0.00
Businesses by Geography	261,797	6.49	18.84	32.30	42.37	0.00
Farms by Geography	3,693	2.98	15.54	37.86	43.62	0.00
Family Distribution by Income Level	716,740	20.02	17.37	20.93	41.67	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	268,021	14.20	35.48	32.95	17.37	0.00
Median Family Income						
HUD Adjusted Median Family Income for 2006	= \$58,537					
Households Below the Poverty Level	= \$68,100					
	= 9%					
		Median Housing Value				= \$158,624
		Unemployment Rate				= 3.05%

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

Source: 2000 U.S. Census, and 2004 HUD updated MFI.

The Atlanta MSA AA is comprised of a five-county area surrounding the city of Atlanta with a total of 478 census tracts. The AA does not arbitrarily exclude any geography, particularly low- or moderate-income census tracts, and complies with the technical requirements of the regulation. According to the 2000 United States Census, the population of this defined area is approximately 3 million people. The census median family income for the assessment area is \$58,537. The Department of Housing and Urban Development's (HUD) updated median family income estimate for the Atlanta MSA in 2006 is \$68,100. The unemployment rate for the Atlanta MSA was 4.6 percent in 2004, the rate for the state of Georgia was 4.6 percent and the national unemployment rate was 5.5 percent.

The Atlanta MSA is internationally recognized as the transportation, communication, industrial, and cultural center of the Southeastern United States. The Atlanta MSA has one of the strongest economies of any major urban area. Due to its location and extensive transportation network, Atlanta has developed as a major distribution center for the Southeast. Distribution and associated industrial activities are gradually being transferred to other urban centers in the South, while Atlanta has evolved as a major provider of technological and financial support services.

The Atlanta MSA has a diverse industrial base that includes manufacturing, transportation, distribution, retailing, wholesaling, finance, government, research, education, medicine, and technical support. Most of the Fortune 500 companies maintain regional offices in the Atlanta area. Delta, Home Depot, BellSouth Telecommunications, Coca Cola, and IBM are among the top 25 largest employers in the Atlanta metropolitan area. In addition, more than 90 percent of the nation's top industrial firms maintain some type of operational facility in metropolitan Atlanta.

Summit has five offices in the Atlanta MSA with total deposits of \$323 million as of June 30, 2005. This represents 79 percent of the bank's deposits. In addition to Summit, area competition for financial services is keen and includes several multinational and regional banks, local community banks, savings banks, credit unions, and other multi-national financial services companies.

## State of California

### San Jose MSA

Demographic Information for Full-Scope Area: San Jose MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	341	4.11	21.41	47.21	27.27	0.00
Population by Geography	1,682,585	4.03	22.79	47.69	25.49	0.00
Owner-Occupied Housing by Geography	388,636	1.17	14.81	48.40	35.63	0.00
Businesses by Geography	119,054	3.15	22.36	43.36	31.13	0.00
Farms by Geography	1,782	2.64	24.64	46.30	26.43	0.00
Family Distribution by Income Level	399,765	20.21	17.95	21.63	40.21	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	152,561	6.33	30.51	47.47	15.69	0.00
Median Family Income HUD Adjusted Median Family Income for 2006 Households Below the Poverty Level	= \$80,198 = \$97,100 = 6%	Median Housing Value Unemployment Rate		= \$447,836 = 2.03%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census, and 2004 HUD updated MFI.

Summit has one branch with an ATM in the AA. The San Jose MSA AA consists of Santa Clara County and is the entire MSA. The AA does not arbitrarily exclude any geography, particularly low-or moderate-income census tracts, and complies with the technical requirements of the regulation. The San Jose AA represents 11 percent of the bank's total deposit base.

Summit is a small bank with a very limited presence in the AA resulting in .09 percent of the market share. Competition in the AA is intense. Major competition is provided by large regional and multi-national institutions.

San Jose is the 10<sup>th</sup> largest city in the United States and third largest in California with an estimated population of 945 thousand. The city of San Jose represents 54 percent of the population of Santa Clara County. The largest employers include technology and manufacturing industries. The county is home to more than 4,500 high technology companies and is regarded as the "Capital of Silicon Valley." The economy struggled several years ago, but improved and is currently more stable. This is reflected in the unemployment rate that spiked at 9 percent in January 2003, and returned to a lower level of 4 percent in May 2006.

The 2006 HUD updated medium family income is \$97 thousand. The median housing value at the time of the 2000 Census was \$448 thousand making it extremely difficult for low- and

moderate- income families to afford a home. The high housing costs also make home purchase unaffordable for middle-income families. Housing prices have steadily increased, straining affordability more as reflected by the median home value in 2005 of \$749 thousand according to the Santa Clara County Association of Realtors.

Refer to the Scope of the Evaluation section of the Performance Evaluation for additional information on the identified credit needs and the community development lending, investment, and service opportunities in this AA.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of 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. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

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

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

- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 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 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.

# State of Georgia

**Table 1. Lending Volume**

LENDING VOLUME		Geography: GEORGIA						Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area: (2004)	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Atlanta MSA AA	100.00	4	2,586	398	108,226	0	0	0	0	402	110,812	100.00

**Table 1. Other Products**

LENDING VOLUME		Geography: GEORGIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>														
Atlanta MSA AA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	100.00

\* Loan Data as of December 31, 2005. Rated area refers to state rating area.

\*\* The evaluation period for Community Development Loans is August 8, 2001 to June 9, 2006.

\*\*\* Deposit Data as of June 30, 2005. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

\* Loan Data as of December 31, 2005. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Optional Product Line(s) is From January 1, 2004 to December 31, 2005.

\*\*\* Deposit Data as of June 30, 2005. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Other Products**

LENDING VOLUME		Geography: GEORGIA		Evaluation Period: January 1, 2004 TO December 31, 2005	
MA/Assessment Area: 2004	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>					
Atlanta MSA AA	0	0	0	0	0

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(\*)The evaluation period for Optional Product Line(s) is from January 1, 2004 to December 31, 2005.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE			Geography: GEORGIA				Evaluation Period: January 1, 2004 to December 31, 2005					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Atlanta MSA AA	1	100.00	3.40	0.00	16.32	0.00	36.31	0.00	43.97	100.00	0.00	0.00	0.00	0.00	0.00	

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

Geographic Distribution: HOME IMPROVEMENT			Geography: GEORGIA				Evaluation Period: January 1, 2004 to December 31, 2005					Market Share (%) by Geography*				
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	
<b>Full Review:</b>																

\* Based on 2004 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)

\* Based on 2004 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)

Atlanta MSA AA	1	100.00	3.40	0.00	16.32	0.00	36.31	100.00	43.97	0.00	0.00	0.00	0.00	0.00	0.00
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**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: GEORGIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Atlanta MSA AA	0	0.00	3.40	0.00	16.32	0.00	36.31	0.00	43.97	0.00	0.00	0.00	0.00	0.00	0.00

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\* Based on 2004 Peer Mortgage Data: Eastern Region.

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

Geographic Distribution: MULTIFAMILY		Geography: GEORGIA								Evaluation Period: January 1, 2004 to December 31, 2005					
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Atlanta MSA AA	2	100.00	12.01	0.00	31.47	0.00	29.07	0.00	27.45	0.00	0.00	0.00	0.00	0.00	0.00

\*\* 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.

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: GEORGIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Atlanta MSA AA	398	100.00	6.49	6.28	18.84	28.64	32.30	32.91	42.37	32.16	0.21	0.22	0.43	0.23	0.13

\* Based on 2004 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 (2004).

\* Based on 2004 Peer Mortgage Data: Eastern Region.

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

Borrower Distribution: HOME PURCHASE			Geography: GEORGIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families** *	% BANK Loans***	% Families** *	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Atlanta MSA AA	1	100.00	20.02	0.00	17.37	0.00	20.93	0.00	41.67	0.00	0.00	0.00	0.00	0.00	0.00

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

Borrower Distribution: HOME IMPROVEMENT			Geography: GEORGIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families** *	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Atlanta MSA AA	1	100.00	20.02	0.00	17.37	0.00	20.93	0.00	41.67	0.00	0.00	0.00	0.00	0.00	0.00

\*\* As a percentage of loans with borrower income information available. No information was available for 100% of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000Census 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 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: GEORGIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Atlanta MSA AA	1	100.00	20.02	0.00	17.37	0.00	20.93	0.00	41.67	0.00	0.00	0.00	0.00	0.00	0.00

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: GEORGIA						Evaluation Period: January 1, 2004 to December 31, 2005					
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\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 100% 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)

	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
MA/Assessment Area:									
<b>Full Review:</b>									
Atlanta MSA AA	398	100.00	60.75	51.51	36.68	26.88	36.43	0.21	0.31

\* Based on 2004 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 - 2004).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 4.27% of small loans to businesses originated and purchased by the Bank.

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

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: GEORGIA									
Evaluation Period: August 8, 2001 to June 9, 2006									
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Atlanta MSA AA	2	\$3,460	10	\$22	12	\$3,481	54	0	0
Regional			1	\$3,012	1	\$3,012	46	0	0

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: GEORGIA																	
Evaluation Period: August 8, 2001 to June 9, 2006																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Atlanta MSA AA	100.00	5	100.00	20.00	0.00	20.00	60.00	1	0	0	0	1	0	7.84	23.78	33.73	34.65

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

\* Loan Data as of December 31, 2005. Rated area refers to either the state or multi-state MA rating area.

# State of California

**Table 1. Lending Volume**

LENDING VOLUME		Geography: CALIFORNIA						Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area: (2004)	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
San Jose MSA AA	91.40	2	817	83	16,109	0	0	0	0	85	16,926	52.68
<b>Limited Review:</b>												
Oakland MSA AA	8.60	0	0	8	1,522	0	0	0	0	8	1,522	47.32

\* Loan Data as of December 31, 2005. Rated area refers to state rating area.

\*\* The evaluation period for Community Development Loans is August 8, 2001 to June 9, 2006.

\*\*\* Deposit Data as of June 30, 2005. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Other Products**

LENDING VOLUME		Geography: CALIFORNIA								Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>														
San Jose MSA AA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	52.68
<b>Limited Review:</b>														
Oakland MSA AA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	47.32

\* Loan Data as of December 31, 2005. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Optional Product Line(s) is From January 1, 2004 to December 31, 2005.

\*\*\* Deposit Data as of June 30, 2005. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 1. Other Products**

LENDING VOLUME		Geography: CALIFORNIA		Evaluation Period: January 1, 2004 to December 31, 2005	
MA/Assessment Area: 2004	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>					
San Jose MSA AA	0	0	0	0	0
<b>Limited Review:</b>					
Oakland MSA AA	0	0	0	0	0

(\*)The evaluation period for Optional Product Line(s) is from January 1, 2004 to December 31, 2005.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE			Geography: CALIFORNIA						Evaluation Period: January 1, 2004 to December 31, 2005						
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	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
San Jose MSA AA	1	100.00	1.17	0.00	14.81	0.00	48.40	100.00	35.63	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Oakland MSA AA	0	0.00	4.37	0.00	13.50	0.00	44.98	0.00	37.16	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Mortgage Data: Western 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: CALIFORNIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
San Jose MSA AA	1	100.00	1.17	0.00	14.81	100.00	48.40	0.00	35.63	0.00	0.03	0.00	0.14	0.00	0.00
<b>Limited Review:</b>															
Oakland MSA AA	0	0.00	4.37	0.00	13.50	0.00	44.98	0.00	37.16	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Mortgage Data: Western 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: CALIFORNIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
San Jose MSA AA	0	0.00	1.17	0.00	14.81	0.00	48.40	0.00	35.63	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Oakland MSA AA	0	0.00	4.27	0.00	13.50	0.00	44.98	0.00	37.16	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Mortgage Data: Western 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 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY			Geography: CALIFORNIA				Evaluation Period: January 1, 2004 to December 31, 2005					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
San Jose MSA AA	0	0.00	6.98	0.00	25.75	0.00	53.88	0.00	13.39	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Oakland MSA AA	0	0.00	16.35	0.00	29.34	0.00	43.18	0.00	11.13	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2004 Peer Mortgage Data: Western 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.

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

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

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: CALIFORNIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
San Jose MSA AA	83	91.21	3.15	12.05	22.36	39.76	43.36	38.55	31.13	9.64	0.09	0.25	0.18	0.08	0.03
<b>Limited Review:</b>															
Oakland MSA AA	8	8.79	14.26	0.00	17.85	12.50	39.67	75.00	27.99	12.50	0.01	0.00	0.01	0.02	0.01

\* Based on 2004 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 (2004).

\* Based on 2004 Peer Mortgage Data: Western Region.

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

Borrower Distribution: HOME PURCHASE			Geography: CALIFORNIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families**	% BANK Loans**	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
San Jose MSA AA	1	100.00	20.21	0.00	17.95	0.00	21.63	0.00	40.21	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Oakland MSA AA	0	0.00	23.10	0.00	17.78	0.00	21.07	0.00	38.05	0.00	0.00	0.00	0.00	0.00	0.00

\*\* As a percentage of loans with borrower income information available. No information was available for 100% of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000Census 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: CALIFORNIA						Evaluation Period: January 1, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
San Jose MSA AA	1	100.00	20.21	0.00	17.95	0.00	21.63	0.00	40.21	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Oakland MSA AA	0	0.00	23.10	0.00	17.78	0.00	21.07	0.00	38.05	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Mortgage Data: Western Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 100% of loans originated and purchased by Bank.

\*\*\* Percentage of Families is based on the 2000Census 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 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: CALIFORNIA								Evaluation Period: January 1, 2004 to December 31, 2005				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
San Jose MSA AA	0	0.00	20.21	0.00	17.95	0.00	21.63	0.00	40.21	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Oakland MSA AA	0	0.00	23.10	0.00	17.78	0.00	21.07	0.00	38.05	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Mortgage Data: Western Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by Bank.

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

\*\*\*\* Home 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: CALIFORNIA			Evaluation Period: January 1, 2004 to December 31, 2005		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
San Jose MSA AA	83	91.21	61.84	71.08	55.42	19.28	25.30	0.09	0.17
<b>Limited Review:</b>									
Oakland MSA AA	8	8.79	62.24	62.50	37.50	37.50	25.00	0.01	0.02

\* Based on 2004 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 - 2004).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 4.27% of small loans to businesses originated and purchased by the Bank.

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

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: CALIFORNIA				Evaluation Period: August 8, 2001 to June 9, 2006			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
San Jose MSA AA	2	\$150	4	\$105	6	\$255	100.00	0	0
<b>Limited Review:</b>									
Oakland MSA AA	0	0	0	0	0	0	0	0	0

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\*\* '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: CALIFORNIA Evaluation Period: August 8, 2001 to June 9, 2006																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
San Jose MSA AA	52.68	1	50.00	0.00	100.00	0.00	0.00	0	0	0	0	0	0	4.03	22.79	47.69	25.49
<b>Limited Review:</b>																	
Oakland MSA AA	47.32	1	50.00	0.00	0.00	0.00	100.00	1	0	0	0	0	1	10.69	21.48	41.34	26.44