



**Public Disclosure**

**January 3, 2008**

**Community Reinvestment Act  
Performance Evaluation**

**Clear Creek National Bank  
Charter Number: 21878**

**500 6<sup>th</sup> Street  
Georgetown, CO 80444**

**Office of the Comptroller of the Currency  
Denver Field Office  
1225 17<sup>th</sup> Street  
Denver, CO 80202**

**Note: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate- income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

## General Information

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

A satisfactory rating is appropriate in each of the bank's designated assessment areas (AA) given the bank's demonstrated ability to meet the credit needs of the community. Specifically:

- The bank's loan-to-deposit ratio is adequate given area competition and credit needs of the community.
- The majority of loans by number and dollar volume are originated within the bank's AA.
- The bank's pattern of lending to small businesses reasonably reflects area demographics.

Clear Creek National Bank is committed to serving the communities in which it operates and demonstrates satisfactory lending performance.

## Description of Institution

Clear Creek National Bank (CCNB) is a \$26 million institution located in Georgetown, Colorado. CCNB is an independently owned institution and does not have a holding company.

The bank operates two full-service facilities and one detached drive-up facility with limited services. The main office is located in Georgetown CO, in Clear Creek County. The branch and detached drive-up facility are located in the neighboring community of Idaho Springs, also in Clear Creek County. CCNB owns and operates two ATMs. One non-deposit taking ATM is located at the main office in Georgetown and the other ATM is located at the drive-up facility in Idaho Springs, and accepts deposits.

CCNB offers a variety of credit products. The primary loan products by dollar volume are owner-occupied commercial real estate at 26.8 percent of average gross loans and 1-4 family residential real estate at 25 percent. Other loans offered include non-owner occupied commercial real estate 16.3 percent, other construction and development 14.4 percent, 1-4 family construction 13.7 percent, and commercial and industrial 4.5 percent. Net loans represent 52.7 percent of total assets. There are no legal or financial impediments to the bank's ability to meet the credit needs of the assessment areas. Our rating of the bank's CRA performance is based on an analysis of the owner-occupied commercial real estate and commercial loans.

We made one community contact with this examination. We spoke with a representative of Clear Creek Economic Development Corporation. The contact identified the primary credit needs of the community as affordable housing for low/moderate income families and small business loans. The contact also indicated the AA;s need for more job opportunities for low/moderate income families.

CCNB received a "Satisfactory" rating at the last CRA examination dated May 21, 2002.

Refer to the bank's CRA Public File for more information.

## **Description of Clear Creek County Assessment Area**

Management has designated Clear Creek County, Colorado as the bank's assessment areas (AA). Based on 2000 census data, this AA is comprised of three census tracts of which two (66.67 percent) are designated as middle-income, and one (33.33 percent) is designated as upper income. The AA does not include any tracts designated as low- and moderate-income.

The Department of Housing and Urban Development (HUD) 2007 updated non-MSA median-family income for this AA is \$71,300. Based on 2000 US Census data, there are 2,640 families residing within the AA of which 22.4 percent are deemed low- and moderate-income. Income designations are determined based on annual income as a percentage of the non-MSA median-family income.

The economic condition of Clear Creek County is stable. Clear Creek County runs along the I-70 corridor west of the Denver Metro area. The major cities located in the county are Georgetown, Idaho Springs, Silver Plume, and Empire. The local economy is based on seasonal tourism with the majority of business being retail, services and construction. A large portion of local businesses (67.7 percent) are considered small business. Small businesses are described as having annual revenues of less than \$1 million. A large portion of county residents commute to Denver. 2000 Census data indicates that unemployed labor is low with 1.23 percent.

Areas outside of Georgetown and Idaho Springs are predominantly open space, ski resorts, and national forest. The economic stability of smaller communities within the county is heavily reliant on area ski resorts and recreational activities.

The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

Refer to the bank's CRA Public File for more information.

## Loan-to-Deposit Ratio

The bank's loan-to-deposit ratio is adequate given area competition and credit needs of the community.

The bank's quarterly loan-to-deposit ratio, since the previous CRA exam, is 52.20 percent. The loan-to-deposit ratio of similarly situated banks over the same time period ranged between 59.64 percent and 67.66 percent. Similarly situated banks are those banks of similar business lines operating within the same geography.

## Lending in Assessment Area

The majority of loans by number and dollar volume are originated within the bank's AA.

We reviewed 19 loans from the owner occupied commercial and 19 loans from the general commercial loan portfolios. These 38 loans comprise the bank's entire population of owner-occupied commercial real estate and commercial loans. Of the total 38 loans reviewed, 67 percent by dollar volume and 82 percent by number were originated within the bank's assessment area.

Table 1 - Lending in Assessment Area										
Loan Type	Number of Loans					Dollars of Loans (000's)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Commercial Real Estate owner occupied	17	89%	2	11%	19	4,076	79%	1,066	21%	5,124
General Commercial	14	74%	5	26%	19	527	31%	1200	69%	1,727
Totals	31	82%	7	18%	38	4,604	67%	1,066	33%	6,031

## Lending to Businesses of Different Sizes

The bank's pattern of lending to small businesses reasonably reflects area demographics.

Owner-occupied commercial real estate loans:

The distribution of owner-occupied commercial loans originated throughout the AA indicates good performance in lending to businesses of different sizes. Of the 19 owner occupied commercial real estate loans outstanding, 88 percent by number and 59

percent by dollar volume were originated to small businesses. The definition of a small business is a business with gross revenues of less than \$1 million. Of the 19 loans sampled, we also noted that 59 percent by number and 46 percent by dollar volume were originated to very small businesses with revenues less than \$250,000.

<b>Table 2A - Borrower Distribution of Loans to Businesses Non Farm Non Residential</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown Revenues	Total
% of AA Businesses	68%	2%	30%	100%
% of Bank Loans in AA by # from Sample	89%	11%	N/A	100%
% of Bank Loans in AA by \$ from Sample	59%	41%	N/A	100%

#### General commercial loans:

The distribution of general commercial loans originated throughout the AA indicates good performance in lending to businesses of different sizes. Of the 19 loans sampled, 79 percent by number and 53 percent by dollar volume were originated to small businesses. The definition of a small business is a business with gross revenues of less than \$1 million. In addition 71 percent by number and 51 percent by dollar volume were originated to very small businesses with revenues less than \$250,000.

<b>Table 2B - Borrower Distribution of Loans to Businesses</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown Revenues	Total
% of AA Businesses	68%	2%	30%	100%
% of Bank Loans in AA by # from Sample	78%	22%	N/A	100%
% of Bank Loans in AA by \$ from Sample	53%	47%	N/A	100%

#### Geographic Distribution of Loans

The bank's assessment area has three income tracts. All three of these assessment tracts are designated either upper- or middle-income tracts. There were no low- or moderate-income tracts in the AA. A geographic analysis of the distribution of loans would not have led to any meaningful results and was not performed on this exam.

## **Responses to Complaints**

CCNB has not received any complaints about its performance in helping to meet assessment area needs during this evaluation period.

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

We found no evidence of illegal discrimination or other illegal credit practices.