



Comptroller of the Currency
Administrator of National Banks

Midwestern District
2345 Grand Boulevard, Suite 700
Kansas City, Missouri 64108

PUBLIC DISCLOSURE

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

August 8, 1997

**Norwest Bank Wyoming, National Association
Charter Number 10533
234 East First Street
Casper, Wyoming 82602**

<p>NOTE: 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, conclusions, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.</p>

GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **Norwest Bank Wyoming, National Association, Casper, Wyoming**, prepared by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency.

The evaluation represents the OCC's current assessment and rating of the institution's CRA performance based on an examination conducted as of August 8, 1997. It does not reflect any CRA-related activities that may have been initiated or discontinued by the institution after the completion of the examination.

The purpose of the Community Reinvestment Act of 1977 (12 U.S.C. 2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with its examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including LMI neighborhoods, consistent with safe and sound operations of the institution, and (2) take that record of performance into account when deciding whether to approve an application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require the Agencies to make public certain portions of their CRA performance assessments of financial institutions.

Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based on a review of 12 assessment factors, which are grouped together under 5 performance categories, as detailed in the following section of this evaluation.

ASSIGNMENT OF RATING

Identification of Ratings

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

DISCUSSION OF INSTITUTION'S PERFORMANCE

Institution's Rating:

Based on the findings presented below, Norwest Bank Wyoming, National Association (Norwest) has a **Satisfactory Record of Meeting Community Credit Needs**.

The purpose of CRA is to ensure that financial institutions help meet the credit needs of their local communities. We rated this institution's CRA record Satisfactory because:

- Norwest, in conjunction with its mortgage lending affiliate, Norwest Mortgage, Inc. (NMI), is the market leader in the origination of real estate-related loans within the Casper and Cheyenne Metropolitan Statistical areas (MSA) combined. These loans are reportable under the Home Mortgage Disclosure Act (HMDA).
- Norwest and NMI combined (Norwest/NMI) originated a reasonable volume of HMDA reportable loans in low- and moderate-income (LMI) census tracts (CTs) and to LMI applicants within the Casper and Cheyenne MSAs.
- Norwest originates a significant volume of consumer and small business loans.

Although we based our rating primarily on the bank's performance in the two MSA it serves, conclusions reached for non-MSA segments of the bank's delineated community are consistent with the institution's overall CRA rating.

Bank Profile

Norwest is a wholly-owned subsidiary of Norwest Corporation, a multi-bank holding company headquartered in Minneapolis, Minnesota. Norwest Corporation had total assets of \$80 billion as of December 31, 1996.

Norwest operates seven full-service banking offices serving four communities in eastern Wyoming and includes Natrona, Laramie, Campbell, and Platte Counties. Norwest is a business and consumer-oriented bank with \$2.8 billion in assets as of March 31, 1997. The total assets figure includes approximately \$2.4 billion in loans placed here by Norwest Corporation to take advantage of favorable state tax laws.

Norwest affiliates provide lending services throughout the bank's delineated communities. NMI originates most of the purchase money and refinance residential real estate loans. Other affiliates provide student, credit card, and business financing as well as trust and investment services.

Community Profiles

Norwest has designated four delineated communities. These communities include the Casper, Wyoming and Cheyenne, Wyoming MSAs and the cities of Gillette and Wheatland. Common credit needs throughout the delineated communities consist of housing loans for LMI individuals, basic banking and credit education, and loans to small businesses.

Based on 1990 census data, the population of Norwest's combined delineation was approximately 231,500. The community contains 79 CTs and Block Numbering Areas (BNAs), of which 22, or 28%, are designated as LMI.

We used the following definitions of Norwest community delineations in our Evaluation of the bank's CRA performance:

Casper

The Casper delineated community consists of the entire Casper, Wyoming MSA and is located in Natrona County. Based on 1990 census data, the population of this area approximates 61,226. Minorities comprise 5% of the population, including approximately 4% Hispanic. The community contains 19 CTs, of which six, or 32%, are designated as LMI. The Department of Housing and Urban Development's (HUD) estimated 1997 median family income for this MSA is \$41,200.

Cheyenne

The Cheyenne delineated community includes all of the Cheyenne, Wyoming MSA and is located in Laramie County. Based on 1990 census data, the population of this delineated community was approximately 73,142. Minorities comprise 15% of the population, including 10% Hispanic. The community contains 18 CTs, of which seven, or 39% are designated LMI. The HUD estimated 1997 median family income for this MSA is \$43,800.

Non-MSA Communities

The non-MSA delineated communities comprise the cities of Gillette in Campbell County and Wheatland in Platte County. On a combined basis, the delineated communities contain four middle-income and six upper-income BNAs. Based on 1990 census data, the population of this area was approximately 33,807. Minorities comprise 4% of the population, including 3% Hispanic. HUD estimates the 1997 state-wide non-MSA median family income for Wyoming at \$41,900.

Reasonableness of Delineated Community

Norwest's delineated communities are reasonable and do not arbitrarily exclude any LMI areas. The delineations include areas surrounding branch locations and contain a substantial majority of the bank's 1996 loan originations, including 90% of the HMDA loans, 94% of the small business and small farm loans, and 71% of the consumer loans and lines of credit. These ratios are based only on those loans for which Norwest determined the location of the associated property or borrower.

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

Assessment Factor A - Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.

- **Management maintains regular contact with a wide range of individuals and groups representing various community interests.**

Norwest has developed a process that incorporates direct contact with individuals representing housing services, small businesses and community development and government agencies. In addition, bank management uses focus groups and formal surveys to ascertain community credit needs. The bank's 1996 Community Reinvestment Act Statement lists the nature of these organizations and the bank's involvement with them.

Assessment Factor C - The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.

- **The Board of Directors and senior management have developed an effective program to meet the credit needs of the bank's communities.**

Norwest uses the Community Reinvestment Act Community Marketing Initiative (CMI) planning process. This process provides the framework for determining community credit needs and developing the bank's response to those needs. The plan is monitored quarterly, updated annually and incorporates information such as demographic data, ascertainment efforts, marketing strategies, and lending goals. A CMI plan is prepared for each branch in order to respond to any special local needs.

II. **MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED**

Assessment Factor B - The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.

- **The Board and senior management have implemented a sound marketing program designed to reach all segments of Norwest's communities.**

Management annually develops a marketing plan designed to promote various products and services throughout the bank's communities. Advertising, directed by Norwest corporate marketing staff, focuses on broad based general media including television, radio, and major newspapers. Bank-wide direct mail, brochures, and product point-of-sale information are also produced.

Managing officers initiate local marketing efforts. Working with the bank's marketing unit, they develop a customized marketing plan designed for their local market which includes newspapers, direct mail, and participation in community events. This allows each market to tailor its marketing efforts to its community.

Assessment Factor I - The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans, and small business or small farm loans within its community, or the purchase of such loans originated in its community.

- **Norwest/NMI has made a strong effort to address identified community credit needs by originating a substantial volume of housing, small business, small farm, and consumer loans within its communities.**

Norwest offers flexible real estate credit terms and conditions to LMI individuals through its Community Home Ownership Program (CHOP). During 1995 and 1996, Norwest extended 35 purchase money CHOP loans totaling \$2.2 million, and 23 loans totaling \$1.4 million, respectively. For additional historical CHOP lending information, please refer to Norwest's 1995 and 1996 CRA Statements.

As detailed in the following chart, Norwest/NMI have taken a leadership role in lending conventional purchase money, refinance, and home improvement real estate-related loans during 1995 in the Casper, Wyoming and Cheyenne, Wyoming MSAs.

1995 HMDA Lending				
	Number of Loans	Market Share Percent	Dollar of loans (000s)	Market Share Percent
Casper MSA				
Norwest/NMI	450	37%	\$25,283	41%
Closest Competitor	285	24%	\$12,696	21%
Cheyenne MSA				
Norwest/NMI	325	19%	\$20,635	21%
Closest Competitor	196	12%	\$11,070	11%

During 1995, the average loan size for Norwest within the Casper and Cheyenne MSAs was \$31,000 and \$44,000, respectively. NMI's average loan size within the Casper and Cheyenne MSAs was \$75,000 and \$82,000, respectively.

In 1996, Norwest/NMI increased its HMDA lending in both delineated communities. In Casper, Norwest/NMI originated 547 HMDA loans totaling \$29.3 million. In Cheyenne, they originated 401 loans totaling \$27.4 million. Market share data for 1996 was not available at the time of this review.

Norwest also originates direct and indirect consumer installment loans and lines of credit. Per year-end 1995 bank-prepared reports, Norwest had outstanding loan and line balances totaling \$91.8 million to persons living within Norwest's delineated communities. This total represents 58% of all consumer loans and lines of credit. These bank-prepared figures include the outstanding balances of home improvement loans, which are included above in the discussion of HMDA lending. In 1995, Norwest originated 7,281 non real estate-related consumer loans and lines of credit totaling \$49 million within its delineated communities. During 1996, Norwest originated 5,778 loans totaling \$45.8 million in these same communities.

In 1996, Norwest began tracking the number, amount, and geographic location of its small businesses and small farm loan originations in compliance with the revised CRA. During 1996, Norwest originated 544 small business and small farm loans totaling \$36.4 million. Of that total, 94% was extended to borrowers located within Norwest's delineated communities.

Norwest Bank South Dakota, National Association extends conventional student loans on behalf of Norwest. No annual fee student credit cards are offered to applicants through Norwest Bank Iowa, National Association.

Assessment Factor J - The institution's participation in governmentally-insured, guaranteed or subsidized loan programs for housing, small businesses, or small farms.

- **Norwest has a reasonable level of participation in government-related lending programs for small business and housing.**

NMI originates a reasonable volume of government-related real estate loans. In 1995, NMI originated \$6.7 million, or 113 loans, to borrowers within the Casper MSA. NMI ranked third in market share with 17% of the total market by number of loans and 18% by dollar volume. A regional mortgage company was the top originator with \$11.3 million, or 194 loans, resulting in a 29% market share for both number and dollar volume of loans originated. In 1996, NMI increased its volume to \$7.6 million or 114 loans in the Casper MSA.

In 1995, NMI originated \$7.8 million, or 91 loans, to borrowers within the Cheyenne MSA. NMI ranked fourth in market share with 9% of the dollar and 8% of the number volume. The top originator produced \$11.2 million, or 144 loans, and held a 13% market share for dollar and number volume. In 1996, NMI increased its volume to \$10.9 million, or 126 loans, in the Cheyenne MSA.

The above government-related real estate loan programs include those sponsored by the Federal Housing Authority (FHA), the Department of Veteran's Affairs (VA), and the Farmers Home Administration (FmHA) for purchase money and refinance purposes.

In addition to traditional business banking, Norwest is a Small Business Administration (SBA) designated Preferred Lender. Norwest originated 39 SBA loans for \$3 million in 1995 and 32 loans for \$2.9 million in 1996.

Norwest Bank South Dakota, National Association continues to originate student loans through the government guaranteed Stanford loan program on behalf of Norwest.

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

- **Norwest/NMI shows a reasonable distribution of loans within and throughout its delineated communities.**

As demonstrated in the following chart, Norwest/NMI does a reasonable job of originating HMDA loans throughout the Casper and Cheyenne MSAs. In both markets, Norwest/NMI held the second highest market share for loan originations in LMI CTs. In the Casper MSA, a local bank with total assets of approximately \$193 million held the largest market share in number and dollars of loans originated within LMI CTs. In the Cheyenne MSA, a nation-wide mortgage company held the largest market share for number of loans.

1995 HMDA Lending in LMI CTs				
	Number of Loans	Market Share Percent	Dollar of loans (000s)	Market Share Percent
Casper MSA				
Norwest/NMI	51	22%	\$1,334	18%
Market Leader	67	29%	\$1,969	27%
Cheyenne MSA				
Norwest/NMI	80	13%	\$3,789	14%
Market Leader	109	18%	\$3,381	12%

In 1996, Norwest/NMI again originated a reasonable volume of HMDA loans within LMI CTs with 44 loans totaling \$1.3 million in the Casper MSA and 92 loans totaling \$4.9 million in the Cheyenne MSA. Market share data for 1996 was not available at the time of this review.

Likewise, Norwest/NMI originated an adequate volume of HMDA loans to LMI borrowers in the Casper and Cheyenne MSAs during 1995. Again, a local bank with total assets of approximately \$190 million ranked first in number and volume of loan originations to LMI borrowers within the Casper MSA. Norwest held the second position. In Cheyenne, Norwest/NMI was first in number

of loans and second in dollar volume behind a mortgage company in originations to LMI borrowers. This is detailed as follows:

1995 HMDA Lending to LMI Borrowers				
	Number of Loans	Market Share Percent	Dollar of Loans (000s)	Market Share Percent
Casper MSA				
Norwest/NMI	176	27%	\$6,309	27%
Market Leader	200	31%	\$6,310	27%
Cheyenne MSA				
Norwest/NMI	90	13%	\$4,461	15%
Closest Competitor	85	13%	\$5,141	17%

In 1996, Norwest/NMI increased its lending to LMI borrowers in both MSAs. Norwest/NMI originated 191 loans totaling \$6.7 million in the Casper MSA and 154 loans totaling \$8.5 million in the Cheyenne MSA.

As explained in the following chart, Norwest/NMI lending to LMI individuals within the bank's four community delineation is reasonable. The following table displays the percentage of HMDA reportable loan originations to applicants of different income levels.

HMDA Lending as % of Total Number of Loan Originations

Income Level of Applicant	Norwest Lending				NMI Lending			
	1995 Lending Volume	1995 Lending Percent	1996 Lending Volume	1996 Lending Percent	1995 Lending Volume	1995 Lending Percent	1996 Lending Volume	1996 Lending Percent
LMI	113	23%	154	26%	192	26%	276	27%
Middle-Income	148	31%	163	27%	234	31%	266	27%
Upper-Income	215	44%	259	44%	314	42%	360	36%
Income Not Avail.	8	2	13	2%	1	.1%	98	10%

Middle-Income represents applicants with income 80% - 120% of median income.
 Upper-Income represents applicants with income greater than 120% of median income.

In addition to HMDA data, bank generated reports of all other direct and indirect loans and lines of credit originated in 1995 show a reasonable distribution of lending originations throughout Norwest's delineated communities. During 1996, 26% of all non-HMDA consumer loans and lines of credit were extended to borrowers living in LMI CTs in the Casper and Cheyenne MSAs combined.

Assessment Factor G - The institution's record of opening and closing offices and providing services at offices.

- **Norwest's offices are reasonably accessible to all segments of its communities.**

Norwest has seven full service banking offices serving its four delineated communities. Two branches offer investment management and trust services on site and three branches offer NMI services. Other branches offer these services by appointment or by calling a toll-free telephone number. The Cheyenne and Casper branch offices offer Spanish language automatic teller machine instructions. Also, customers can complete a number of deposit and credit transactions using a toll-free telephone service. Management periodically reviews hours to ensure they meet local needs. Refer to the Norwest Location Guide for specific information on branch locations and hours.

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

Assessment Factor D - Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).

- **We found no practices intended to discourage applicants for any type of credit listed on the bank's CRA Statement.**

The bank solicits applications from all portions of its communities, including LMI areas. Corporate policies set forth basic fair lending requirements. All loan-related employees receive regular, comprehensive training on fair lending regulations. The bank has an independent second review program for all potential HMDA reportable denials.

Assessment Factor F - Evidence of prohibited discriminatory or other illegal credit practices.

- **The bank meets the substantive provisions of antidiscrimination laws and regulations.**

We did not identify any instances in which Norwest denied credit to similarly situated applicants based on the applicant's gender. We performed a comparative analysis of indirect and direct automobile loan applicants and other unsecured consumer loans to determine whether applicants with comparable qualifications received similar treatment. The sample included 28 denied female and 112 approved male applicants who applied for credit between January 1, 1996 and December 31, 1996.

V. COMMUNITY DEVELOPMENT

Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.

- **Norwest generally seeks out opportunities to participate in community development and redevelopment projects and programs within its delineated communities. However, the level of Norwest's participation has been limited and consists of small loans supporting affordable housing for LMI families.**

In 1995, Norwest provided two loans totaling \$30,000 to Habitat for Humanity Laramie County to construct affordable housing for low income families.

Assessment Factor K - The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.

- **Norwest's efforts to meet community credit needs are consistent with its size and resources. However, Norwest's efforts to address the community development needs of its communities is less than commensurate with its financial resources.**

Norwest has sufficient resources to meet the credit needs of its communities. The bank also has access to additional resources through its Norwest affiliates, including NMI, Norwest Investment Services, Inc., Norwest Funding, Inc., and Norwest Business Credit, Inc. There are no other legal impediments or factors that limit the bank's efforts.

Assessment Factor L - Any other factors that, in the regulatory authority's judgement, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.

- **Norwest has engaged in other meaningful activities that contribute to its efforts to help meet the credit needs of its communities.**

Norwest provided technical assistance to five community service organizations to obtain funding which totaled \$775,000 from the Federal Home Loan Bank (FHLB) of Seattle. Bank managers helped to prepare and submit the applications to the FHLB on behalf of these groups. The funds were used to build or purchase housing targeted to LMI families within the delineated communities.

Norwest supports nonprofit organizations that benefit LMI families and small business and farms through direct financial contributions and by providing technical expertise. Examples of this support includes bank management serving on boards of directors, providing speakers for financial and economic development topics, and consumer credit counseling.

ADDITIONAL INFORMATION

Examination Profile

The scope of our examination primarily consisted of an analysis of the bank's 1995 and 1996 CRA performance. We reviewed information prepared by bank management and obtained through contacts with community groups and government offices.

Home Mortgage Disclosure Act

Federal law requires Norwest to gather home loan data for the MSA Norwest serves. Individuals may obtain this information from the following offices:

Casper, Wyoming MSA #1350

Patty Paterson
Natrona County Public Library
307 East Second Street
Casper, WY. 82601
(307) 237- 4935

Cheyenne, Wyoming MSA # 1580

William D. Sanchez
Community Development Administrator
Cheyenne Planning Office
2101 Oneil Ave.
Cheyenne, Wyoming 82001
(307) 637 - 6252

The Office of the Comptroller of the Currency (OCC) is the regulatory agency responsible for the supervision of this bank. If you should have comments regarding this bank's performance under the CRA or questions regarding the Act, contact the OCC Midwestern District Office, 2345 Grand Boulevard, Suite 700, Kansas City, Missouri 64108.