



PUBLIC DISCLOSURE

June 4, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Zions Bancorporation, N.A. (Zions)
Charter Number 4341
One South Main Street
Salt Lake City, UT 84133

Office of the Comptroller of the Currency
Midsize Bank Supervision
425 South Financial Place, Suite 2700
Chicago, IL 60605

NOTE: This document is an evaluation of this bank'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 bank. This evaluation is not, and should not be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial bank.

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Overall CRA Rating

Bank's CRA Rating: This bank is rated Satisfactory.

The following table indicates the performance level of Zions with respect to the Lending, Investment, and Service Tests:

Performance Levels	Zions 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 reflect good responsiveness to assessment area (AA) credit needs.
- ☐ The geographic distribution of loans reflects good penetration throughout the AAs.
- ☐ The distribution of borrowers, given the product lines offered by the bank, reflects poor penetration among retail customers of different income levels, and business customers of different size.
- ☐ The bank has made an adequate level of community development loans.
- ☐ The bank has a significant level of qualified community development investments and grants, and exhibits good responsiveness to credit and community needs.
- Branches are accessible to essentially all portions of the bank's AAs and in low-and moderate-income geographies and/or to low- and moderate-income (LMI) individuals.
- ☐ The bank provides an adequate level of 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 metropolitan 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 generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under the Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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 conduct 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 applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn, 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 bank 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 five years and used to determine the income level category of geographies. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) 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 Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties 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 bank collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data a bank 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: Any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A state or multi-state metropolitan area. For a bank with domestic branches in only one state, the bank's CRA rating would be the state rating. If a bank maintains domestic branches in more than one state, the bank will receive a rating for each state in which those branches are located. If a bank maintains domestic branches in two or more states within a multi-state metropolitan area, the bank 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) 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 at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Description of Bank

Zions Bancorporation, N.A. (“Zions” or “the bank”), formerly known as Zions First National Bank (ZFNB), is a midsize, interstate bank headquartered in Salt Lake City, Utah. Zions was a subsidiary of Zions Bancorporation (ZBC), the bank holding company that was also headquartered in Salt Lake City. As of September 30, 2018, the holding company was successfully merged into the operating bank entity, which has no impact on the bank’s evaluation. As of December 31, 2017, Zions had total assets of \$66.3 billion, total loans of \$44.3 billion, and Tier 1 Capital of \$6.7 billion.

Zions operates 438 branches and 508 deposit-taking automated teller machines (ATMs) throughout 11 western states. Zions is comprised of seven banks that consolidated into the Zions First National Bank charter on January 1, 2016. Prior to December 31, 2015, ZBC operated five, separate national chartered banks and two separate state chartered banks, which included Amegy Bank of Texas (ABT), National Bank of Arizona (NBAZ), Vectra Bank Colorado (VBC), The Commerce Bank of Washington (TCBW), ZFNB, California Bank & Trust (CBT), and Nevada State Bank (NSB). Six of the other bank charters were dissolved and are now divisions of Zions (formerly ZFNB). Each bank charter maintained their local brand in the states they are located; ZFNB is located in Utah, Idaho, and Wyoming; ABT is located in Texas; CBT is located in California; NBAZ is located in Arizona; NSB is located in Nevada; VBC is located in Colorado and New Mexico; and TCBW is located in Washington and Oregon. Zions defined 46 AAs across 11 states; refer to appendix B for a summary of the AAs and respective counties. The bank’s most significant presence is in California, Texas, and Utah, where the bank operates 265 branches and 317 ATMs.

As of December 31, 2017, the bank reports total deposits of \$52.9 billion, with 72.79 percent of deposits coming from customers in California, Texas, and Utah. Performance in these three states were more heavily weighted as they represent over 66.85 percent of the Zions’ total HMDA lending and 69.48 percent of the Zions’ small business lending. The Woodlands-Sugar Land MSA, Los Angeles-Long Beach-Anaheim MSA, and Salt Lake City MSA AAs provide Zions nearly half of the bank’s total deposits. Of the 19 full-scope markets, these three AAs represent 30.82 percent of the Zions’ total number of branches. These three AAs also represent 31.94 percent of the Zions’ total HMDA lending and 30.89 percent of the Zions’ small business lending in the full scope markets. Please refer to the rating section of this PE for further information.

Zions is a full-service financial institution that offers a comprehensive array of banking, trust, investment, leasing, mortgage, and cash management products and services to commercial enterprises of all sizes and individual customers. Zions is the only locally headquartered bank in Utah, with a statewide network of branches. Zions’ primary focus is commercial banking with an emphasis on small business lending.

Zions competes with many national banks, state banks, and credit unions for deposit market share. Zions offers a variety of deposit products to businesses and individuals. Deposit products include checking, savings, and money market deposit accounts, certificates of deposits, and other time deposits. Zions offers additional retail services including check cashing, direct deposit, online bill payment and funds transfer, mobile banking, and telephone banking.

Consumer loan products include conventional mortgages, home equity loans, lines of credit, credit cards, personal loans, and automobile loans. Business loan products include term loans, lines of credit, SBA loans, loans for equipment leases, and credit cards. The bank has ranked first in Small Business Administration (SBA) lending 7(a) loans for several years in Utah and Idaho. Zions also leads all other financial institutions in Utah and Idaho in marketing SBA loans to women- and minority-owned businesses. Home mortgage lending, while part of the bank's lending strategy, is not a primary emphasis.

Zions offers trust, wealth, fiduciary, investment, and capital market services to customers through Zions affiliates. Zions Trust provides issuing and paying agent and trust account services. Zions Direct specializes in providing security services to customers who invest in mutual funds, exchange-trading funds, stocks, and options online or through financial representatives. Zions Direct customers can open brokerage, IRAs, margin, and trust accounts. Zions Capital Markets provides U.S. Treasuries, securities (government sponsored, guaranteed, and mortgage backed), municipal bonds, corporate bonds, and money market products.

There are no known legal, financial, or other factors impeding Zions' ability to meet the credit needs within its AAs.

The previous CRA Evaluations were conducted before the charter consolidation in January 2016. Therefore, each bank received a CRA Evaluation. Previous CRA Evaluation ratings are reflected below:

Bank Affiliate	States	Last Evaluation	Rating	Regulator
Amegy Bank of Texas	TX	2014	Satisfactory	OCC
California Bank & Trust	CA	2015	Outstanding	FDIC
National Bank of Arizona	AZ	2012	Satisfactory	OCC
Nevada State Bank	NV	2014	Satisfactory	FDIC
The Commerce Banks	WA & OR	2010/2011	Satisfactory	OCC
Vectra Bank Colorado	CO & NM	2012	Satisfactory	OCC
Zions First National Bank	UT, ID & WY	2015	Satisfactory	OCC

Scope of the Evaluation

Evaluation Period/Products Evaluated

For the Lending Test, we analyzed home purchase, home improvement, and home refinance mortgage loans that the bank reported under the HMDA, and small loans made to businesses and small loans to farms the bank reported under the CRA. All loan types were reviewed for the period of January 1, 2015 through December 31, 2017. Due to the bank's consolidation activity during the examination cycle, the state ratings for Arizona, California, Colorado, Nevada, New Mexico, Oregon, Texas, and Washington have an evaluation period start date of January 1, 2016 through December 31, 2017 for all CRA reportable activity. Multifamily loans were not a primary loan product; therefore, we did not evaluate this product separately. However, we did consider multifamily loans meeting the CD definition as part of the evaluation of CD lending. Primary loan products, for purposes of this review, were products in which the bank originated at least 20 loans within an AA during one or more of the analysis periods within the overall evaluation period.

In our evaluation under the Lending Test geographic distribution and borrower income criteria, we performed separate analyses of 2015 through 2016 data and 2017 data. This was due to changes between the 2015 U.S. Census American Community Survey. Performance Tables 1 through 12 in appendix D include only data covered by the analysis period receiving the greatest weight, namely 2017. The evaluation period for CD loans, the Investment Test, and the Service Test was July 28, 2015 through December 31, 2017.

Home purchase loans were not a primary loan product in the states of New Mexico, Oregon, Washington, and Wyoming. Home improvement loans were not a primary product in the states of Arizona, California, Colorado, New Mexico, Oregon, Washington, and Wyoming. Home refinance loans were not a primary product in the states of New Mexico, Oregon, Washington, and Wyoming. Small loans to farms were not a primary loan product in the states of California, Colorado, Nevada, New Mexico, Oregon, Texas, and Washington.

We used deposit information for the bank, reported to the FDIC, as of June 30, 2017.

Inside/Outside Ratio

The ratio is a bank-wide calculation and not calculated by individual rating area or AA. The analysis is limited to bank originations and purchases and does not include any affiliate data. For the combined three-year evaluation period, Zions originated a substantial majority of all loan products inside the bank's AAs (95.8 percent). The percentages of loans made inside the AAs, by loan type, are as follows: home mortgage loans (94.2 percent), small loans to businesses (96.8 percent) and small loans to farms (80.2 percent).

Selection of Areas for Full-Scope Review

In each state where the bank has an office, a sample of AAs was selected for full-scope reviews. Full-scope reviews consider quantitative and qualitative factors, as well as performance context factors. Limited-scope reviews consider quantitative factors only. Refer

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

Ratings

The bank’s overall rating is a blend of the state ratings. The state ratings are based primarily on those areas that received full-scope reviews. Refer to the “Scope” section under each State Rating section for details regarding how ratings were determined. The California, Texas, and Utah State rating areas carried the greatest weight in our conclusions because these states represented the bank’s most significant market in terms of deposit concentration, branch distribution, and reportable loans. As of June 30, 2017, deposits in California, Texas, and Utah comprised 72.79 percent of Zions’ total deposits and 60.50 percent of the bank’s branch locations. Additionally, 68.17 percent of reportable loan originations were generated in these states.

For the Lending Test, this evaluation analyzed performance from 2015 through 2016 and 2017. We placed more emphasis on performance in 2017 for the AAs impacted by the 2015 U.S. Census American Community Survey changes to reach our performance conclusions. The 2017 time period is more reflective of the bank’s current performance considering the charter consolidations occurred during the 2015 through 2016 time period. When evaluating the bank’s lending, we placed the most weight on small business lending. Small business lending accounted for 81.10 percent of total bank originations throughout the evaluation period. An emphasis on small business lending is consistent with the bank’s strategic focus.

Other Performance

Retail Banking Services

Our analysis of retail branches was primarily focused on the current distribution of the bank’s branches in low- and moderate-income geographies. For some AAs, we also considered branch locations in middle- or upper-income areas that were in close proximity to a low- or moderate-income geography. Proximity ranged from across the street to two miles away. We evaluated several factors to determine that these branches served individuals in these geographies. This included the likelihood that the areas surrounding the branches offered residents and businesses of the nearby low- or moderate-income geographies additional amenities or public services, such as post offices, grocery stores, strip malls, or “big box” stores. We confirmed whether the locations were along major transportation routes readily accessible by car in rural areas, or public transportation in urban areas. Finally, we reviewed maps comparing branch locations to Zions retail and small business customer locations to demonstrate these branches were serving individuals and businesses in the low- and moderate-income geographies.

Community Development Services

Zions’ officers and employees provided approximately 2,630 hours to Junior Achievement, a program primarily focused on teaching young people about the importance of money management, workforce readiness, and entrepreneurial thinking. The majority of students in this program are low-income. This program was provided in the following AAs: Boise MSA,

Las Vegas MSA, Los Angeles MSA, Phoenix MSA, Reno MSA, Riverside MSA, Sacramento MSA, Salt Lake MSA, San Diego MSA, and Denver MSA. A significant number of the bank's officers and employees participated as financial literacy instructors.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this bank has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this bank engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC, before the end of the bank's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Arizona

CRA Rating for Arizona¹: **Satisfactory**
 The lending test is rated: **Low Satisfactory**
 The investment test is rated: **High Satisfactory**
 The service test is rated: **High Satisfactory**

The major factors that support this rating include:

- ☐ Lending levels reflect good responsiveness to AA credit needs.
- ☐ The geographic distribution of loans reflects good penetration throughout the AAs.
- ☐ Overall distribution reflects poor penetration. Given the product lines offered by the bank, the distribution of borrowers reflects adequate penetration among retail customers of different income levels and poor penetration of business customers of different size.
- ☐ The bank has made an adequate level of community development loans.
- ☐ The bank has made a significant level of qualified community development investments and grants, which exhibits good responsiveness to credit and community needs.
- Branches are accessible to essentially all portions of the bank's AAs and to individuals of low- and moderate-income income levels.
- ☐ The level of community development services is adequate.

Description of Bank's Operations in Arizona

Zions has eight AAs comprised of 15 counties within the state of Arizona. This includes; Coconino County in the Flagstaff MSA; Mohave County in the Lake Havasu City-Kingman MSA; Maricopa and Pinal Counties comprised the Phoenix-Mesa-Scottsdale MSA; Yavapai County in the Prescott MSA; Cochise County in the Sierra Vista-Douglas MSA; Pima County in the Tucson MSA; and Yuma County in the Yuma MSA. The AZ Non-MSA is comprised of seven counties that include Apache, Gila, Graham, Greenlee, La Paz, Navajo, and Santa Cruz counties. These non-metropolitan areas were combined for analysis purposes.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$4.7 billion in deposits in Arizona, which represented 9.03 percent of the bank's total deposits. The bank made 7.98 percent of its total evaluation period HMDA and CRA loans in Arizona.

1

Zions had 59 office locations and 61 deposit-taking ATMs within the state. The bank ranked fifth in deposit market share with 3.82 percent. Primary competitors include JP Morgan Chase Bank National Association, Wells Fargo Bank National Association, Bank of America National Association, and Western Alliance Bank. There were 67 FDIC insured depository institutions within the state of Arizona.

Refer to the community profiles for the state of Arizona in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Arizona

The Flagstaff MSA was selected for analysis using full-scope procedures because the AA has not had a full-scope review in previous evaluations. In addition, the deposit market share indicates the bank is important to this area. The Phoenix-Mesa-Scottsdale MSA was selected for analysis using full-scope procedures because the AA had the largest percent of the bank's deposits, loans, and branches within the rating area.

The Lake Havasu City-Kingman MSA, Prescott MSA, Sierra Vista-Douglas MSA, Tucson MSA, Yuma MSA, and AZ Non-MSA were chosen for limited-scope review due to the bank's limited presence in the AAs.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF ARIZONA

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Arizona is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Phoenix-Mesa-Scottsdale MSA is good and in the Flagstaff MSA is adequate.

Lending Activity

Overall lending activity in the state of Arizona is good, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is good.

Refer to Tables 1 Lending Volume in the state of Arizona section of appendix D for the facts and data used to evaluate the bank's lending activity.

Flagstaff MSA

Zions' overall lending activity in the Flagstaff MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, the bank had \$315.7 million in deposits with a deposit market share of 17.23 percent. Zions ranked second in total deposits out of eight banks in the AA and in the top 25 percent of banks in deposit market share. The bank originated 95 home mortgage loans and 698 small business loans during the evaluation period. Small business lending represented 88.02 percent of reportable lending activity in the AA.

According to 2016 peer mortgage data, Zions ranked in the top 14.51 percent of lenders (28 out of 193 lenders) originating home purchase loans in the AA. Zions' home purchase market share of 0.58 percent is less than their overall deposit market share. The bank ranked in the top 10 percent of lenders (20 out of 200 lenders) originating home refinance loans in the AA. Zions' home refinance market share of 1.22 percent is less than their overall deposit market share.

According to 2016 peer small business data, Zions ranked in the top 7.27 percent of small business loan originations in the AA. Zions ranked fourth out of 55 lenders originating small business loans in the AA. Zions' 10.91 percent market share of small business loan originations is less than their overall deposit market share. The top five small business lenders had a combined market share of 67.11 percent of all small business loan originations.

Phoenix MSA

Zions' overall lending activity performance in the Phoenix MSA is good. Based on FDIC market share data as of June 30, 2017, Zions had \$1.8 billion in deposits with a deposit market share of 1.97 percent. The bank ranked ninth in total deposits out of 60 banks in the AA. Zions ranked in the top 15 percent of banks in deposit market share. Zions originated 544 mortgage loans and 3,219 small business loans in through the evaluation period. Small business lending represented 85.54 percent of reportable lending activity. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, the bank ranked in the top 18.51 percent of lenders (129 out of 697 lenders) originating home purchase loans in the AA. Zions' home purchase market share of 0.08 percent is less than their overall deposit market share. The bank ranked in the top 18.89 percent of lenders (116 out of 614 lenders) originating home refinance loans in the AA. Zions' home refinance market share of 0.11 percent is less than their overall deposit market share.

According to 2016 peer small business data, the bank ranked in the top 6.40 percent of small business loan originations in the AA. Zions ranked 13th out of 203 lenders originating small business loans. Zions had a 1.22 percent market share of small business loan originations. Zions' market share of small business loan originations is less than their overall deposit market share. The top five small business lenders had a combined market share of 73.81 percent of all small business loan originations. Many of the banks ranked ahead of Zions for small business loan originations are nationwide lenders with large credit card portfolios.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was adequate.

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

Flagstaff MSA

In evaluating the geographic distribution of home loans in the AA, it is important to note that there are no low-income census tracts in the 2010 U.S. Census; however, changes were made in the income designation of the CTs in 2017 and a tract was designated as low-income.

The overall geographic distribution of home purchase loans was poor. In 2017, the percentage of home purchase loans in moderate-income CTs was near to the aggregate. However, the percentage of these loans in these CTs was significantly below the percentage of owner-occupied units. Furthermore, the bank's geographic distribution of home purchase loans during 2015 through 2016 was poor. The bank did not originate any home purchase loans in moderate-income CTs during this review period.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was adequate. In 2017, the bank did not originate or purchase a sufficient number of home refinance loans to perform a meaningful analysis. In 2015 through 2016, the percentage of loans in moderate-income CTs exceeded the aggregate and was well below the percentage of owner-occupied units.

Phoenix-Mesa-Scottsdale MSA

The overall geographic distribution of home purchase loans was poor. The bank did not make any loans in low-income CTs. In 2017, the distribution of loans in moderate-income CTs was below both the aggregate and the percentage of owner-occupied units. Performance in 2015 through 2016 was weaker than that in 2017. During the 2015 through 2016 review period, the bank did not originate any home purchase loans in low-income CTs. The percentage of loans in moderate-income CTs was significantly below both the aggregate and the percentage of owner-occupied units, which was very poor.

The overall geographic distribution of home improvement loans was adequate. In 2017, the percentage of loans in low- and moderate income CTs exceeded the aggregate. The distribution of loans was below the percentage of owner-occupied units in low-income CTs and near to the percentage of owner-occupied units in moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The bank did not originate or purchase any home improvement loans in low-income CTs. However, the distribution of home improvement loans

in moderate-income CTs exceeded the aggregate and was below the percentage of owner-occupied units.

The overall geographic distribution of home refinance loans was adequate. In 2017, the distribution of home refinance loans in both low- and moderate-income CTs exceeded the aggregate. The percentage of loans was below the percentage of owner-occupied units in low-income CTs, but was near to the percentage of owner-occupied units in moderate-income CTs. The distribution of home refinance loans in 2015 through 2016 was weaker than in 2017. The bank did not originate or purchase any home refinance loans in low-income CTs. The percentage of loans in moderate-income CTs was below the aggregate and significantly below the percentage of owner-occupied units.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was excellent.

Refer to Table 6 in the state of Arizona 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.

Flagstaff MSA

In evaluating the geographic distribution of small loans to businesses in the AA, it is important to note that under the 2010 U.S. Census, no low-income census tracts exist.

The overall geographic distribution of small loans to businesses was excellent. The percentage of small loans to businesses exceeded both the aggregate and the percentage of small businesses for both the 2017 and 2015 through 2016 review periods.

Phoenix-Mesa-Scottsdale MSA

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses in low- and moderate-income CTs exceeded both the aggregate and the percentage of businesses in these CTs. The bank's geographic distribution of small business loans in 2015 and 2016 was consistent with 2017 performance.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms (farms with gross annual revenues of \$1 million or less) was adequate.

Refer to Table 7 in the state of Arizona 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 farms.

Flagstaff MSA

The bank did not originate or purchase a sufficient number of small loans to farms in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

Phoenix-Mesa-Scottsdale MSA

The geographic distribution of small loans to farms was adequate. In 2017, the percentage of loans exceeded the aggregate in low-income CTs and was near to the aggregate in moderate-income CTs. In addition, the percentage of loans exceeded the percentage of small farms and was below the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was weaker than 2017. The percentage of loans in low-income CTs was below the aggregate in low-income CTs and was well below the aggregate in moderate-income CTs. In addition, the percentage of loans in both low- and moderate-income CTs was below the percentage of farms in those CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower**Home Mortgage Loans**

Overall, the borrower distribution of home mortgage loans was adequate.

Refer to Tables 8, 9, and 10 in the state of Arizona 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.

Flagstaff MSA

The overall borrower distribution of home purchase loans was poor. In 2017, the bank did not make any home purchase loans to low-income borrowers. The percentage of home purchase loans to moderate-income borrowers was significantly below both the aggregate and the percentage of moderate-income families. In 2015 through 2016, performance was stronger than in 2017. The bank did not make any home purchase loans to moderate-income borrowers. The percentage of home purchase loans to low-income borrowers exceeded the aggregate; however, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was very poor. In 2017, the bank did not originate or purchase any home refinance loans. In 2015 through 2016, the percentage of

home refinance loans to low- and moderate-income borrowers was well below the aggregate and significantly below the percentage of moderate-income families.

Phoenix-Mesa-Scottsdale MSA

The overall borrower distribution of home purchase loans was adequate. In 2017, the percentage of home purchase loans to both low- and moderate-income borrowers exceeded the aggregate. However, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families, while the percentage of loans to moderate-income families exceeded the percentage of moderate-income families. In 2015-2016, performance was significantly weaker than in 2017. The bank did not make any home purchase loans to low-income borrowers and the percentage of loans to moderate-income borrowers was significantly below both the aggregate and the percentage of moderate-income families.

The overall borrower distribution of home improvement loans was good. In 2017, the percentage of home improvement loans to both low- and moderate-income borrowers exceeded the aggregate. However, the percentage of loans originated to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans originated to moderate-income families exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home improvement loans to low-income borrowers exceeded the aggregate and the percentage of loans to moderate-income borrowers was below the aggregate. In addition, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families.

The overall borrower distribution of home refinance loans is adequate. In 2017, the percentage of home refinance loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015-2016 was significantly weaker than in 2017. The percentage of home refinance loans to low-income borrowers was significantly below the aggregate and the percentage of loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was very poor.

Refer to Table 11 in the state of Arizona 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.

Flagstaff MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses was well below the aggregate and significantly below the percentage of small businesses. Performance during 2015 through 2016 was better than in 2017. The percentage of loans to small businesses was below the aggregate and significantly below the percentage of small businesses in this AA.

Phoenix-Mesa-Scottsdale MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of loans to small businesses was significantly below both the aggregate and the percentage of small businesses. In 2015 through 2016, performance was better than in 2017. The percentage of small loans to businesses was below the aggregate, and significantly below the percentage of small businesses.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms (farms with gross annual revenues of \$1 million or less) was very poor.

Refer to Table 12 in the state of Arizona section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

Flagstaff MSA

The bank did not originate or purchase a sufficient number of small loans to farms during either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

Phoenix-Mesa-Scottsdale MSA

The overall borrower distribution of loans to small farms in the Phoenix-Mesa-Scottsdale MSA was very poor. In 2017, the percentage of small loans to small farms was significantly below the aggregate and the percentage of small farms in the AA. In 2015 through 2016, the percentage of loans to small farms was well below the aggregate and significantly below the percentage of small farms.

Community Development Lending

Zions' CD lending performance had a neutral impact on the overall evaluation of its lending performance in the state of Arizona. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Flagstaff MSA

The volume of CD lending was poor and had an overall neutral impact on the overall lending test performance in the AA. During the evaluation period, Zions originated one CD loan totaling \$100 thousand, or 0.25 percent of Tier 1 Capital allocated to the AA.

Zions' CD loan was dedicated to community service. The loan was a revolving line of credit provided to a nonprofit health center, which provides services to uninsured and underinsured families on a sliding scale based on federal poverty levels.

Phoenix-Mesa-Scottsdale MSA

The volume of CD lending was excellent and had a positive impact on the lending performance in the AA. During the evaluation period, Zions originated 11 CD loans totaling \$30.9 million, or 13.69 percent of Tier 1 Capital allocated to the AA. Zions originated four CD loans totaling \$13.7 million dedicated to affordable housing, which was responsive to identified community needs in the AA.

Examples of CD loans originated during the evaluation period include:

- \$13 million loan to rehabilitate a 332-unit apartment complex. This apartment complex provides 295 units of affordable housing. This apartment complex has 89 percent of units considered for affordable housing.
- Two revolving lines of credit totaling \$650 thousand to meet working capital needs of an organization that provides 217 units of affordable housing for low-income seniors, which is located within a moderate-income CT.
- \$2 million loan to a nonprofit serving the homeless population, veterans, and low-income persons. This organization provides temporary shelter for homeless individuals and families. The organizations also provides job training for the homeless, including an outreach program targeted to veterans. This organization also provides early childhood development services to low-income families. This organization is located within a moderate-income CT.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Yuma MSA is consistent with the bank's overall Satisfactory performance under the Lending Test in Arizona. In the Tucson MSA the bank's performance is stronger than the bank's overall performance in the state. The CD lending performance was significantly positive in the Yuma MSA and Tucson MSA. In the Lake Havasu City-Kingman MSA, Prescott MSA, Sierra Vista-Douglas MSA, and AZ Non-MSA the bank's performance is weaker than the bank's overall performance in the state, due to the overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of Arizona section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Arizona is rated High Satisfactory. Zions' performance in the full-scope Flagstaff MSA is excellent, and good in the Phoenix-Mesa-Scottsdale MSA. Investments across Arizona had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Flagstaff MSA

Zions made an excellent dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$4.3 million, with current period investments totaling \$3.3 million and prior period investments of \$972 thousand. Investments benefiting the AA during the evaluation represented 10.62 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested \$3.3 million in Qualified Zone Academy Bond for energy conservation measures benefiting school districts serving low- and moderate-income students.

Zions also made six grants totaling \$32 thousand to various organizations within the AA that provide affordable housing, community services, and economic development. Zions' dollar volume of qualified contributions reflects their commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- \$18 thousand in grants to a nonprofit housing agency, which provides temporary shelter and affordable rental housing for LMI individuals as well as homebuyer pre-purchase assistance, credit counseling, and foreclosure prevention assistance.
- \$6 thousand grant to a nonprofit organization, which provided small business education and grants.

Phoenix-Mesa-Scottsdale MSA

Zions made a good dollar volume of qualified investments. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$12.6 million, with current period investments totaling \$347 thousand and prior period investments of \$12.3 million. Investments benefiting the AA during the evaluation represented 5.57 percent of allocated Tier 1 Capital.

During the evaluation period, Zions made 58 grants totaling \$347 thousand to various organizations within the AA that provide community services, affordable housing, economic

development, and revitalization or stabilization. Zions' dollar volume of qualified contributions reflects their commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- \$39 thousand in grants to a nonprofit organization, which serves as an intermediary between local nonprofit partners and the resources. The partners transform underserved neighborhoods into thriving communities of opportunity and choice.
- \$35 thousand in grants to an organization, which serves homeless families by providing temporary shelter and social programs to assist families with transitioning out of poverty and homelessness.
- \$20 thousand in grants to a nonprofit organization, which is a self-help developer of affordable homeownership opportunities for low- and moderate-income individuals and families. The organization provides financial education and low-cost loans to eligible homebuyers. The eligible homebuyer assists in building the house and simultaneously learns skills to maintain and repair the home.

Arizona Statewide

In addition to the \$58.1 million in qualified investments in the bank's AAs, Zions made six statewide qualified investments totaling \$563 thousand during the evaluation period in activities that had a purpose, mandate or function that serves one or more of the bank's AAs. In addition, the bank made 18 prior period statewide investments that serve one or more of the bank's AAs with a book value of \$16.7 million outstanding through the evaluation period. Statewide investments included qualifying mortgage-backed securities, small business investment corporation (SBIC) securities benefiting LMI borrowers or small businesses across the state, and an investment in a Community Development Financial Institution's (CDFI) affording housing loan fund. When considering these and other investments in the full- and limited-scope areas, the \$75.3 million of qualified investments in the AAs and across the state represented 12.40 percent of total Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling \$16 million in four SBICs. The bank also had one prior period nationwide investment with a book value of \$467 thousand that remained outstanding through the evaluation period. This is an investment in a CDFI's loan fund for economic development in multiple states.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Tucson MSA and the Yuma MSA is stronger than Arizona's overall High Satisfactory Investment Test performance due to significantly higher levels of current period or outstanding prior period investments. Performance in the AZ Non-MSA, Lake Havasu City-Kingman-MSA, and the Prescott MSA is consistent with the bank's overall Investment Test performance. Performance in the Sierra Vista-Douglas MSA is weaker than the state's overall Investment Test performance due to the lack of investment or grants, and is considered very poor.

Refer to the Table 14 in the state of Arizona section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Arizona is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Flagstaff MSA and Phoenix-Mesa-Scottsdale MSA is good.

Retail Banking Services

Refer to Table 15 in the state of Arizona 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.

Flagstaff MSA

Branch distribution in the AA is adequate when considering near to branches. Branches are readily accessible to all portions of the AA. Zions operates four branches in the Flagstaff MSA with no branches located in low- or moderate-income CTs. Two branches located in middle- and upper-income geographies are near to and directly adjacent to a low- and moderate-income CTs. Analysis reflects that 26 percent of bank customers in these two branches reside in low- and moderate-income CTs. When considering these near to branches, performance improved in the AA.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Phoenix-Mesa-Scottsdale MSA

Branch distribution in the AA is good when considering near to branches. Branches are readily accessible to all portions of the AA. Zions operates 19 branches in the Phoenix-Mesa-Scottsdale MSA, with no branches located in low-income CTs. Four of the 19 branches are located in a moderate-income CT. The percentage of branches in moderate-income CTs is near to the percentage of population in moderate-income CTs. Six branches located in middle- and upper-income geographies are near to and directly adjacent to a low- and moderate-income CTs. These branches provide services to a large percentage of low- and moderate-

income individuals. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. The bank closed five branches during the evaluation period; the branches were located in one middle-income, one moderate income, two upper income, and one non-income CT. The moderate-, middle-, two upper-, and a non-income CT branches closed due to minimal transaction volumes and poor profitability. In addition, poor visibility contributed to the bank's decision to close the moderate-income branch closed.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Flagstaff MSA

Zions' performance in providing community development services in the Flagstaff MSA is adequate. During the evaluation period, two employees provided their expertise to one organization for a total of 196 hours. Both employees served as board members for the organization. The organization provides building opportunities for sustainable, affordable housing in Northern Arizona.

Phoenix-Mesa-Scottsdale MSA

Zions' performance in providing community development services in the Phoenix-Mesa-Scottsdale MSA is adequate. During the evaluation period, 51 employees provided their expertise to 20 organizations for a total of 1,282 hours. Zions' employees participated as either board or committee members, or financial instructors.

Examples of CD services provided by employees during the evaluation period include:

- ☐ An employee served as a committee member for a nonprofit whose purpose is to connect small business owners with the financing and support to create and grow healthy businesses. The organization economically empowers micro-entrepreneurs and low-income earners by providing financial services.
- ☐ An employee served as a board member for an organization that provides shelter for abused children. The organization also provides daycare, administers foster care matching and instruction and provides education for low-income families.
- ☐ An employee served as a board member for an organization dedicated to building, renovating, and repairing simple and affordable homes for LMI individuals and families.

- An employee served as a board member of a nonprofit organization dedicated to improving economic and personal financial literacy to low income individuals and families in Arizona.
- Bank employees taught financial education to various schools located in low- and moderate-income throughout the AA. The majority of students in this program participate in free or reduced lunch programs. Over 400 hours were dedicated to this program to teach young people about the importance of money management, workforce readiness, and entrepreneurial thinking.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Prescott MSA, Sierra Vista-Douglas MSA, and Yuma MSA is consistent with Arizona's overall High Satisfactory performance. In the AZ Non-MSA, Lake Havasu City-Kingman MSA, and Tucson MSA the bank's performance is weaker than the bank's overall performance in the state. The branch distribution was poor in the Lake Havasu City-Kingman MSA, and Tucson MSA. The branch distribution was very poor in the AZ Non-MSA.

Refer to Table 15 in the state of Arizona section of appendix D for the facts and data that support these conclusions.

State of California

CRA Rating for California²: Satisfactory
The lending test is rated: High Satisfactory
The investment test is rated: Low Satisfactory
The service test is rated: High Satisfactory

The major factors that support this rating include:

- ☐ Lending levels reflect good responsiveness to AA credit needs.
- ☐ The geographic distribution of loans reflects good penetration throughout the AAs.
- ☐ The distribution of borrowers reflects, given the product lines offered by the bank, poor penetration among retail customers of different income levels and business customers of different size.
- ☐ The bank has made a relatively high level of community development loans.
- ☐ The bank has made an adequate level of qualified investments that exhibited good responsiveness to AA credit and community needs.
- Branches are accessible to essentially all portions of the bank's AAs and to individuals of different income levels.
- ☐ The level of community development services is adequate.

Description of Bank's Operations in California

Zions has 10 AAs comprised of 14 counties within the state of California. The bank included Kern County in the Bakersfield MSA. The bank included Fresno County in the Fresno MSA. The Los Angeles-Long Beach-Anaheim MSA was comprised of Los Angeles and Orange Counties. The bank included Ventura County in the Oxnard-Thousand Oaks-Ventura MSA. The Sacramento-Roseville-Arden-Arcade MSA consists of the Riverside and San Bernardino Counties. The bank included San Diego County in the San Diego- Carlsbad MSA. The San Francisco-Oakland-Hayward MSA is comprised of the following counties, Alameda, Contra Costa, San Francisco, San Mateo, and Marin. The bank included the Santa Clara County in the San Jose-Sunnyvale-Santa Clara MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$10.8 billion in deposits in California, which represented 20.53 percent of the bank's total deposits. The bank made 10.28 percent of its total evaluation period HMDA and CRA loans in California.

Zions had 92 office locations and 99 deposit-taking ATMs within the state. The bank ranked 16th in deposit market share with 0.80 percent. Primary competitors include Bank of America National Association, Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, MUFG Union Bank National Association, and Citibank National Association. There were 217 FDIC insured depository institutions within the state of California.

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

Scope of Evaluation in California

The Los Angeles-Long Beach-Anaheim MSA was selected for analysis using full-scope procedures because it had the largest percent of the bank's deposits, loans, and branches within the rating area. The San Diego-Carlsbad MSA was chosen for full-scope procedures due to the high percentage of bank deposits and large volume of reportable loans generated in the rating area. The San Francisco-Oakland-Hayward MSA was selected for full-scope procedures, as it had not been reviewed as full-scope in most recent evaluation. The AA was chosen due to the high percentage of bank deposits and large volume of reportable loans generated in the rating area.

The Bakersfield MSA, Fresno MSA, Oxnard-Thousand Oaks-Ventura MSA, Sacramento-Roseville-Arden-Arcade MSA, San Jose-Sunnyvale-Santa Clara MSA were chosen for limited-scope review due to the bank's limited presence in the AAs.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF CALIFORNIA

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in California is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the San Diego- Carlsbad MSA is excellent. Lending performance in the Los Angeles-Long Beach-Anaheim MSA and San Francisco-Oakland-Hayward MSA is good.

Lending Activity

Overall lending activity in the state of California is good, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is good.

Refer to Tables 1 Lending Volume in the state of California section of appendix D for the facts and data used to evaluate the bank's lending activity.

Los Angeles-Long Beach-Anaheim MSA

Zions' overall lending activity in the Los Angeles-Long Beach-Anaheim MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had \$4.8 billion in deposits, with a deposit market share of 0.91 percent. Zions ranked 19th out of 125 banks in the AA. Zions ranked in the top 15.20 percent of banks in deposit market share. Zions originated 646 home mortgage loans and 4,153 small business loans through the evaluation period. Small business lending represented 86.54 percent of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 29 percent of lenders (212 out of 731 lenders) originating home purchase loans. Zions' home purchase market share of 0.05 was less than their deposit market share. The bank ranked in the top 16.20 percent of lenders (133 out of 821 lenders) originating home refinance loans in the AA. Zions had a 0.09 percent market share of home refinance loans. The bank's market share of home refinance loans was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 6.82 percent of lenders (15 out of 220 lenders) originating small business loans in the AA. Zions had a 0.36 percent market share of originations of small business loans. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 76.52 percent of small business loan originations. Many of the banks listed ahead of Zions are nationwide lenders with large credit card portfolios.

San Diego-Carlsbad MSA

Zions' overall lending activity in the San Diego-Carlsbad MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had \$3.3 billion in deposits with a deposit market share of 3.89 percent. Zions ranked seventh in total deposits out of 53 banks in the AA. Zions ranked in the top 13.21 percent of banks in deposit market share. Zions originated 313 home mortgage loans and 3,680 small business loans in throughout the evaluation period. Small business lending represented 92.16 of reportable lending activity. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 23.43 percent of lenders (134 out of 572 lenders) originating home purchase loans in the AA. Zions' home purchase market share of 0.09 percent was less than their deposit market share. The bank ranked in the top 24.58 percent of lenders (145 out of 590 lenders) originating home refinance loans in the AA. Zions' home refinance market share of 0.08 percent was less than their deposit market share.

According to 2016 peer small business data, Zions ranked tenth out of 162 lenders originating small business loans in the AA. Zions had a 1.37 percent market share of small business loan

originations. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 72.82 percent of all small business loan originations. Many of the banks listed ahead of Zions are nationwide lenders with large credit card portfolios.

San Francisco-Oakland-Hayward MSA

Zions' overall lending activity in the San Francisco-Oakland-Hayward MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had \$1.2 billion in deposits with a deposit market share of 0.32 percent. Zions' deposit market share ranked 21 out of 71 banks in the AA. Zions ranked in the top 29.58 percent of banks in deposit market share. Small business lending represented the majority of lending through the evaluation period. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 51.17 of lenders (133 out of 508 lenders) originating home purchase loans. Zions' market share of 0.01 percent of home purchase originations is less than their deposit market share. Zions ranked in the top 25.82 percent of lenders (166 out of 643 lenders) originating home refinance loans in the AA. Zions' market share of 0.06 percent of home refinance originations is less than their deposit market share.

According to 2016 peer small business data, Zions ranked nineteenth of 180 lenders originating small business loans in the AA. The bank is ranked in the top 10.56 percent of small business loan originations in the AA. Zions had a 0.23 percent market share of small business loan originations. Zions' market share of small business loan originations is less than their overall deposit market share. The top five small business lenders had a combined market share of 81.02 percent of all small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was adequate.

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/purchases.

Los Angeles-Long Beach-Anaheim MSA

The overall geographic distribution of home purchase loans was adequate. In 2017, the percentage of loans in both low- and moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in these CTs. In 2015 through 2016, performance was significantly weaker than in 2017. The bank made one home purchase loan in a low-income CT. The percentage of home purchase loans was well below the aggregate for loans originated in low-income CTs and significantly below the aggregate for loans originated in moderate-income CTs. The percentage of loans in low-income CTs was well below the

percentage of owner-occupied units in low-income CTs and significantly below the percentage of owner-occupied units in moderate-income CTs.

The bank did not originate or purchase sufficient home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was poor. In 2017, the percentage of home refinance loans was near to the aggregate in both low- and moderate-income CTs. The percentage of home refinance loans was well below the percentage of owner-occupied units in low-income CTs and below the percentage of owner-occupied units in moderate-income CTs. Performance in 2015 through 2016 was significantly weaker than in 2017. The percentage of home refinance loans in both low- and moderate-income CTs was significantly below both the aggregate and the percentage of owner-occupied units in these CTs.

San Diego-Carlsbad MSA

The overall geographic distribution of home purchase loans was good. In 2017, the percentage of home purchase loans in low-income CTs was significantly below the aggregate. However, the percentage of home purchase loans in moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs was well below the percentage of occupied units in low-income CTs and exceeded the percentage of owner-occupied units in moderate-income CTs. In 2015 through 2016, performance was stronger than in 2017. The percentage of loans exceeded the aggregate in low-income CTs and was near to the aggregate in moderate-income CTs. The percentage of bank loans exceeded the percentage of owner-occupied units in low-income CTs and was below the percentage of owner-occupied units in moderate-income CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was excellent. In 2017, the percentage of loans in low-income CTs was near to both the aggregate and the percentage of owner-occupied units. The percentage of home refinance loans in moderate-income CTs exceeded the aggregate and the percentage of owner-occupied units in these CTs. In 2015 through 2016, performance was stronger than in 2017. The percentage of loans in both low- and moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in these CTs.

San Francisco-Oakland-Hayward MSA

The overall geographic distribution of home purchase loans was poor. In 2017, the percentage of loans in low- and moderate-income CTs was significantly below the aggregate and the percentage of owner-occupied units in these CTs. In 2015 through 2016, performance was stronger than in 2017. The percentage of home purchase loans in low-income CTs exceeded the aggregate and the percentage of owner-occupied units. However, the percentage of loans in moderate-income CTs was significantly below both the aggregate the percentage of owner-occupied units in these CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was very poor. In 2017, the percentage of home refinance loans in low- and moderate-income CTs was well below the aggregate and significantly below the percentage of owner-occupied units in these CTs. In 2015 through 2016, performance was weaker than in 2017. The bank did not make any home refinance loans in low-income CTs. The percentage of loans in moderate-income CTs was significantly below the aggregate and the percentage of owner-occupied units.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was excellent.

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.

Los Angeles-Long Beach-Anaheim MSA

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses in low- and moderate-income CTs exceeded both the aggregate and the percentage of businesses in these CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

San Diego-Carlsbad MSA

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses in low- and moderate-income CTs exceeded both the aggregate and the percentage of businesses in these CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

San Francisco-Oakland-Hayward MSA

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses in both low- and moderate-income CTs exceeded both the aggregate and the businesses in these CTs. Performance in 2015 through 2016 was consistent with mirrored 2017 performance.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Overall, borrower distribution of home mortgage loans was poor.

Refer to Tables 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.

Los Angeles-Long Beach-Anaheim MSA

The overall borrower distribution of home purchase loans in the Los Angeles-Long Beach-Anaheim MSA was poor. In 2017, the bank did not make any home purchase loans to low-income borrowers. The percentage of loans to moderate-income borrowers exceeded the aggregate, but was significantly below the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The bank did not make any home purchase loans to low-income borrowers. The percentage of loans to moderate-income borrowers was below the aggregate and significantly below the percentage of moderate-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was poor. In 2017, the percentage of home refinance loans to both low- and moderate-income borrowers exceeded the aggregate, but was significantly below the percentage of low- and moderate-income families. Performance in 2015 through 2016 was significantly weaker than in 2017. The bank did not make any home refinance loans to low-income borrowers. The percentage of home refinance loans to moderate-income borrowers was significantly below the aggregate and the percentage of moderate-income families.

San Diego-Carlsbad MSA

The overall borrower distribution of home purchase loans in the San Diego-Carlsbad MSA was adequate. In 2017, the percentage of home purchase loans exceeded the aggregate for loans to both low- and moderate-income borrowers. The percentage of these loans was significantly below the percentage of low-income families, but was near to the percentage of moderate-income families. In 2015 through 2016, performance was weaker than in 2017. The bank did not make any home purchase loans to low-income borrowers. The percentage of loans to moderate-income borrowers substantially exceeded the aggregate and was below the percentage of moderate-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was poor. In 2017, the percentage of home refinance loans to low-income borrowers was well below the aggregate, but the

percentage of loans to moderate-income borrowers exceeded the aggregate for loans to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families; the bank made one loan to a low-income borrower. The percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The bank did not make any home refinance loans to low-income borrowers and the percentage of these loans to moderate-income borrowers was significantly below the aggregate and the percentage of moderate-income families.

San Francisco-Oakland-Hayward MSA

The overall borrower distribution of home purchase loans in the San Francisco-Oakland-Hayward MSA was very poor. In 2017, the bank did not make any loans to low-income borrowers. The percentage of home purchase loans to moderate-income borrowers exceeded the aggregate and was below the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The bank did not make any home purchase loans to either low- or moderate-income borrowers.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was poor. In 2017, the percentage of home refinance loans was below the aggregate for loans to low-income borrowers and significantly below the aggregate for loans to moderate-income families. The percentage of loans to both low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to low-income borrowers exceeded the aggregate. The percentage of these loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was very poor.

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.

Los Angeles-Long Beach-Anaheim MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of loans to small businesses was significantly below both the aggregate and the percentage of small businesses. In 2015 through 2016, performance was stronger than in 2017. The percentage of loans to small businesses was well below the aggregate and significantly below the percentage of small businesses in this AA.

San Diego-Carlsbad MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of loans to small businesses was significantly below both the aggregate and the percentage of small businesses. In 2015 through 2016, performance was stronger than in 2017. The percentage of loans to small businesses was well below the aggregate and significantly below the percentage of small businesses in this AA.

San Francisco-Oakland-Hayward MSA

The overall geographic distribution of loans to small businesses was poor. In 2017, the percentage of small loans to businesses below both the aggregate and the percentage of businesses. Performance in 2015 through 2016 mirrored 2017 performance.

Community Development Lending

Zions' CD lending performance had a significantly positive impact on the overall evaluation of its lending performance in the state of California, and elevates the overall rating to High Satisfactory. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Los Angeles-Long Beach-Anaheim MSA

The volume of CD lending was excellent and had a significantly positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated 41 CD loans totaling \$100.2 million, or 16.43 percent of Tier 1 Capital allocated to the AA. Zions originated 16 loans totaling \$57.7 million dedicated to affordable housing, which were responsive to identified needs in the AA.

Examples of CD loans originated during the evaluation period include:

- \$4.5 million loan dedicated to affordable housing. The loan was used to construct a 20 unit affordable housing complex located in a low-income CT.
- \$7.7 million for the acquisition of property and construction of an 82 unit affordable housing complex located in a moderate-income CT. This project, in consideration for federal tax credits, will have rent restrictions for 55 years based on the Area Median Income (AMI) for Orange County.
- \$1.1 million loan to refinance an 18-unit apartment complex considered for affordable housing by HUD and located in a low-income CT.

San Diego-Carlsbad MSA

The volume of CD lending was excellent and had a significantly positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated 36 CD loans totaling \$98.1 million, or 23.20 percent of Tier 1 Capital allocated to the AA. Zions originated six loans totaling \$15.3 million dedicated to affordable housing, which was responsive to identified needs in the AA.

Examples of CD loans originated during the evaluation period include:

- \$13.1 million participation loan dedicated to affordable housing. The proceeds from the loan went to build a 92-unit affordable housing complex, which is located in a low-income CT.
- \$1.1 million dollar loan dedicated to affordable housing. The bank participated on a larger project that developed 55-units of affordable housing, which is located in a moderate-income CT.
- Seven SBA 504 loans totaling \$10.1 million, which were dedicated towards economic development.
- \$39.1 million loan dedicated to community service. This loan was for a federally qualified nonprofit health center. This project is dedicated to improving the health and well-being of the most impoverished communities throughout San Diego County. The project is located in a moderate-income CT.

San Francisco-Oakland-Haywood

The volume of CD lending was excellent and had a significantly positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated 19 CD loans totaling \$56.4 million, or 38.33 percent of Tier 1 Capital allocated to the AA. Zions originated 10 CD loans totaling \$36.8 million dedicated to affordable housing, which was responsive to identified needs in the AA.

Examples of CD loans originated during the evaluation period include:

- Zions participated in seven loans with the City and County of San Francisco to convert public housing to the HUD pilot Rental Assistance Demonstration Program. The bank's participations totaled \$35.3 million. These loans will help with the acquisition and rehabilitation of 657 affordable housing units within the AA. One of these projects totaling 89 units is located in a low-income CT.
- \$1.5 million loan to refinance a 16-unit apartment building considered for affordable housing by HUD. This project is located in a low-income CT.
- Seven SBA 504 loans in the AA. The loans' primary purpose was economic development. Proceeds from the seven loans totaled \$18.6 million. Two loans totaling \$3.5 million originated in moderate-income CTs.

Broader Statewide

Zions also originated two loans totaling \$800 thousand that were originated in the broader statewide area. These loans had a neutral impact on the overall statewide rating.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Bakersfield MSA, Fresno MSA, Oxnard-Thousand Oaks-Ventura MSA, Sacramento-Roseville-Arden-Arcade MSA, and San Jose-Sunnyvale-Santa Clara MSA is weaker than the overall High Satisfactory performance under the lending test in California. The overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of California section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in California is rated Low Satisfactory. Zions' performance in the full-scope Los Angeles-Long Beach-Anaheim MSA and San Diego-Carlsbad MSA is adequate, and good in the San Francisco-Oakland-Hayward MSA. Investments across California, including the AAs, had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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.

Los Angeles-Long Beach-Anaheim MSA

Zions made an adequate dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$19.7 million, with current period investments totaling \$11.9 million and prior period investments of \$7.8 million. Investments benefiting the AA during the evaluation represented 3.23 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested \$6.6 million in three Low-Income Housing Tax Credit (LIHTC) funds benefitting affordable housing needs of the AA. This includes a \$4 million contribution to a \$94.3 million fund that will finance two affordable housing projects in the AA:

- A 12-unit property in for veterans and seniors. The project will operate under the HUD Section 8 and LIHTC programs, with HUD vouchers available on six units. These six units will serve homeless veterans, who will also have access to various supportive services through a nonprofit and the local Veteran's Administration (VA) office.
- Renovation of a 70-unit apartment project, which targeted to low- and moderate-income seniors. More than half of the units operate under the HUD Section 8 program, or as affordable units financed through the City.

Zions invested \$5 million in a private equity vehicle that provides capital to developers, or directly acquires projects nearing the tax credit compliance period. This investment involved a

59-unit affordable housing project for low-income seniors, which was originally financed with LIHTC equity proceeds in 1995.

Zions also made 78 grants totaling \$308 thousand to various organizations within the AA that provide affordable housing, community services, and economic development. Zions' dollar volume of qualified contributions reflects the bank's commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- \$33 thousand in grants to a nonprofit organization, which serves as an intermediary between local nonprofit partners and the resources these partners, need to transform underserved neighborhoods into thriving communities of opportunity and choice.
- \$43 thousand in grants to a nonprofit housing agency that develops, maintains, and preserves affordable homeownership opportunities for low- and moderate-income individuals. The organization also provides financial education to enable access to financing and ensure long-term success of homeownership.
- \$15 thousand in grants to four different Habitat for Humanity (HFH) affiliates serving the AA. HFH is a self-help developer of affordable homeownership opportunities for low- and moderate-income individuals and families. HFH provides financial education and low-cost loans to eligible homebuyers. The eligible homebuyer assists in building the house and simultaneously learns skills to maintain and repair the home.

San Diego-Carlsbad MSA

Zions made an adequate dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$9.4 million, with current period investments totaling \$8.7 million and prior period investments of \$731 thousand. Investments benefiting the AA during the evaluation represented 2.23 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested \$8.5 million in two LIHTC funds benefitting affordable housing needs of the AA:

- ☐ The bank contributed \$3.8 million in a \$10.7 million fund to develop a 52-unit affordable housing project for individuals with special needs. Thirty-eight units will be available for homeless persons/families with disabilities or serious illnesses, of which 26 units will be targeted to veterans.
- ☐ The bank contributed \$4 million in an \$87 million fund for the development or rehabilitation of affordable housing.
- ☐ The construction of a 32-unit apartment complex, which will be targeted to low-income special needs families. Twenty-five units will have a HUD Section 8 voucher. Residents will have access to an array of services and resources that will be provided by the nonprofit sponsor.
- ☐ Rehabilitation of an 80-unit senior apartment complex. The renovation will convert single room only units to studio units. The property benefits from a Section 8 contract on all revenue-producing units.

Zions also made 43 grants totaling \$194 thousand to various organizations within the AA that provide affordable housing, community services, economic development and revitalization or stabilization. Zions' dollar volume of qualified contributions reflects the bank's commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- A \$15 thousand grant to a nonprofit micro lending organization serving Southern California, which provides access to capital and educational resources for local entrepreneurs.
- A \$15 thousand grant to the San Diego Habitat for Humanity Funds, a self-help affordable housing developer.

San Francisco-Oakland-Hayward MSA

Zions made a good dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$6.5 million in current period investments and grants. Investments benefiting the AA during the evaluation represented 4.38 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested \$3.8 million in two LIHTC funds benefitting affordable housing needs of the AA:

- The bank contributed \$2.9 million in an \$87 million fund for the development of a 75 unit building for LMI seniors.
- The bank contributed \$950 thousand in a \$115 million LIHTC fund benefitting affordable housing needs.
- A 115-unit apartment complex targeting low- and moderate-income families.
- A 126-unit apartment complex, which currently operates under a Section 8 voucher for all units.

Zions invested \$2.5 million in a Small Business Investment Company (SBIC) security for small business development.

Zions also made 25 grants totaling \$121 thousand to various organizations within the AA that provide affordable housing, community services and economic development.

Examples of grants during the evaluation period include:

- \$11 thousand in grants to an organization which advocates for the right of low-income communities and communities of color to have fair and equal access to banking and other financial services.
- \$8 thousand in grants to a nonprofit organization that serves as an intermediary between local non-profit partners and the resources. These partners need to transform underserved neighborhoods into thriving communities of opportunity and choice.

California Statewide

Zions made statewide qualified investments totaling \$5 thousand during the evaluation period in activities that had a purpose, mandate or function that serves one or more of the bank's

AAs. In addition, the bank made 33 prior period statewide investments that serves one or more of the bank's AAs with a book value of \$33.6 million outstanding through the evaluation period. Statewide investments included qualifying mortgage backed securities, SBIC securities, and LIHTCs benefiting LMI individuals or small businesses across California. When considering these and other investments in the full- and limited-scope areas, the \$79.3 million of qualified investments in the AAs and across the state represented 5.74 percent of total Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling \$16 million in four SBICs. The bank also had one prior period nationwide investment with a book value of \$467 thousand that remained outstanding through the evaluation period. This is an investment in a CDFI loan fund for economic development in multiple states.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Riverside-San Bernardino-Ontario MSA and San Jose-Sunnyvale-Santa Clara MSA is stronger than California's overall Low Satisfactory Investment Test performance due to higher levels of current period or outstanding prior period investments. Performance in the Sacramento-Roseville-Arden-Arcade MSA is consistent with the bank's overall Investment Test performance. Performance in the Bakersfield MSA, Fresno MSA, and Oxnard-Thousand Oaks-Ventura MSA is weaker than the state's overall Investment Test performance due to limited investment or grants, and is considered poor.

Refer to the Table 14 in the state of California section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in California is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Los Angeles-Long Beach-Anaheim MSA, San Diego-Carlsbad MSA, and San Francisco-Oakland-Hayward MSA is good.

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.

Los Angeles-Long Beach-Anaheim MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. Three of the 39 branches are located in low-income CTs. The percentage of branches in low-income CTs exceeds the percentage of

population in low-income CTs. Three of the 39 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs is well below the percentage of population in moderate-income CTs. Nine branches located in middle- and upper-income CTs are near to or directly adjacent to low- and moderate-income CTs. These branches provide services to a large percentage of low- and moderate-income individuals. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. During the evaluation period, the bank closed two branches that were located in middle- and one branch located in an upper-income CTs. The middle-income branch was closed due to minimal transaction volumes and poor profitability, and the upper-income branch was closed because the property was acquired by eminent domain for a subway. The bank also opened a new branch in an upper-income tract.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

San Diego-Carlsbad MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. One of the 24 branches is located in a low-income CT. The percentage of branches in low-income CTs exceeds the percentage of population in low-income CTs. Four of the 24 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs is below the percentage of population in moderate-income CTs. Six branches located in middle- and upper-income geographies are near to and directly adjacent to a low- and moderate-income CTs. These branches provide services to a large percentage of low- and moderate-income individuals. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. During the evaluation period, the bank closed one branch located in an upper-income CT due to an expiring lease.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

San Francisco-Oakland-Hayward MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. Two of the 11 branches are located in low-income CTs. The percentage of branches in low-income CTs exceeds the percentage of population in low-income CTs. Two of the 11 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. Three branches located in middle- and upper-income geographies are near to and directly adjacent to a low- and moderate-income CTs. These branches provide services to a large percentage of low- and moderate-income individuals. When considering these near to branches, performance improved in the AA.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Los Angeles-Long Beach-Anaheim MSA

Zions' performance in providing community development services in the AA is good. During the evaluation period, 45 employees provided their expertise to 28 organizations for a total of 1,133 hours. The majority of the employees participated as either board or committee members, or financial instructors. The bank employees' focus was affordable housing, community service, and economic development.

Examples of CD services provided by employees during the evaluation period include:

- Bank employees provided over 580 hours to a program primarily focused on teaching young people about the importance of money management, workforce readiness, and entrepreneurial thinking. The majority of students in this program participate in free or reduced lunch programs.
- An employee served as a board member of an organization that provides neighborhood stabilization programs, affordable housing projects, and a homeless initiative programs.
- Two employees served as board members of an organization focused on establishing broad-based coalitions of financial institutions, community-based organizations, and other partners. The organization works to bring all unbanked and underserved populations into the financial mainstream.

- Two employees served as board members of an organization dedicated to improving and restoring neighborhoods. The organization promotes affordable housing to LMI individuals, reinvestment in communities, and economic development opportunities.
- A bank employee served as a board member of an organization that provides after school programs for LMI students, including homework assistance and tutoring.

San Diego-Carlsbad MSA

Zions' performance in providing community development services in the AA is adequate. During the evaluation period, 26 employees provided their expertise to 25 organizations for a total of 594 hours. The CD services provided were diverse.

Examples of CD services provided by employees during the evaluation period include:

- Employees provided over 40 hours of service to an organization dedicated to creating access to jobs and increasing income for LMI families and self-employed individuals. The organization also provides small loans and business support services to the community.
- An employee provided over 134 hours as a board member of an organization which goal is to help abused and at-risk children.
- Bank employees provided over 190 hours to an organization located in three counties that works with youth in low-income communities. The organization provides recreation, cultural and physical education, leadership development, and personal adjustment and enrichment programs.
- An employee served a board member of an organization that manages a loan guarantee program. The program assists small businesses that need additional support, in the form of a guarantee, to induce a bank to lend. The program places special emphasis on women and minority-owned businesses, and businesses located in the enterprise zones.

San Francisco-Oakland-Hayward MSA

Zions' performance in providing community development services in the AA is poor. During the evaluation period, three employees provided their expertise to three organizations for a total of 40 hours. The bank's focus was only community service.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a member of an organization's small business working group, planned a meeting for a small business outreach event. The organization promotes sound public policies, addresses risk in the financial system, and advocates for consumer protection.
- An employee served in the advisory services position of an organization that gives small business owners access to an integrated suite of resources to help their businesses grow.
- An employee served as the treasurer and executive board member of an organization that works to build the community that is primarily comprised of LMI families.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Bakersfield MSA, Fresno MSA, Oxnard-Thousand Oaks-Ventura MSA, Sacramento-Roseville-Arden-Arcade MSA, and San Jose-Sunnyvale-Santa Clara MSA is weaker than California's overall High Satisfactory performance. The branch distribution was very poor in the Bakersfield MSA, Fresno MSA, Oxnard-Thousand Oaks-Ventura MSA, and San Jose-Sunnyvale-Santa Clara MSA. Community development services were poor in the Fresno MSA and San Jose-Sunnyvale-Santa Clara MSA

Refer to Table 15 in the state of California section of appendix D for the facts and data that support these conclusions.

State of Colorado

CRA Rating for Colorado³:	Satisfactory
The lending test is rated:	Low Satisfactory
The investment test is rated:	Needs to Improve
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- ☐ Lending levels reflect good responsiveness to AA credit needs.
- ☐ The geographic distribution of loans reflects adequate penetration throughout the AAs.
- ☐ The distribution of borrowers reflects, given the product lines offered by the bank, adequate penetration among retail customers of different income levels and business customers of different size.
- ☐ The bank has made an adequate level of community development loans.
- ☐ The bank has made a poor level of qualified investments that exhibited poor responsiveness to AA credit and community needs.
- Branches are accessible to essentially all portions of the bank's AAs and to individuals of different income levels.
- ☐ The level of community development services is adequate.

Description of Bank's Operations in Colorado

Zions has six AAs comprised of 19 counties within the state of Colorado. Zions included Boulder County in the Boulder MSA. The bank included El Paso and Teller Counties in the Colorado Springs MSA. The Denver-Aurora-Lakewood MSA was comprised of the Adams, Arapahoe, Broomfield, Denver, Douglas, Gilpin, and Jefferson Counties. The bank included Mesa County in the Grand Junction MSA. The bank included Pueblo County in the Pueblo MSA. The CO Non-MSA consists of Eagle, Garfield, La Plata, Montezuma, Montrose, Pitkin, and Routt Counties. These non-metropolitan areas were combined for analysis purposes.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$2.6 billion in deposits in Colorado, which represented 5.01 percent of the bank's total deposits. The bank made 5.29 percent of its total evaluation period HMDA and CRA loans in Colorado.

Zions had 37 office locations and 39 deposit-taking ATMs within the state. The bank ranked tenth in deposit market share with 2.00 percent. Primary competitors include Wells Fargo

Bank National Association, First Bank, US Bank National Association, JPMorgan Chase Bank and Bank of the West. There were 140 FDIC insured depository institutions within the state of Colorado.

Refer to the community profiles for the state of Colorado in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Colorado

The Colorado Springs MSA was selected for analysis using full-scope procedures because the AA had not had a full-scope review in previous evaluation. The Denver-Aurora-Lakewood MSA was selected for analysis using full-scope procedures because the AA had the largest percent of the bank's deposits, loans, and branches within the rating area.

The Boulder MSA, Grand Junction MSA, Pueblo MSA, and CO Non-MSA were chosen for limited-scope review due to the bank's limited presence in the AA.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF COLORADO

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Colorado is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Colorado Springs MSA is adequate, and performance in the Denver-Aurora-Lakewood MSA is good.

Lending Activity

Overall lending activity in the state of Colorado is good considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is good.

Refer to Tables 1 Lending Volume in the state of Colorado section of appendix D for the facts and data used to evaluate the bank's lending activity.

Colorado Springs MSA

Zions' overall lending activity in the Colorado Springs MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, the bank had \$198 million in deposits with a deposit market share of 2.51 percent. Zions ranked eighth out of 39 banks in the AA and in the top 20.51 percent of banks in deposit market share. Zions originated 161 home mortgage loans

and 563 small business loans through the evaluation period. Small business lending represented 77.76 percent of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 16.95 percent of lenders (71 out of 419) originating home purchase loans in the Colorado Springs MSA. Zions' home purchase market share of 0.19 percent is less than their deposit market share. The bank ranked in the top 20.05 percent of lenders (80 out of 399 lenders) originating home refinance loans in the AA. Zions had a 0.23 percent market share of home refinance loans. The bank's market share of home refinance loans is less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 9.01 percent of lenders (10 out of 111) originating small business loans in the Colorado Springs MSA. Zions had a 1.57 percent market share of small business loan originations. The bank's market share of small business loans is less than their deposit market share. The top five small business lenders had a combined market share of 71.40 percent of small business loan originations. Zions had the largest average loan size of all banks ranked in the top 10 for small business loan originations.

Denver-Aurora-Lake MSA

Zions' overall lending activity in the Denver-Aurora-Lakewood MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had \$1.5 billion in deposits with a deposit market share of 1.84 percent. Zions ranked tenth out of 71 deposit-taking banks in the AA. Zions ranked in the top 14.08 percent of banks in deposit market share. Zions originated 691 home mortgage loans and 2,597 small business loans through the evaluation period. Small business lending represented 78.98 percent of reportable lending activity. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 13.49 percent of lenders (90 out of 667) originating home purchase loans. Zions home purchase market share of 0.20 percent is less than their deposit market share. The bank ranked in the top 15.02 percent of lenders (96 out of 639) originating home refinance loans in the AA. Zions' home refinance market share of 0.20 percent is less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 6.78 percent of lenders (12 out of 177) originating small business loans in the AA. Zions had a 1.45 percent market share of small business loan originations. The bank's market share of small business loan originations is less than their deposit market share. The top five small business lenders had a combined market share of 70.73 percent of small business loan originations. Zions had a larger average loan size than all banks ranked ahead in small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was adequate.

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

Colorado Springs MSA

The overall geographic distribution of home purchase loans was poor. In 2017, the bank did not make any home purchase loans in low-income CTs. The percentage of home purchase loans in moderate-income CTs is near the aggregate and below the percentage of owner-occupied units. Performance in 2015 through 2016 was consistent with 2017. The percentage of loans in low-income CTs was below the aggregate and the percentage of loans in moderate-income CTs was well below the aggregate. The percentage of loans in low-income CTs was below the percentage of owner-occupied units and the percentage in moderate-income CTs was significantly below the percentage of owner-occupied units in these CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was very poor. In 2017, the bank did not make any loans in low-income CTs. The percentage of home refinance loans in moderate-income CTs was significantly below both the aggregate and the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The bank did not make any home refinance loans in low-income CTs. The percentage of home refinance loans in moderate-income CTs is near to the aggregate and below the percentage of owner-occupied units.

Denver-Aurora-Lakewood MSA

The overall geographic distribution of home purchase loans was adequate. In 2017, the percentage of home purchase loans in low-income CTs was significantly below the aggregate, but near to the aggregate for home purchase loans in moderate-income CTs. In addition, the percentage of loans was significantly below the percentage of owner-occupied units for loans in low-income CTs and near to the percentage of owner-occupied-housing for loans in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017. The percentage of loans was below the aggregate for loans originated/purchased in both low- and moderate-income CTs. The percentage of loans exceeded the percentage of owner-occupied housing in low-income CTs and was below the percentage of owner-occupied housing in moderate-income CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was good. In 2017, the percentage of home refinance loans in both low- and moderate-income CTs was near to the aggregate and the percentage of owner-occupied units in both CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home refinance loans in low-income CTs was well below the aggregate. The percentage of loans in moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs was well below the percentage of owner-occupied units in these CTs. The percentage of loans in moderate-income CTs exceeded the percentage of owner-occupied units.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was excellent.

Refer to Table 6 in the state of Colorado 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.

Colorado Springs MSA

The overall geographic distribution of small loans to businesses was good. In 2017, the percentage of small loans to businesses exceeded both the aggregate and the percentage of businesses in low-income CTs. The percentage of small loans to businesses was near to the aggregate and the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017. The percentage of small loans to businesses in low-income CTs exceeded the aggregate and the percentage of loans in moderate-income CTs was below the aggregate. The percentage of loans in low-income CTs exceeded the percentage of businesses in these CTs and the percentage of loans in moderate-income CTs was below the percentage of businesses in these CTs.

Denver-Aurora-Lakewood MSA

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses in both low- and moderate-income CTs exceeded both the aggregate and the percentage of businesses in these CTs. Performance in 2015 through 2016 was consistent with performance in 2017.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Overall, the borrower distribution of home mortgage loans was adequate.

Refer to Tables 8, 9, and 10 in the state of Colorado 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.

Colorado Springs MSA

The overall borrower distribution of home purchase loans in the Colorado Springs MSA was poor. In 2017, the percentage of home purchase loans to both low- and moderate-income borrowers was significantly below the aggregate. In addition, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home purchase loans to low-income borrowers exceeded the aggregate. The percentage of loans to moderate-income borrowers was below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans to low-income borrowers exceeded the aggregate. However, the percentage of loans to moderate-income borrowers was significantly below the aggregate. The percentage of loans to both low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of home refinance loans to low-income borrowers was significantly below the aggregate. The percentage was near the aggregate for loans to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The loans to moderate-income borrowers exceeded the percentage of moderate-income families.

Denver-Aurora-Lakewood MSA

The overall borrower distribution of home purchase loans was adequate. In 2017, the percentage of home purchase loans to low-income borrowers significantly exceeded the aggregate. The percentage of loans to moderate-income borrowers was well below the aggregate. In addition, the percentage of loans to low-income families was significantly below the percentage of low-income families and the percentage of loans to moderate-income families was below the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans to low-income borrowers exceeded the aggregate. The percentage of loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans exceeded the aggregate for loans to low-income borrowers. Loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans to low-income borrowers exceeded the aggregate and the percentage of loans to moderate-income families was near to the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was very poor.

Refer to Table 11 in the state of Colorado 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.

Colorado Springs MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses (businesses with gross annual revenues of \$1 million or less) was below the aggregate and significantly below the percentage of small businesses. Performance in 2015 through 2016 was consistent with 2017 performance.

Denver-Aurora-Lakewood MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of the loans to small businesses (businesses with gross annual revenues of \$1 million or less) was well below the aggregate and significantly below the percentage of small businesses. Performance in 2015 through 2016 was consistent with 2017 performance.

Other Performance

Zions works in conjunction with state housing agencies, city, and county programs to offer affordable down payment assistance programs to first time and non-first time homebuyers. These programs may include down payment and closing cost assistance. Zions has worked with Colorado Housing Finance Authority (CHFA) to offer flexible, affordable loan products under this agency's program. Zions leveraged this program to originate 46 loans totaling over \$7.1 million during the evaluation period within the state. In the Colorado Springs MSA, the bank originated 14 CHFA loans totaling over \$2.6 million; they originated 12 CHFA loans totaling over \$2 million in the Denver-Aurora MSA.

Community Development Lending

Zions' CD lending performance had a neutral impact on the overall evaluation of its lending performance in the state of Colorado. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Colorado Springs MSA

The volume of CD lending is Needs to Improve in the Colorado Springs MSA. The bank did not originate any CD loans throughout the evaluation period. CD lending had a neutral impact on the overall lending test performance given the relatively limited opportunities for community development lending in the AA.

Denver-Aurora-Lakewood MSA

The volume of CD lending was excellent, and had a significantly positive impact on the overall lending test performance in the AA. During the evaluation period, Zions originated 17 CD loans totaling \$47.5 million, or 25.16 percent of the Tier 1 Capital allocated to the AA. Zions originated three CD loans for \$20.2 million dedicated to affordable housing. CD lending was responsive to identified needs in the community of affordable housing.

Examples of CD loans originated during the evaluation period include:

- \$9 million CD loan for four apartment buildings consisting of 101 units located in a low-income CT. The buildings have rents that are affordable to LMI families.
- \$8 million CD loan to a nonprofit dedicated to developing housing and services for low-income communities, the elderly, and those with special needs.
- \$3.2 million loan to construct a 218-unit multifamily building. This building, which is located in a moderate-income CT, has 25 percent of units rent restricted to families earning less than 80 percent of the median family income.
- \$200 thousand CD loan for a nonprofit community organization that operates a center for women and transgendered individuals who are experiencing poverty or homelessness. This community service provides endeavors to assist with adult education, workplace attire, and pro-bono legal services.
- Five SBA 504 loans totaling \$11.2 million, two that are in moderate-income CTs.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the CO Non-MSA is stronger than the bank's overall performance in the state due to the CD lending performance was relatively high in the AA. The performance in the Pueblo MSA is consistent

with the overall Low Satisfactory performance for the lending test in Colorado. In the Boulder MSA and Grand Junction MSA, the performance is weaker than the overall performance in the state due to the overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of Colorado section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Colorado is rated Needs to Improve. Zions' performance in the full-scope Colorado Springs MSA and Denver-Aurora-Lakewood MSA is very poor. Investments across Colorado, including the AAs, had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Colorado Springs MSA

Zions made a very poor dollar volume of qualified investments, including grants and donations. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$5 thousand in current period grants. Investments benefiting the AA during the evaluation represented 0.02 percent of allocated Tier 1 Capital.

Zions also made seven grants totaling \$5 thousand to organizations within the AA that provide community services or economic development.

Denver-Aurora-Lakewood MSA

Zions made a very poor dollar volume of qualified investments. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$163 thousand in current period grants. Investments benefiting the AA during the evaluation represented 0.09 percent of allocated Tier 1 Capital.

Zions also made 55 grants totaling \$163 thousand to various organizations within the AA that provide affordable housing, community services, and economic development.

Examples of grants during the evaluation period include:

- Over \$17 thousand to a nonprofit youth organization, which focuses on providing financial education programs for young people, most of whom are LMI.
- \$12 thousand to a nonprofit youth education organization whose mission is to advance the economic opportunities of elementary through high school students by inspiring

entrepreneurship and providing financial literacy. Zions targeted its investment in schools specifically serving LMI students.

Colorado Statewide

Zions made 15 statewide qualified investments with outstanding balances of \$11.7 million from prior periods that had a purpose, mandate or function that serves one or more of the bank's AAs. Statewide investments included qualifying mortgage backed securities SBIC securities benefiting LMI borrowers or small businesses across Colorado, and an investment in a housing authority fund. When considering these and other investments in the full- and limited-scope areas, the \$12 million of qualified investments in the AAs and across the state represented 3.55 percent of total Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling \$16 million in four SBICs. The bank also has two prior period nationwide or regional investments with a book value of \$717 thousand that remained outstanding through the evaluation period. One investments was with a CDFI loan fund for economic development in multiple states, and one was to a micro-lender serving Colorado and New Mexico.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Boulder MSA, CO Non-MSA, Grand Junction MSA, and Pueblo MSA is consistent with the Colorado's overall Needs to Improve Investment Test performance.

Refer to the Table 14 in the state of Colorado section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Colorado is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Colorado Springs MSA and Denver-Aurora-Lakewood MSA is adequate.

Retail Banking Services

Refer to Table 15 in the state of Colorado 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.

Colorado Springs MSA

Branch distribution in the AA is adequate. Branches are reasonably accessible to all portions of the AA. One of the three branches is located in low-income CT. The percentage of

branches in low-income CTs exceeds the percentage of population in low-income CTs. There are no branches located in a moderate-income CT.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Denver-Aurora-Lakewood MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. There are no branches located in low-income CTs. Five of the 15 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. Two branches located in upper-income CTs are near to and directly adjacent to a low- and moderate-income CTs. These branches provide services to a large percentage of LMI individuals. When considering these near to branches, performance improved in the AA.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Colorado Springs MSA

Zions' performance in providing community development services in the Colorado Springs MSA is good. During the evaluation period, four employees provided their expertise to five organizations for a total of 280 hours. Approximately 26 percent of the hours were dedicated to economic development.

Examples of CD services provided by employees during the evaluation period include:

- An employee assisted as a volunteer teacher in an organization that provides resources and expertise to maximize success of existing and emerging small businesses. He taught the funding portion of this program.
- An employee served over 150 hours as board member for an organization that provides distinctive educational experiences that equip students for success. The majority of the students are LMI.
- An employee served on the advisory board of an organization whose purpose is to build self-esteem and teach life skills to low income youth, by providing opportunity through quality programs and activities. The organization encourages youth to graduate from high school, pursue college or a career, contribute to their community, and live a healthy life.
- An employee served as a board member of an organization whose purpose is to meet the urgent needs of the community residents who seek help due to an immediate crisis. The organization provides rent and mortgage assistance, an emergency food pantry, utilities assistance, transportation assistance, and clothing assistance. In addition, the organization has a program that serves community members who are either underinsured or uninsured with health and dental issues.

Denver-Aurora-Lakewood MSA

Zions' performance in providing community development services in the Denver-Aurora-Lakewood MSA is adequate. During the evaluation period, 42 employees provided their expertise to 21 organizations for a total of 1,075 hours. The majority of the employees participated as either board or committee members, or financial instructors. The bank employees' focus was affordable housing, community service, and economic development.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a loan committee member for over 140 hours for an organization that provides funding, education, and resources. The organization offers entrepreneurial mindset training and development, SBA loans, commercial real estate loans, general business loans, microloans, a small business resource directory, webinars, and counseling. The organization also collaborates with other organizations that focus on small business and economic development.
- Bank employees provided over 400 hours to a program primarily focused on teaching young people about the importance of money management, workforce readiness, and entrepreneurial thinking. The majority of students in this program participate in free or reduced lunch programs. The employees served as volunteer teachers and coordinators of events hosted by the program.
- An employee served as a board member of an organization that supports and enhances projects that benefit the community. The organization seeks funds from private sources to build a pool of permanent capital for local philanthropic purposes, including youth programs, senior programs, open space and parks, education and library services, public safety, cultural arts, social services, community relations and historical legacy. The organization's clients are low income.

- An employee served as the board member of an organization whose mission is to serve residents of Denver by developing, owning, and operating safe, decent, and affordable housing in a manner that promotes thriving communities.
- An employee served as a volunteer, tutor, and advisory board member of a nonprofit organization dedicated to improving student reading skills. The bank employee attended schools from low-income communities and recruited and trained other community volunteers to work one-on-one with students twice a week.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Boulder MSA, Grand Junction MSA, Pueblo MSA, and CO Non-MSA is weaker than Colorado's overall High Satisfactory performance. Refer to Table 15 in the state of Colorado section of appendix D for the facts and data that support these conclusions.

State of Idaho

CRA Rating for Idaho⁴:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	Needs to Improve
The service test is rated:	Outstanding

The major factors that support this rating include:

- ☐ Lending levels reflect excellent responsiveness to AA credit needs.
- ☐ The geographic distribution of loans reflects good penetration throughout the AAs.
- ☐ The distribution of borrowers reflects, given the product lines offered by the bank, adequate penetration among retail customers of different income levels and business customers of different size.
- ☐ The bank has made an adequate level of community development loans.
- ☐ The bank has made a poor level of qualified investments that exhibited poor responsiveness to AA credit and community needs.
- Branches are accessible to essentially all portions of the bank's AAs and to individuals of different income levels.
- ☐ The level of community development services is good.

Description of Bank's Operations in Idaho

Zions has five AAs comprised of 20 counties within the state of Idaho. Zions included Ada, Boise, Canyon, Gem, and Owyhee Counties in the Boise MSA. The bank included the Bonneville, Butte, and Jefferson Counties in the Idaho Falls MSA. The Lewiston MSA consisted of the Nez Perce County. The bank included Bannock County in the Pocatello MSA. The ID Non-MSA was comprised of the Bear Lake, Bingham, Blaine, Cassia, Gooding, Latah, Madison, Payette, Twin Falls, and Washington Counties. These non-metropolitan areas were combined for analysis purposes.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$1.4 billion in deposits in Idaho, which represented 2.80 percent of the bank's total deposits. The bank made 9.57 percent of its total evaluation period HMDA and CRA loans in Idaho.

Zions had 23 office locations and 26 deposit-taking ATMs within the state. The bank ranked fourth in deposit market share with 5.89 percent. Primary competitors include Wells Fargo

Bank National Association, US Bank National Association, KeyBank National Association, and Glacier Bank. There were 32 FDIC insured depository institutions within the state of Idaho.

Refer to the community profiles for the state of Idaho in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Idaho

The Boise MSA was selected for analysis using full-scope procedures due to the high percentage of deposits in the areas and large volume of reportable loans in the state. The ID Non-MSA was selected for analysis using full-scope procedures because it had the largest percent of the bank's deposits, loans, and branches within the rating area.

The Idaho Falls MSA, Lewiston MSA, and the Pocatello MSA were chosen for limited-scope review due to the bank's limited presence in the AA.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF IDAHO

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Idaho is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Boise MSA is excellent and in the ID Non-MSA is adequate.

Lending Activity

Overall lending activity in the state of Idaho is excellent, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is excellent.

Refer to Tables 1 Lending Volume in the state of Idaho section of appendix D for the facts and data used to evaluate the bank's lending activity.

Boise MSA

Zions overall lending activity in the Boise MSA is excellent. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had \$353.3 million in deposits, with a deposit market share of 3.27 percent. Zions ranked eighth out of 20 banks in the AA. Zions ranked in the top 40 percent of all deposit taking banks. The bank originated 257 home mortgage loans and 2,409 small business loans throughout the evaluation period. Small business lending represented 90.36 percent of reportable lending in the AA. There is strong competition for

home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 27.04 percent of lenders (73 out of 270) originating home purchase loans in the Boise MSA. Zions' home purchase market share of 0.16 percent was less than their deposit market share. The bank ranked in the top 26.05 percent of lenders (62 out of 238) originating home refinance loans in the AA. Zions had a 0.31 percent market share of home refinance loans. The bank's market share of home refinance loans was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 7.78 percent of lenders (seven out of 90) originating small business loans in the AA. Zions had a 4.05 percent market share of originations. The bank's market share of small business loan originations was greater than their deposit market share. The top five small business lenders had a combined market share of 73.66 percent of small business loan originations. Zions had a larger average loan size than all banks ranked ahead in small business loan originations.

Idaho Non-MSA

Zions' overall lending activity in the Idaho Non-MSA is excellent. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had \$657.4 million in deposits, with a deposit market share of 14.07 percent. Zions ranked third in total deposits out of 19 banks in the AA. Zions ranked in the top 15.79 percent of banks in deposit market share. The bank originated 445 home mortgage loans and 2,482 small business throughout the evaluation period. Small business represented 84.80 percent of reportable lending activity. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 5.82 percent of lenders (11 out of 189) originating home purchase loans in the AA. Zions' home purchase market share of 2.12 percent was less than their deposit market share. The bank ranked in the top 7.84 percent of lenders (16 out of 204) originating home refinance loans in the AA. Zions' home refinance market share of 1.52 percent market was less than their deposit market share.

According to 2016 peer small business data, Zions ranked third out of 71 lenders, originating small business loans in the AA. Zions had a 9.21 percent market share of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 75.59 percent of all small business loan originations. Zions had the largest loan size of all banks ranked in the top seven for small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was adequate.

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

Boise MSA

The overall geographic distribution of home purchase loans was poor. In 2017, the bank did not make any home purchase loans in low-income CTs, and the percentage of home purchase loans in moderate-income CTs was significantly below the aggregate and the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home purchase loans in low-income CTs exceeded the aggregate. The percentage of loans in moderate-income CTs was well below the aggregate. The percentage of loans in low-income CTs exceeded the percentage of owner-occupied units in low-income CTs. The percentage of loans in moderate-income CTs was well below the percentage of owner-occupied units in moderate-income CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was excellent. In 2017, the percentage of home refinance loans in both low- and moderate-income CTs exceeded the aggregate and the percentage of owner-occupied units in these CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home refinance loans in both low- and moderate-income CTs exceeded the aggregate. The percentage of loans was below the percentage of owner-occupied units in low-income CTs. The percentage of loans exceeded the percentage of owner-occupied units in moderate-income CTs.

ID Non-MSA

The overall geographic distribution of home purchase loans was adequate. In 2017, the percentage of loans in low-income CTs exceeded the aggregate. The percentage of loans in the moderate-income CTs was significantly below the aggregate. The percentage of loans exceeded the percentage of owner-occupied units in low-income CTs and was near to the percentage of owner-occupied units in moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans exceeded the aggregate and the percentage of owner-occupied units in low-income CTs. The bank did not originate or purchase any loans in moderate-income CTs.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans in low-income CTs exceeded both the aggregate and the percentage of owner-occupied units in low-income CTs. The bank did not originate any home refinance loans in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017. The percentage of home refinance loans in low-income CTs significantly exceeded the aggregate and was near to the percentage of owner-occupied units. The bank did not originate or purchase any home refinance loans in moderate-income CTs.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was good.

Refer to Table 6 in the state of Idaho 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.

Boise MSA

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses exceeded the aggregate and the percentage of businesses in both low- and moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

Idaho Non-MSA

The overall geographic distribution of small loans to businesses was good. In 2017, the percentage of small loans to businesses exceeded the aggregate in low-income CTs. The percentage of loans to small businesses was well below the aggregate in moderate-income CTs. The percentage of loans exceeded the percentage of businesses in low-income CTs and was near to the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms was poor.

Refer to Table 7 in the state of Idaho 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 farms.

Boise MSA

The geographic distribution of small loans to farms was adequate. In 2017, the bank did not make any small loans to farms in low-income CTs. The percentage of loans in moderate-income CTs exceeded the aggregate and the percentage of farms in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

Idaho Non-MSA

The geographic distribution of small loans to farms was very poor. In 2017, the bank did not make any small loans to farms in low-income CTs. The percentage of loans in moderate-income CTs was significantly below the aggregate and below the percentage of farms in moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The bank did not make any small loans to farms in either low- or moderate-income CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Overall, the borrower distribution of home mortgage loans was poor.

Refer to Tables 8, 9, and 10 in the state of Idaho 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.

Boise MSA

The overall borrower distribution of home purchase loans in the Boise MSA was poor. In 2017, the bank did not make any home purchase loans to low-income borrowers. The percentage of home purchase loans to moderate-income borrowers was well below the aggregate and near to the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans to low-income borrowers was well below the aggregate, and the percentage of loans to moderate-income borrowers was significantly below the aggregate. The percentage of loans to both low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was poor. In 2017, the bank did not originate or purchase any home refinance loans to low-income borrowers. The percentage of home refinance loans to moderate-income borrowers was well below the aggregate and the percentage of moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans was well below the aggregate for loans to low-income borrowers. The percentage of home refinance loans was below the aggregate for loans to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and below the percentage of moderate-income families.

ID Non-MSA

The overall borrower distribution of home purchase loans in the ID Non-MSA was poor. In 2017, the percentage of home purchase loans was significantly below the aggregate for loans to low-income borrowers, and well below the aggregate for loans to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly below the percentage low-income families and well below the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of home

purchase loans to low- and moderate-income borrowers was well below the aggregate for both. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families; and the percentage of loans to moderate-income borrowers was well below the percentage of moderate-income borrowers.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was adequate. In 2017, the bank did not make any loans to low-income borrowers. The percentage of loans to moderate-income borrowers exceeded the aggregate and the percentage of moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans was below the aggregate for loans to low-income borrowers and exceeded the aggregate for loans to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly below the percentage low-income families. The percentage of loans to moderate-income borrowers was near to the percentage of moderate-income families.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was poor.

Refer to Table 11 in the state of Idaho 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.

Boise MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of the loans to small businesses was good and below the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was below the aggregate and significantly below the percentage of small businesses.

ID Non-MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses was well below the aggregate and significantly below the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was below the aggregate and significantly below the percentage of small businesses.

Small Loans to Farms

Overall, the borrower distribution of small loans to farms (farms with gross annual revenues of \$1 million or less) was poor.

Refer to Table 12 in the state of Idaho section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

Boise MSA

The overall borrower distribution of loans to small farms was adequate. In 2017, the percentage of loans to small farms was near the aggregate but well below the percentage of small farms. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small farms exceeded the aggregate and was below the percentage of small farms.

ID Non-MSA

Overall, the borrower distribution of small loans to farms was poor. In 2017, the percentage of loans to small farms was below the aggregate and well below the percentage of small farms. Performance in 2015 through 2016 was weaker than in 2017. The percentage of loans to small farms was significantly below the aggregate and below the percentage of small farms.

Other Performance

Zions works in conjunction with state housing agencies, and city or county programs to offer affordable down payment assistance programs to first time and non-first time homebuyers. These programs include down payment and closing cost assistance. Zions has worked with Idaho Housing to offer flexible, affordable loan products under this agency's program. Zions leveraged this program to originate five loans totaling over \$813 thousand during the evaluation period in the Boise MSA.

Community Development Lending

Zions' CD lending performance had a neutral impact on the overall evaluation of its lending performance in the state of Idaho. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Boise MSA

The volume of CD lending was excellent and had a significantly positive impact on the lending performance in the AA. During the evaluation period, Zions originated four CD loans totaling \$19.9 million, or 44.17 percent of Tier 1 Capital allocated to the AA. Zions originated two loans for a total \$18.1 million dedicated to affordable housing, which was responsive to the identified need of economic development.

Examples of CD loans originated during the evaluation period include:

- Two loans totaling \$18.2 million to a redevelopment and urban renewal agency. The proceeds from the loans were used to construct infrastructure, geothermal extensions, and fiber optic cable installation. This project aims to create a business and economic development environment out of a vacant former railyard. This project will help spur job creation and economic opportunities in a low-income CT.
- A \$5 thousand loan to a nonprofit organization serving those affected by domestic abuse. The purpose was to help with operating expenses. The organization provides childcare, medical assistance, legal guidance, and child protective services. This agency is located in a low-income CT.

Idaho Non-MSA

Zions' performance in the Idaho Non-MSA is Needs to Improve and had an overall neutral impact on the lending test rating in this AA. Zions did not originate any CD loans in the AA throughout the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Idaho Falls MSA is consistent with overall Low Satisfactory performance under the Lending Test in Idaho. In the Lewiston MSA and Pocatello MSA, the performance is weaker than the bank's overall performance in the state due to the overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of Idaho section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Idaho is rated Needs to Improve. Zions' performance in the full-scope Boise MSA is poor, and very poor in the ID Non-MSA. Investments across Idaho, including the AAs, had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Boise MSA

Zions made a very poor dollar volume of qualified investments, including grants and donations. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$158 thousand, with \$7 thousand in current period grants, and prior period investments of \$151

thousand. Investments benefiting the AA during the evaluation represented 0.35 percent of allocated Tier 1 Capital.

During the evaluation period, the bank made five grants totaling \$7 thousand to organizations within the AA that provide community services or economic development.

ID Non-MSA

Zions made a very poor dollar volume of qualified investments. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$4 thousand in five current period grants to organizations within the AA that provide community services and affordable housing. Investments benefiting the AA during the evaluation represented less than 0.01 percent of allocated Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling \$16 million in four SBICs. The bank also has two prior period nationwide or regional investments with a book value of \$13.4 million that remained outstanding through the evaluation period. One investment was with a CDFI loan fund for economic development in multiple states, and one was a \$12.9 million SBIC security investing in businesses in Idaho and Utah.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Lewiston MSA is stronger than the Idaho's Needs to Improve performance due to a significantly higher level of outstanding prior period investments. Performance in the Idaho Falls MSA and Pocatello MSA is consistent with the bank's overall Investment Test performance.

Refer to the Table 14 in the state of Idaho section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Idaho is rated Outstanding. Based on full-scope reviews, the bank's performance in the Boise MSA and ID Non-MSA is excellent.

Retail Banking Services

Refer to Table 15 in the state of Idaho 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.

Boise MSA

Branch distribution in the AA is excellent. Branches are readily accessible to all portions of the AA. One of the six branches is located in a low-income CT. The percentage of branches in low-income CTs exceeds the percentage of population in low-income CTs. Three of the six branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. A branch located in an upper-income CT is near to and directly adjacent to a low- and moderate-income CTs. This branch provides services to a large percentage of LMI individuals. When considering this near to branch, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. During the evaluation period, the bank closed one branch located in a middle-income CT. The branch was closed due to the lease expiring, and a street widening project that would eliminate the drive-up.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Idaho Non-MSA

Branch distribution in the AA is excellent. Branches are readily accessible to all portions of the AA. One of the 12 branches is located in a low-income CT. The percentage of branches in low-income CTs exceeds the percentage of population in low-income CTs. One of the 12 branches is located in a moderate-income CT. The percentage of branches in moderate-income CTs are consistent with the percentage of population in moderate-income CTs.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Boise MSA

Zions' performance in providing community development services in the Boise MSA is good. During the evaluation period, 16 employees provided their expertise to 12 organizations for a total of 836 hours. Zions employees served in a leadership capacity with eight organizations. The CD services provided were diverse.

Examples of CD services provided by employees during the evaluation period include:

- Bank employees served as financial literacy instructors for various schools in the AA, teaching elementary and middle school students about money safety, currency, credit and debit cards and checks. The majority of students were from LMI families.
- An employee provided over 160 hours as an instructor for a nonprofit association dedicated to educate entrepreneurs and help small businesses start, grow, and succeed nationwide. The association provides free counseling to small business owners and entrepreneurs. The bank employee taught the banking portion of the Business Fundamentals class for entrepreneurs and small business owners.
- An employee provided over 120 hours as a financial literacy instructor to an organization, which offers classes and services designed to help new citizens adjust to life in the United States, and raise their standard of living. Topics covered included savings, checking accounts, budgeting, how to use a bank, credit and loans, mortgages, and investing. The employee taught low-income individuals and families.
- Two bank employees served as board and finance committee members of a nonprofit corporation licensed and regulated by the SBA to administer the SBA 504 loan program. The corporation provides access to long-term capital for real estate and equipment needs for business expansion. The corporation has helped more than one thousand companies, provided over \$330 million in financing, and helped businesses create more than 8,500 jobs.

Idaho Non-MSA

Zions' performance in providing community development services in the Idaho Non-MSA is excellent. During the evaluation period, 12 employees provided their expertise to nine organizations for a total of 631 hours. Zions employees served in a leadership capacity with seven organizations. The CD services provided were very diverse.

Examples of CD services provided by employees during the evaluation period include:

- An employee dedicated over 120 hours as of a board member of an organization that provides assistance to fixed-income seniors to pay for health care. Additionally, the organization assists in the development and expansion of the facilities and programs of the community's hospital, and its skilled nursing facility. Most of the residents in the nursing facility receive Medicaid and are therefore low income.
- Bank employees participated as financial instructors of an organization dedicated to teaching children and young adults about financial decisions. Employees visited

various LMI schools and spent two hours each, teaching students about protecting money, checks, and debit cards.

- An employee served over 35 hours as of board member for an organization that provides housing assistance to seniors, disabled individuals and low-income individuals living in the county. The board oversees general operations of the organization, including financial operations.
- Two employees served as board members of a nonprofit, investor-supported organization dedicated to diversifying the regional economy by attracting new investment and jobs, which would improve the economics of the surrounding area. The board oversees general operations of the organization, including financial operations.
- An employee dedicated over 120 hours as an event co-chair of an organization that focuses on economic development of the county. The organization provides opportunities for entrepreneurs and small businesses to connect with resources to help them grow. The employee served as the co-chair of an annual intensive boot camp that provides entrepreneurs and small businesses with various tools and skills.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Idaho Falls MSA, Lewiston MSA, and Pocatello MSA is weaker than Idaho's overall Outstanding performance. In Lewiston MSA and Pocatello MSA, the branch distribution in LMI geographies was poor.

Refer to Table 15 in the state of Idaho section of appendix D for the facts and data that support these conclusions.

State of Nevada

CRA Rating for Nevada⁵: **Satisfactory**
The lending test is rated: **Low Satisfactory**
The investment test is rated: **Low Satisfactory**
The service test is rated: **High Satisfactory**

The major factors that support this rating include:

- ☐ Lending levels reflect adequate responsiveness to AA credit needs.
- ☐ The geographic distribution of loans reflects good penetration throughout the AAs.
- ☐ The distribution of borrowers reflects poor penetration, given the product lines offered by the bank. There is adequate penetration among retail customers of different income levels.
- ☐ The bank has made an adequate level of community development loans.
- ☐ The bank has made an adequate level of qualified investments that exhibited adequate responsiveness to AA credit and community needs.
- Branches are readily accessible to all portions of the bank's AAs and to individuals of different income levels.
- ☐ The level of community development services is adequate.

Description of Bank's Operations in Nevada

Zions has four AAs comprised of 17 counties within the state of Nevada. Zions included Carson City County in the Carson City MSA. The Las Vegas-Henderson-Paradise MSA consisted of Clark County. The bank included Storey and Washoe Counties in the Reno MSA. The NV Non-MSA consisted of Churchill, Douglas, Esmeralda, Elko, Eureka, Humboldt, Lander, Lincoln, Lyon, Mineral, Nye, Pershing, and White Pine Counties. These non-metropolitan areas were combined for analysis purposes.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$4.3 billion in deposits in Nevada, which represented 8.24 percent of the bank's total deposits. The bank made 7.97 percent of its total evaluation period HMDA and CRA loans in Nevada.

⁵ For banks with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the bank's performance in that area.

Zions had 50 office locations and 64 deposit-taking ATMs within the state. The bank ranked sixth in deposit market share with 1.88 percent. Primary competitors include Charles Schwab Bank, Wells Fargo Bank National Association, Bank of America National Association, and US Bank National Association. There were 47 FDIC insured depository institutions within the state of Nevada.

Refer to the community profiles for the state of Nevada in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Nevada

The Las Vegas-Henderson-Paradise MSA was selected for analysis using full-scope procedures because the AA had the largest percent of the bank's deposits, loans, and branches within the rating area. The NV Non-MSA was selected for analysis using full-scope procedures because the AA has not had a full-scope review in previous evaluations. In addition, the deposit market share indicates the bank is important to this area.

The Carson City MSA and Reno MSA were chosen for limited-scope review due to the bank's limited presence in the AA.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF NEVADA

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Nevada is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Las Vegas-Henderson-Paradise is adequate and lending performance in the NV Non-MSA is excellent.

Lending Activity

Overall lending activity in the state of Nevada is excellent, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is excellent.

Refer to Tables 1 Lending Volume in the state of Nevada section of appendix D for the facts and data used to evaluate the bank's lending activity.

Las Vegas-Henderson-Paradise

Zions' overall lending activity in the Las Vegas-Henderson-Paradise MSA is excellent. Based on FDIC Deposit Market Share Data as of June 30, 2017, Zions had \$3 billion in deposits, with a deposit market share of 5.40 percent. Zions ranked seventh out of 39 in total deposits in the AA. Zions ranked in the top 17.94 percent of banks in deposit market share. Zions originated 1,154 home mortgage loans and 4,846 small business loans through the evaluation period. Small business lending represented 80.76 percent of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 14.21 percent of lenders (53 out of 373) originating home purchase loans. Zions' home purchase market share of 0.45 percent was less than their deposit market share. The bank ranked in the top 7.67 percent of lenders (26 out of 339) originating home refinance loans in the AA. Zions had a 0.84 percent market share of home refinance loans. The bank's market share of home refinance loans was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 5.80 percent of lenders, (8 out of 138) originating small business loans. Zions had a 4.91 percent market share of small business loan originations. The bank's market share of small business loan originations is near to their deposit market share. The top five small business lenders had a combined market share of 66.94 percent of small business loan originations.

Nevada Non-MSA

Zions' overall lending activity in the Nevada Non-MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had \$626.9 million in deposits, with a deposit market share of 18.97 percent. Zions ranked second out of 13 in the AA. Zions ranked in the top 15.38 percent of banks in deposit market share. Zions originated 255 home mortgage loans and 1,175 small business loans through the evaluation period. Small business lending represented 82.17 percent of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 17.16 percent of lenders (29 out of 169) originating home purchase loans. Zions' home purchase market share of 0.73 percent was less than their deposit market share. The bank ranked in the top 7.94 percent of lenders (15 out of 189) originating home refinance loan. Zions had a 1.41 percent market share of home refinance loan originations. The bank's market share of home refinance originations was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 7.94 percent of lenders (5 out of 63 lenders) originating small business loans in the AA. Zions had a 7.58 percent market share of originations of small business loans. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 78.59 percent of small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was good.

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

Las Vegas-Henderson-Paradise MSA

The overall geographic distribution of home purchase loans was poor. In 2017, the percentage of loans in low-income CTs was significantly below the aggregate. The percentage of loans in moderate-income CTs exceeded the aggregate. The percentage of loans was significantly below the percentage of owner-occupied units in low-income CTs and was well below the percentage of owner-occupied units in moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans in low-income CTs was significantly below the aggregate. The percentage of loans in moderate-income CTs was near to the aggregate. The percentage of loans was significantly below the percentage of low-income families and well below the percentage of moderate-income families.

The overall geographic distribution of home improvement loans was excellent. In 2017, the percentage of loans exceeded the aggregate and the percentage of owner-occupied units in both low- and moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home improvement loans in both low- and moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs exceeded the percentage of owner-occupied units and was near to the percentage of owner-occupied units in moderate-income CTs.

The overall geographic distribution of home refinance loans was poor. In 2017, the bank did not make any loans in low-income CTs. The percentage of loans in moderate-income CTs exceeded the aggregate, but was significantly below the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The bank did not make any home refinance loans in low-income CTs. The percentage of loans in moderate-income CTs exceeded the aggregate, but was well below the percentage of owner-occupied units.

NV Non-MSA

In evaluating the geographic distribution of home loans in the AA, it is important to note that under the 2010 U.S. Census, no low-income census tracts exist.

The overall geographic distribution of home purchase loans was good. In 2017, the percentage of loans in moderate-income CTs was below the aggregate and well below the percentage of moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home purchase loans significantly exceeded both the aggregate the percentage of owner-occupied units.

The overall geographic distribution of home improvement loans was good. In 2017, the percentage of loans in moderate-income CTs exceeded the aggregate and was below the percentage of owner-occupied units. The bank did not originate or purchase a sufficient number of home improvement loans in 2015 through 2016 to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was good. In 2017, the percentage of loans in moderate-income CTs exceeded the aggregate and was near to the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans in moderate-income CTs exceeded the aggregate and the percentage of owner-occupied units in these CTs.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses was good.

Refer to Table 6 in the state of Nevada 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.

Las Vegas-Henderson-Paradise MSA

The overall geographic distribution of small loans to businesses was good. In 2017, the percentage of small loans to businesses exceeded the aggregate in both low- and moderate-income CTs. The percentage of loans was below the percentage of businesses in low-income CTs and near to the percentage of loans in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

NV Non-MSA

The overall geographic distribution of small loans to businesses was excellent. The percentage of loans in moderate-income CTs exceeded the aggregate and was near to the percentage of businesses in these CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small loans to businesses in moderate-income CTs exceeded the aggregate and the percentage of businesses in these CTs.

Small Loans to Farms

Las Vegas-Henderson-Paradise MSA

The bank did not originate or purchase a sufficient number of small loans to farms in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

NV Non-MSA

The geographic distribution of small loans to farms was poor. In 2017, the bank did not make any small loans to farms in low-income CTs. The percentage of loans in moderate-income CTs was significantly below the aggregate and below the percentage of farms in moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The bank did not make any small loans to farms in either low- or moderate-income CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate.

Refer to Tables 8, 9, and 10 in the state of Nevada 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.

Las Vegas-Henderson-Paradise MSA

The overall borrower distribution of home purchase loans in the Las Vegas-Henderson-Paradise MSA was poor. In 2017, the percentage of loans to low-income borrowers was significantly below the aggregate, and the percentage of loans to moderate-income borrowers was well below the aggregate. In addition, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of home purchase loans to low- and moderate-income borrowers was well below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families.

The overall borrower distribution of home improvement loans was good. In 2017, the percentage of home improvement loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017 performance.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans to low-income borrowers was below the aggregate. The percentage of loans to moderate-income borrowers was near to the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of home refinance loans to low-income borrowers was near to the aggregate, and the percentage of loans to moderate-income borrowers was below the aggregate. The percentage of loans to low-income borrowers was significantly below the

percentage of low-income families, but the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families.

NV Non-MSA

The overall borrower distribution of home purchase loans in the NV Non-MSA was good. In 2017, the percentage of loans in both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans was significantly below the percentage of low-income families and below the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of loans to low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families.

The overall borrower distribution of home improvement loans was good. In 2017, the percentage of loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was well below the percentage of low-income families in these CTs; however, loans to moderate-income borrowers exceeded the percentage of moderate-income families in these CTs. The bank did not originate or purchase a sufficient number of home improvement loans in 2015 through 2016 to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of loans to both low- and mod-income borrowers exceeded the aggregate. The percentage of loans was well below the percentage of low-income families in these CTs for loans to low-income borrowers and exceeded the percentage of moderate-income families in these CTs for loans to moderate-income borrowers. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home refinance loans to both low- and moderate-income borrowers was below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families in these CTs and the percentage of loans to moderate-income borrowers was below the aggregate.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses was poor.

Refer to Table 11 in the state of Nevada 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.

Las Vegas-Henderson-Paradise MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses (businesses with gross annual revenues of \$1 million or less) was well below the aggregate and significantly below the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was near to the aggregate, but well below the percentage of small businesses.

NV Non-MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses (businesses with gross annual revenues of \$1 million or less) was well below the aggregate. It was significantly below the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses exceeded the aggregate, but was well below the percentage of small businesses.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms was very poor.

Refer to Table 12 in the state of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

Las Vegas-Henderson-Paradise MSA

The bank did not originate or purchase a sufficient number of small loans to farms in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

NV Non-MSA

The overall borrower distribution of small loans to farms was poor. In 2017, the percentage of loans to small farms was below the aggregate and significantly below the percentage of small farms. In 2015 through 2016, the bank did not originate or purchase a sufficient number of small loans to farms to perform a meaningful analysis.

Community Development Lending

Zions' CD lending performance had a neutral impact on the overall evaluation of its lending performance in the state of Nevada. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Las Vegas-Henderson-Paradise MSA

The volume of CD lending was good, and had a neutral impact on the overall lending performance in the AA. During the evaluation period, Zions originated 45 CD loans totaling \$18.9 million, or 5.01 percent of Tier 1 Capital allocated to the AA. Zions originated eight loans totaling \$10.3 million dedicated to affordable housing; the majority of CD lending was dedicated to the identified community need of affordable housing.

Examples of CD loans originated during the evaluation period include:

- \$3.8 million loan to refinance a 150 unit affordable housing complex that provides long-term and short-term housing for veterans. The short-term housing component serves to get veterans a place to live while they search for work and save money to become self-sufficient. These apartments are located in a low-income CT.
- \$250 thousand loan to meet the working capital needs of a nonprofit organization that provides affordable housing. The project has 139 units of affordable housing and is located in a moderate-income CT.
- \$15 thousand loan to meet the working capital needs of a nonprofit organization that provides services to low-income seniors. The organization offers physical, social, and cognitive stimulation programs, and is located in a moderate-income CT.
- Two SBA 504 loans totaling \$2.9 million as part of the SBA 504 Certified Development Company program. The loans were used to acquire commercial real estate in a moderate-income CT.

Nevada Non-MSA

The volume of CD lending was excellent and had a positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated 15 CD loans totaling \$21.3 million, or 26.64 percent of Tier 1 Capital allocated to the AA. Zions focused their CD lending on economic development activities and originated 13 CD loans totaling \$21.3 million for this purpose.

Examples of CD loans originated during the evaluation period include:

- \$380 thousand loan to an Economic Development Corporation owned and operated by a Native American Tribe. The loan was used to fund improvements of an existing building, which is located in a moderate-income CT.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Carson City MSA and Reno MSA are weaker than the overall Low Satisfactory performance under the Lending Test in Nevada, due to the overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of Nevada section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Nevada is rated Low Satisfactory. Zions' performance in the full-scope Las Vegas-Henderson-Paradise MSA is adequate, and poor in the NV Non-MSA. Investments across Nevada, including the AAs, had a positive impact on

overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Las Vegas-Henderson-Paradise MSA

Zions made an adequate dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited adequate responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$9 million, with current period investments totaling \$4.4 million and prior period investments of \$4.6 million. Investments benefiting the AA during the evaluation represented 2.37 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested \$4.2 million in a qualifying mortgage backed security secured by loans to LMI borrowers. Zions also made 46 grants totaling \$190 thousand to various organizations within the AA that provide affordable housing, community services, economic development, and revitalization or stabilization. Zions' dollar volume of qualified contributions reflects the bank's commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- \$20 thousand in grants to an organization for the development and preservation of affordable housing for LMI individuals.
- \$20 thousand in grants to a nonprofit organization, which serves as a foodbank to low income households.

NV Non-MSA

Zions made a poor dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited adequate responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$1.3 million, with current period investments totaling \$664 thousand and prior period investments of \$625 thousand. Investments benefiting the AA during the evaluation represented 1.61 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested \$658 thousand in a qualifying mortgage backed security secured by loans to LMI borrowers. Zions also made four grants totaling \$7 thousand to various organizations within the AA that provide community services and economic development.

Nevada Statewide

In addition to the \$10.7 million in qualified investments in the bank's AAs, Zions had 13 prior period statewide investments that had a purpose, mandate or function that serves one or more of the bank's AAs with a book value of \$13.6 million outstanding through the evaluation period. Statewide investments included qualifying mortgage-backed securities, SBIC securities benefiting LMI borrowers or small businesses across Nevada, and investments in several

CDFIs' and other entities' affording housing and small business loan funds. When considering these and all other investments in the full- and limited-scope areas, the \$24.3 million of qualified investments in the AAs and across the state represented 4.37 percent of total Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling \$16 million in four SBICs. The bank also has one prior period nationwide investment with a book value of \$467 thousand that remained outstanding through the evaluation period. The prior period investment is with a CDFI's loan fund for economic development in multiple states.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Carson City MSA and Reno MSA is weaker than Nevada's overall Low Satisfactory Investment Test performance due to minimal levels of current and outstanding prior period investments relative to deposits.

Refer to the Table 14 in the state of Nevada section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Nevada is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Las Vegas-Henderson-Paradise MSA is excellent, and good in the NV Non-MSA.

Retail Banking Services

Refer to Table 15 in the state of Nevada 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.

Las Vegas-Henderson-Hillsboro MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. One of the 30 branches is located in a low-income CT. The percentage of branches in low-income CTs is below the percentage of population in low-income CTs. Five of the 30 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs is near to the percentage of population in moderate-income CTs. Four branches located in middle-income geographies are near to or directly adjacent to low- and moderate-income CTs. These branches provide services to a large percentage of LMI individuals. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. During the evaluation period, the bank closed one branch located in a middle-income CT. The branch was closed due to minimal transaction volumes. The bank also opened one branch, located in an upper-income CT.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Nevada Non-MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. There are no low-income CTs in this AA. Three of the 13 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. A branch located in a middle-income geography is near to and directly adjacent to moderate-income CTs. This branch provides services to a large percentage of LMI individuals.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Las Vegas-Henderson-Paradise MSA

Zions' performance in providing community development services in the Las Vegas-Henderson-Paradise MSA is excellent. During the evaluation period, 101 employees provided their expertise to 28 organizations for a total of 1,936 hours. The CD services provided were diverse. The majority of the employees participated as either board or committee members, or financial instructors.

Examples of CD services provided by employees during the evaluation period include:

- Bank employees provided over one thousand hours to a program primarily focused in teaching young people about the importance of money management, workforce

readiness, and entrepreneurial thinking. The majority of students in this program participate in free or reduced lunch programs. The employees served as volunteer teachers and coordinators of events hosted by the program.

- Bank employees assisted as financial literacy volunteers to an organization dedicated to help low-income individuals with a history of alcohol or drug abuse, and related criminal activity. They helped to reintegrate the individuals into the community.
- Bank employees served as financial literacy volunteers for a program that provides shelter to homeless and abused women and children. The program offers services to promote stability, dignity, and self-reliance. Employees provided 82 volunteer hours to this program.

Nevada Non-MSA

Zions' performance in providing community development services in Nevada Non-MSA is poor. During the evaluation period, two employees provided their expertise to two organizations for a total of 60 hours.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Reno MSA is consistent with Nevada's overall High Satisfactory performance. In the Carson City MSA, the bank's performance is weaker than the Nevada's overall performance. The branch distribution in this AA was significantly poor and the community development services were very poor.

Refer to Table 15 in the state of Nevada section of appendix D for the facts and data that support these conclusions.

State of New Mexico

CRA Rating for New Mexico⁶: **Satisfactory**
The lending test is rated: **High Satisfactory**
The investment test is rated: **Needs to Improve**
The service test is rated: **Low Satisfactory**

The major factors that support this rating include:

- ☐ Lending levels reflect good responsiveness to AA credit needs.
- ☐ The distribution of borrowers reflects, given the product lines offered by the bank, adequate penetration among business customers of different size.
- ☐ The bank has made a relatively high level of community development loans.
- ☐ The bank has made a poor level of qualified investments that exhibited very poor responsiveness to AA credit and community needs.
- Branches are readily accessible to all portions of the bank's AAs and to individuals of different income levels.
- ☐ The level of community development services is good.

Description of Bank's Operations in New Mexico

Zions has one AA comprised of one county within the state of New Mexico. Zions included the San Juan County in the Farmington MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$50.3 million in deposits in New Mexico, which represented 0.10 percent of the bank's total deposits. The bank made 0.15 percent of its total evaluation period HMDA and CRA loans in New Mexico.

Zions had one office location and one deposit-taking ATM within the state. The bank ranked 50th in deposit market share with 0.18 percent. Primary competitors include Wells Fargo Bank National Association, Bank of America National Association, US Bank National Association, BOKF National Association, and Bank of the West. There were 58 FDIC insured depository institutions within the state of New Mexico.

Refer to the community profiles for the state of New Mexico in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in New Mexico

The Farmington MSA was selected for analysis using full-scope procedures because it is the only AA in the rating area.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF NEW MEXICO

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in New Mexico is rated High Satisfactory. Based on Farmington MSA, the bank's performance is good.

Lending Activity

Overall lending activity in the state of New Mexico is good, considering strong competition for all types of loans. Small business lending activity is excellent.

Refer to Tables 1 Lending Volume in the state of New Mexico section of appendix D for the facts and data used to evaluate the bank's lending activity.

Farmington MSA

Zions' overall lending activity in the Farmington MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had \$50.3 million in deposits, with a deposit market share of 3.41 percent. Zions ranked fifth out of eight banks in deposit market share. Zions ranked in the top 62.50 percent of banks in deposit market share. The bank originated 30 home mortgage loans and 165 small business loans through the evaluation period. The evaluation of lending activity only considered small business loans.

According to 2016 peer small business data, Zions ranked in the top 18.75 percent of lenders (nine out of 48) originating small business loans in the AA. Zions had a 4.99 percent market share of small business loan originations, which is greater than their deposit market share. The top five small business lenders had a combined market share of 58.21 percent of small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

Farmington MSA

Zions did not originate or purchase a sufficient number of home purchase, improvement, and refinance loans in either 2017, or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was adequate.

Refer to Table 6 in the state of New Mexico 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.

In 2017, the bank did not make any small loans to businesses in low-income CTs. The percentage of loans in moderate-income CTs exceeded the aggregate and was near the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was stronger than in 2017. The bank did not make any small loans to businesses in low-income CTs. The percentage of loans in moderate-income CTs exceeded the aggregate and the percentage of businesses in moderate-income CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the state of New Mexico 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.

Farmington MSA

Zions did not originate or purchase a sufficient number of home purchase, home improvement, or home refinance loans in either 2017, or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was adequate.

Refer to Table 11 in the state of New Mexico 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.

Farmington MSA

In 2017, the percentage of loans to small businesses exceeded the aggregate. The percentage of loans to small businesses was well below the percentage of small businesses in the AA. Performance in 2015 through 2016 was consistent with mirrored 2017 performance.

Community Development Lending

Zions' level CD lending had a positive impact on the overall evaluation of its lending performance in the state of New Mexico. We considered the lending opportunities with direct benefit within the AA and the bank's capacity to address these needs.

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

Farmington MSA

The volume of CD lending was good, and had a positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated five CD loans totaling \$6.7 million, or 104.45 percent of Tier 1 Capital allocated to the AA. Zions originated a \$3 million loan dedicated to affordable housing. The bank's lending volume for affordable housing was responsive to an identified community need.

Examples of CD loans originated during the evaluation period include:

- A \$3 million loan for affordable housing to construct a 72-unit apartment building. The rental rates are such that a family making less than 80 percent of median family income can afford rent in this building.
- A \$50 thousand loan for working capital to an organization that provides family counseling services to low-income families, including families in rural areas and on the Navajo Reservation.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test is rated Needs to Improve. Zions' performance in the full-scope Farmington MSA is poor. Investments across New Mexico, including the AAs had a neutral impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

Refer to Table 14 in the state of New Mexico section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Zions made a poor dollar volume of qualified investments, including grants and donations. These investments were neither innovative nor complex and exhibited poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$46 thousand, with current period investments totaling \$13 thousand and prior period investments of \$33 thousand. Investments benefiting the AA during the evaluation represented 0.72 percent of allocated Tier 1 Capital.

Zions made five grants totaling \$13 thousand to organizations within the AA that provide community services and economic development. Zions' dollar volume of qualified contributions reflects the bank's minimal commitment to help meet identified CD needs.

Regional or Nationwide

Zions made investments totaling \$16 million in four SBICs. The bank also had two prior period nationwide or regional investments with a book value of \$717 thousand that remained outstanding through the evaluation period. One investments was with a CDFI's loan fund for economic development in multiple states and one was to a micro-lender serving Colorado and New Mexico.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in New Mexico is rated High Satisfactory. Based on the Farmington MSA, the bank's performance is good.

Retail Banking Services

Refer to Table 15 in the state of New Mexico 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.

Farmington MSA

Branch distribution in the AA is good. The branch is readily accessible to all portions of the AA. There are no branches located in low-income CTs. The only branch is located in a moderate-income CT. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Farmington MSA

Zions' performance in providing community development services in the Farmington MSA is good. During the evaluation period, two employees provided their expertise to five organizations for a total of 142 hours. Zions employees served in a leadership capacity with five organizations. The bank focused on community service and economic development.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a member of a loan committee for a micro-lender to both start-up and small businesses. The organization provides business development loans and training to entrepreneurs from diverse backgrounds.
- An employee served as a board member of an organization with a program focused on employing disconnected young people (ages 16-25) from LMI families. This program provides skill testing toward certification, to give employers confidence in hiring program participants. Additionally, the organization offers a program focused on creating and sustaining start-up businesses.
- An employee served as a member of the board and finance committee of an organization that provides scholarships to students that are of moderate-income area.
- An employee served as a member of a board and finance committee of an organization which partners with local nonprofits to provide services for at-risk populations. Services include affordable housing, homeless assistance, crisis centers, and at-risk youth programs. The organization provides free resource guides and a helpline to connect low-income community members with social services in the area.
- An employee served as a board member and vice chairman of an organization dedicated to empowering youth and teaching life skills that will aid them in their future. Participants are considered low-income individuals.

State of Oregon

CRA Rating for Oregon⁷:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	Substantial Noncompliance
The service test is rated:	Low Satisfactory

The major factors that support this rating include:

- ☐ Lending levels reflect good responsiveness to AA credit needs.
- ☐ The distribution of borrowers reflects, given the product lines offered by the bank, poor penetration among business customers of different size.
- ☐ The bank made high level of community development loans.
- ☐ The bank has made a poor level of qualified investments that exhibited poor responsiveness to AA credit and community needs.
- Branches are accessible to significant portions of the bank's AAs, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.
- ☐ The level of community development services is good.

Description of Bank's Operations in Oregon

Zions has one AA comprised of three counties within the state of Oregon. Zions included the Clackamas, Multnomah, and Washington counties in the Portland-Vancouver-Hillsboro MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$71.1 million in deposits in Oregon, which represented 0.13 percent of the bank's total deposits. The bank made 0.23 percent of its total evaluation period HMDA and CRA loans in the Oregon.

Zions had one office location and no deposit-taking ATMs within the state. The bank ranked 39th in deposit market share with 0.09 percent. Primary competitors include US Bank National Association, Wells Fargo Bank National Association, Bank of America National Association, Umpqua Bank, and JPMorgan Chase Bank National Association. There were 49 FDIC insured depository institutions within the state of Oregon.

Refer to the community profiles for the state of Oregon in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Oregon

The Portland-Vancouver-Hillsboro MSA was selected for analysis using full-scope procedures because it is the only AA in the rating area.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF OREGON

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Oregon is rated High Satisfactory. Based on the Portland-Vancouver-Hillsboro MSA, the bank's performance is good.

Lending Activity

Overall lending activity in the state of Oregon is good, considering strong competition for all types of loans. Small business lending activity is good.

Refer to Tables 1 Lending Volume in the state of Oregon section of appendix D for the facts and data used to evaluate the bank's lending activity.

Portland-Vancouver-Hillsboro MSA

Zions' overall lending activity in the Portland-Vancouver-Hillsboro MSA is good. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had \$71.1 million in deposits, with a deposit market share of 0.14 percent. Zions is ranked 26th out of 37 banks in the AA. Zions ranked in the top 70.27 percent of banks in deposit market share. The bank originated 23 home mortgage loans and 209 small business loans through the evaluation period. The evaluation of lending activity only considered small business loans. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer small business data, Zions ranked in the top 17.32 percent of lenders (22 out of 127) originating small business loans in the AA. Zions had a 0.20 percent market share of small business loan originations, which exceeded their deposit market share. The top five small business lenders had a combined market share of 74.49 percent of small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

Portland-Vancouver-Hillsboro MSA

Zions did not originate or purchase a sufficient number of home purchase, improvement, and refinance loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was excellent.

Refer to Table 6 in the state of Oregon 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.

In 2017, the percentage of small loans to businesses exceeded the aggregate for loans in low-income CTs and was near to the aggregate for loans in moderate-income CTs. The percentage of loans in both low- and moderate-income CTs exceeded the percentage of businesses in these CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small loans to businesses exceeded the aggregate and the percentage of businesses in both low- and moderate-income CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the state of Oregon 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.

Portland-Vancouver-Hillsboro MSA

Zions did not originate or purchase a sufficient number of home purchase, improvement, or refinance loans in either 2017, or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was very poor.

Refer to Table 11 in the state of Oregon 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.

In 2017, the percentage of loans to small businesses was significantly below the aggregate and the percentage of small businesses in the AA. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was below the aggregate, and significantly below the percentage of small businesses in the AA.

Community Development Lending

Zions' level of CD lending had a positive impact on the overall evaluation of its lending performance in the state of Oregon. We considered the lending opportunities with direct benefit within the AA and the bank's capacity to address these needs.

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

Portland-Vancouver-Hillsboro MSA

The volume of CD lending was good, and had a significantly positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated one CD loan for \$8 million, or 88.20 percent of Tier 1 Capital allocated to the AA. The bank's one CD loan was for affordable housing, which was responsive to an identified community need. The proceeds from the bank loan helped to create 39 units of affordable housing.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test is rated Substantial Noncompliance. Zions' performance in the full-scope Portland-Vancouver-Hillsboro MSA is very poor. Investments across Oregon, including the AAs had a neutral impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Zions made a very poor dollar volume of qualified investments, including grants and donations. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$2 thousand in four current period grants to organizations providing community services. Investments benefiting the AA during the evaluation represented 0.02 percent of allocated Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling \$16 million in four SBICs. The bank also has one prior period nationwide investment with a book value of \$467 thousand that remained outstanding through the evaluation period. The prior period investment was with a CDFI's loan fund for economic development in multiple states.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Oregon is rated adequate. There is one branch in the Portland-Vancouver-Hillsboro MSA. However, the bank's good performance in community development services positively affects the rating.

Retail Banking Services

Refer to Table 15 in the state of Oregon 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.

Portland-Vancouver-Hillsboro MSA

Branch distribution in the AA is adequate. There is one branch in the AA and is accessible to low- and moderate-income CTs.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Portland-Vancouver-Hillsboro MSA

Zions' performance in providing community development services in the Portland-Vancouver-Hillsboro MSA is good. During the evaluation period, two employees provided their expertise to four organizations for a total of 142 hours. Zions employees served in a leadership capacity with three organizations. The bank focused on community service and affordable housing.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a financial education instructor for an organization that provides courses for small business owners, or those wanting to start small businesses. Scholarships are provided to low income student and business owners.
- An employee served as a board member of an organization dedicated to improve the lives of low-income families. The organization has developed and preserved over 5,600 units of affordable housing, over 322,000 square feet of community-facility and commercial space, and built the capacity of organizations to manage and sustain properties serving tens of thousands of low-income families. Additionally, the organization researches and implements innovative policies and practices that have produced millions of dollars in annual savings for the affordable housing industry.
- An employee served as a board member for a nonprofit organization whose goal is to build sustainable paths to financial stability and economic opportunity to low income individuals and families. The organization works on program delivery and policy change across a range of areas to help achieve housing stability and build financial security.

State of Texas

CRA Rating for Texas⁸: **Satisfactory**
The lending test is rated: **Low Satisfactory**
The investment test is rated: **High Satisfactory**
The service test is rated: **High Satisfactory**

The major factors that support this rating include:

- ☐ Lending levels reflect good responsiveness to AA credit needs.
- ☐ The geographic distribution of loans reflects adequate penetration throughout the AAs.
- ☐ The distribution of borrowers reflects, given the product lines offered by the bank, poor penetration among retail customers of different income levels and very poor penetration for small business customers.
- ☐ The bank has made a relatively high level of community development loans.
- ☐ The bank has made a good level of qualified investments that exhibited good responsiveness to AA credit and community needs.
- Branches are reasonably accessible to essentially all portions of the bank's AAs and to individuals of different income levels.
- ☐ The level of community development services is adequate.

Description of Bank's Operations in Texas

Zions has four AAs comprised of 13 counties within the state of Texas. Zions included Denton, Collin, and Dallas Counties in the Dallas-Plano-Irving MSA. The bank included Brazoria, Chambers, Fort Bend, Galveston, Harris, Montgomery, and Waller Counties in the Houston-The Woodlands-Sugar Land MSA. The San Antonio-New Braunfels MSA consisted of Bexar and Comal Counties and Comal County was included in 2017. The bank included Wharton County in the TX Non-MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$10.8 billion in deposits in Texas, which represented 20.58 percent of the bank's total deposits. The bank made 10.80 percent of its total evaluation period HMDA and CRA loans in Texas.

Zions had 76 office locations and 97 deposit-taking ATMs within the state. The bank ranked ninth in deposit market share with 1.33 percent. Primary competitors include JPMorgan Chase

Bank National Association, Bank of America National Association, Wells Fargo Bank National Association, USAA Federal Savings Bank, and Compass Bank. There were 530 FDIC insured depository institutions within the state of Texas.

Refer to the community profiles for the state of Texas in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Texas

The Houston-The Woodlands-Sugar Land MSA was selected for analysis using full-scope procedures because the AA had the largest percent of the bank's deposits, loans, and branches within the rating area.

The Dallas-Plano-Irving MD, San Antonio-New Braunfels MSA, and TX Non-MSA were chosen for limited-scope review due to the bank's limited presence in the AAs.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF TEXAS

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Texas is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Houston-The Woodlands-Sugar Land MSA is adequate.

Lending Activity

Overall lending activity in the state of Texas is excellent, considering strong competition for all types of loans. The bank's lending activity for home mortgages is poor and small business lending activity is excellent.

Refer to Tables 1 Lending Volume in the state of Texas section of appendix D for the facts and data used to evaluate the bank's lending activity.

Houston-The Woodlands-Sugarland

Zions' overall lending activity in the Houston-The Woodlands-Sugarland MSA is good. Based on FDIC Deposit Market Share Data as of June 30, 2017, Zions had \$9.8 billion in deposits, with a deposit market share of 4.10 percent. Zions ranked fifth out of 93 banks in the AA. Zions ranked in the top 5.38 percent of banks in deposit market share. Zions originated 1,613 home mortgage loans and 4,056 small business loans through the evaluation period. Small business lending represented the majority of reportable lending activity in the AA. There is

strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 40.41 percent of lenders (316 out of 782) originating home purchase loans in the AA. Zions' home purchase market share of 0.1 percent is less than their deposit market share. Zions ranked in the top 3.77 of lenders (10 out of 265) originating home improvement loans. Zions had a 2.12 percent market share of home improvement loan originations in the AA. The bank's market share of home improvement loan originations is less than their deposit market share. The bank ranked in the top 47.60 percent of lenders (308 out of 647 lenders) originating home refinance loans in the AA. Zions had a 0.02 percent market share of home refinance loans. The bank's market share of home refinance loans is less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 4.76 percent of lenders (10 out of 210) originating small business loans in the AA. Zions had a 2.49 percent market share of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 60.09 percent of small business loan originations.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans was adequate.

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

Houston-The Woodlands-Sugar Land MSA

The overall geographic distribution of home purchase loans was adequate. In 2017, the percentage of loans in low-income CTs exceeded the aggregate and the percentage of loans in moderate-income CTs was near to the aggregate. The percentage of loans in both low- and moderate-income CTs was significantly below the percentage of owner-occupied units in low- and moderate-income CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans in low-income CTs exceeded the aggregate. The percentage of loans in moderate-income CTs was well below aggregate. The percentage of loans in both low- and moderate-income CTs was significantly below the percentage of owner-occupied units in low- and moderate-income CTs.

The overall geographic distribution of home improvement loans was good. In 2017, the percentage of home improvement loans in low- and moderate-income CTs exceeded the aggregate for both. The percentage of home improvement loans in low-income CTs was below the percentage of owner-occupied units in these CTs. The percentage of loans in moderate-income CTs exceeded the percentage of owner-occupied units in moderate-income CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home

improvement loans in both low- and moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in these CTs.

The overall geographic distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans in low-income CTs exceeded the aggregate and was near to the aggregate for loans in moderate-income CTs. However, the percentage of loans in both low- and moderate-income CTs was significantly below the percentage of owner-occupied units in these CTs. Performance in 2015 through 2016 was consistent with 2017. The percentage of home refinance loans exceeded the aggregate in both low- and moderate-income CTs. However, the percentage of loans in both low- and moderate-income CTs was significantly below the percentage of owner-occupied units in these CTs.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was good.

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

Houston-The Woodlands-Sugar Land MSA

The overall geographic distribution of small loans to businesses was good. In 2017, the percentage of small loans to businesses in low-income CTs exceeded the aggregate; the percentage of loans in moderate-income CTs was near to the aggregate. The percentage of loans in low-income CTs was below the percentage of businesses in these CTs; and the percentage of loans in moderate-income was near to the percentage of businesses in these CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small loans to businesses in low- and moderate-income CTs exceeded the aggregate. In addition, the percentage of loans in low-income CTs was below the percentage of businesses in low-income CTs and the percentage of loans in moderate-income CTs was near to the percentage of businesses in these CTs.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Overall, the borrower distribution of home mortgage loans is adequate.

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

Houston-The Woodlands-Sugar Land MSA

The overall borrower distribution of home purchase loans in the Houston-The Woodlands-Sugar Land MSA was very poor. In 2017, the percentage of home purchase loans to low-income borrowers was well below the aggregate, and the percentage of loans to moderate-income borrowers was significantly below the aggregate. Furthermore, the percentage of home purchase loans to both low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families. Performance in 2015 through 2016 was consistent with 2017 performance.

The overall borrower distribution of home improvement was good. In 2017, the percentage of home improvement loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families. The percentage of loans to moderate-income borrowers met the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017. The percentage of home improvement loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans to low-income borrowers was below the aggregate and the percentage of loans to moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than 2017. The percentage of home refinance loans to low-income borrowers was below the aggregate and the percentage of loans to moderate-income borrowers was well below the aggregate. In addition, the percentage of loans to both low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families.

Small Loans to Businesses

The overall borrower distribution of loans to small businesses (businesses with gross annual revenues of \$1 million or less) was very poor.

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

Houston-The Woodlands-Sugar Land MSA

In 2017, the percentage of small loans to businesses was significantly below both the aggregate and the percentage of small businesses in this AA. Performance in 2015 through

2016 was stronger than in 2017. The percentage of loan to small businesses was well below the aggregate and significantly below the percentage of small businesses.

Other Performance

Zions works in conjunction with state housing agencies and city or county programs to offer affordable down payment assistance programs to first time and non-first time homebuyers. These programs include down payment and closing cost assistance. Zions has worked with the Federal Home Loan Bank, the City of Houston, and Avenue CDC to offer flexible, affordable loan products. Zions leveraged these programs to originate 22 loans totaling over \$2.2 million during the evaluation period in the Houston MSA.

Community Development Lending

Zions' CD lending performance had a positive impact on the overall evaluation of its lending performance in the state of Texas and elevates the overall rating to Low Satisfactory. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Houston-The Woodlands-Sugar Land MSA

The volume of CD lending was adequate and had a positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated 32 CD loans totaling \$110.3 million or 8.84 percent of Tier 1 Capital allocated to the AA. Zions originated 14 CD loans totaling \$70.4 million dedicated to affordable housing, which was responsive to identified needs in the AA, particularly resulting from Hurricane Harvey.

Examples of CD loans originated during the evaluation period include:

- A \$20.4 million loan for the construction and permanent financing of a 170-unit apartment building, with all units designated as affordable housing units.
- Two loans totaling \$2.7 million to a refinance and extend the maturity of a building with 79 LMI qualified housing units, which is located in a low-income CT.
- A \$5.4 million loan to refinance debt for a nonprofit organization that provides food delivery services to low-income seniors and meals to low-income children.
- Seven SBA 504 loans totaling \$15.5 million.

Broader Statewide

Zions originated eight loans in the broader statewide area. The statewide CD loans totaled \$41.8 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Dallas-Plano-Irving MD and San Antonio-New Braunfels MSA are consistent with the overall Low Satisfactory performance under the Lending Test in Texas. In the TX Non-MSA the bank's performance is weaker than the bank's overall performance in the state, due to the overall borrower distribution in these AAs was very poor.

Refer to the Tables 1 through 13 in the state of Texas section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the investment test in Texas is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Houston-The Woodlands-Sugar Land is good. Investments across Texas, including the AAs had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Houston-The Woodlands-Sugar Land MSA

Zions made a good dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$51.8 million, with current period investments totaling \$33 million and prior period investments of \$18.8 million. Investments benefiting the AA during the evaluation represented 4.15 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested \$32.8 million in two LIHTC funds benefitting affordable housing needs of the AA:

- ☐ The bank contributed \$17.8 million to develop a 170-unit affordable housing complex for LMI seniors in Conroe.
- ☐ The bank contributed \$15 million to develop a 108-unit affordable housing complex for LMI seniors in Humble. The bank also provided construction and permanent financing for the apartment building.

Zions also made 51 grants totaling \$178 thousand to various organizations within the AA that provide affordable housing, community services, and economic development. Zions' dollar volume of qualified contributions reflects the bank's commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- \$24 thousand in grants to a public charter school serving predominately LMI children in elementary, middle, and high school. Academic lessons integrate values and model

behavioral expectations to motivate students to work hard and become ethical, productive, and loyal individuals.

- \$19 thousand in grants to a nonprofit organization whose goal is to end homelessness. This organization provides structured programs that focus on spiritual growth, education, employment, life management, and recovery from substance abuse.
- \$15 thousand grant to a nonprofit organization focused on veteran's small businesses. The organization fosters entrepreneurship through internship programs, mentorship relationships, and events for start-up businesses owned by military veterans.

Texas Statewide

Zions had 42 prior period statewide investments in activities that had a purpose, mandate or function that serves one or more of the bank's AAs with a book value of over \$57.9 million outstanding through the evaluation period. Statewide investments included qualifying mortgage backed securities, SBIC securities, and loan funds for LMI borrowers across Texas. When considering these and other investments in the full- and limited-scope areas, the \$127.1 million of qualified investments in the AAs and across the state represented 9.18 percent of total Tier 1 Capital.

Regional or Nationwide

Zions made investments totaling \$16 million in four SBICs. The bank also had one prior period nationwide investment with a book value of \$467 thousand that remained outstanding through the evaluation period. The prior period investment was with a CDFI loan fund for economic development in multiple states.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the San Antonio-New Braunfels MSA is stronger than Texas' overall High Satisfactory performance due to the higher levels of investments. Performance in the Dallas-Plano-Irving MD is consistent with the bank's overall Investment Test performance. Performance in the TX Non-MSA is weaker than the Texas overall performance due to lack of investment, and is considered very poor.

Refer to the Table 14 in the state of Texas section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Texas is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Houston-The Woodlands-Sugar Land MSA is good.

Retail Banking Services

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

Houston-The Woodlands-Sugar Land MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. Three of the 62 branches are located in low-income CTs. The percentage of branches in low-income CTs is below the percentage of population in low-income CTs. Twelve of the 62 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs is near to the percentage of population in moderate-income CTs. Eleven branches located in middle- and upper-income geographies are near to and directly adjacent to a low- and moderate-income CTs. These branches provide services to a large percentage of LMI individuals. The bank provided an analysis of the percentage of retail customers, which reside in low- or moderate-income geographies. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. The bank closed six branches during the evaluation period, with one branch located in low- and five branches located in upper-income CTs. The low-income branch was closed due to the high rent, poor condition of the building, and sewer problems. The upper-income branches were closed due to limited visibility and difficulty accessing the branches. One branch was badly damaged by Hurricane Harvey, and another branch closed due to minimal transaction volumes and poor profitability. The bank also opened two branches in upper-income CTs.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Houston-The Woodlands-Sugar Land MSA

Zions' performance in providing community development services in the Houston-The Woodlands-Sugar Land MSA is good. During the evaluation period, 18 employees provided their expertise to 22 organizations for a total of 969 hours. Zions employees served in a leadership capacity with 18 organizations.

Examples of CD services provided by employees during the evaluation period include:

- An employee provided over 180 hours of financial coaching to homeless families. The organization administering the program, meets the immediate needs of homeless families while empowering participants to attain self-sufficiency.
- An employee served on the board, executive committee, and workforce development committee for 100 hours at a center, which is dedicated to help LMI individuals with career and personal financial services. The center provides financial education and coaching, and public benefits access.
- Two bank employees provided expertise to an organization that provides various services to community residents. The employees conducted site visits to evaluate program offerings and donations to determine consistency with standard mission/goals.
- An employee served over 80 hours on the finance committee and chaired the capital campaign committee for an organization dedicated to meeting the needs of homeless men, women, and children. The organization encourages positive life changes through structured programs that focus on spiritual growth, education, employment, life management, and recovery from substance abuse.
- An employee served on the board of an organization dedicated to restore and revitalize neighborhoods by repairing homes at no cost for low-income elderly homeowners.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Dallas-Plano-Irving MD, San Antonio-New Braunfels MSA, and TX Non-MSA is weaker than the Texas' overall High Satisfactory performance. The branch distribution in these AAs was poor.

Refer to Table 15 in the state of Texas section of appendix D for the facts and data that support these conclusions.

State of Utah

CRA Rating for Utah⁹:	Satisfactory
The lending test is rated:	Low Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	Outstanding

The major factors that support this rating include:

- ☐ Lending levels reflect excellent responsiveness to AA credit needs.
- ☐ The geographic distribution of loans reflects adequate penetration throughout the AAs.
- ☐ The distribution of borrowers reflects, given the product lines offered by the bank, poor penetration among retail customers of different income levels and business customers of different size.
- ☐ The bank has made an adequate level of community development loans.
- ☐ The bank has made a good level of qualified investments that exhibited good responsiveness to AA credit and community needs.
- Branches are readily accessible to all portions of the bank's AAs and to individuals of different income levels.
- ☐ The level of community development services is good.

Description of Bank's Operations in Utah

Zions has six AAs comprised of 30 counties within the state of Utah. Zions included Box Elder, Davis, Morgan, and Weber Counties in the Ogden-Clearfield MSA. The bank included Juan and Utah Counties in the Provo-Orem MSA. Cache County comprised the Logan MSA. The bank included Salt Lake and Tooele County in the Salt Lake City MSA. The St George MSA consists Washington County. The UT Non-MSA is comprised of 19 counties which include Beaver, Carbon, Daggett, Duchesne, Emery, Garfield, Grand, Iron, Kane, Millard, Piute, Rich, San Juan, Sanpete, Sevier, Summit, Uintah, Wasatch and Wayne Counties. These non-metropolitan areas were combined for analysis purposes.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$16.7 billion in deposits in Utah, which represented 31.68 percent of the bank's total deposits. The bank made 47.58 percent of its total evaluation period HMDA and CRA loans in Utah.

Zions had 97 office locations and 121 deposit-taking ATMs within the state. The bank ranked seventh in deposit market share with 3.58 percent. Primary competitors include Morgan Stanley Bank National Association, Ally Bank, Synchrony Bank, UBS Bank, and American Express Bank. There were 55 FDIC insured depository institutions within the state of Utah.

Refer to the community profiles for the state of Utah in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Utah

The Salt Lake City MSA was selected for analysis using full-scope procedures because the AA had the largest percent of the bank's deposits, loans, and branches within the rating area. The St George MSA and UT Non-MSA were selected for analysis using full-scope procedures because each AA had not received a full-scope review in the most recent evaluations, and the deposit market share indicates the bank is important to these areas.

The Ogden-Clearfield MSA, Provo-Orem MSA and Logan MSA were chosen for limited-scope review due to the bank's limited presence in the AA.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN STATE OF UTAH

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Utah is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Salt Lake City MSA and St George MSA is adequate and in the UT Non-MSA is excellent.

Lending Activity

Overall lending activity in the state of Utah is excellent, considering strong competition for all types of loans. The bank's lending activity for home mortgage is excellent and small business lending activity is excellent.

Refer to Tables 1 Lending Volume in the state of Utah section of appendix D for the facts and data used to evaluate the bank's lending activity.

Salt Lake City MSA

Zions' overall lending activity in the Salt Lake City MSA is excellent. Based on FDIC Deposit Market Share Data as of June 30, 2017, Zions had \$11.3 billion in deposits, with a deposit market share of 2.57 percent market. Zions ranked tenth in total deposits out of 43 banks in

the Salt Lake City MSA. Zions ranked in the top 23.25 percent of banks in deposit market share. Zions originated 1,352 home mortgage loans and 13,352 small business loans through the evaluation period. Small business lending represented 90.80 percent of reportable lending activity in the AA. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, commercial banks, small business banks, and finance companies.

According to 2016 peer mortgage data, Zions ranked in the top 10.88 percent of lenders (31 out of 285) originating home purchase loans. Zions' home purchase market share of 0.70 percent market share was less than their deposit market share. The bank ranked in the top 13.02 percent of lenders (16 out of 123) originating home improvement loans. Zions had a 1.7 percent market share of home improvement loans. The bank's market share of home improvement loans was less than their deposit market share. Zions ranked in the top 10.92 percent of lenders (31 out of 284) originating home refinance loans. Zions had a 0.84 percent market share of home refinance loans. The bank's market share of home refinance loans was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 2.91 percent of lenders (third out of 103) originating small business loans in the AA. Zions had a 13.47 percent market share of small business loans originations. The bank's market share of small business loan originations was greater than their deposit market share. The top five small business lenders had a combined market share of 75.38 percent of small business loan originations. Many of the banks listed ahead of Zions are nationwide lenders with large credit card portfolios.

St. George MSA

The overall lending activity in the St. George MSA is excellent. Based on FDIC Deposit Market Share Data as of June 30, 2017, Zions has a \$688.2 million in deposits, with a deposit market share of 30.64 percent. Zions ranked first in total deposits out of nine banks in the AA. Zions ranked in the top 11.11 percent of banks in deposit market share. Zions originated 597 home mortgage loans and 2,264 small business loans through the evaluation period. Small business lending represented 79.13 percent of reportable lending activity in the AA.

According to 2016 peer mortgage data, Zions ranked in the top 6.36 percent of lenders (11 out of 173) originating home purchase loans. Zions' home purchase market share of 2.35 percent was less than their deposit market share. The bank ranked in the top 7.14 percent of lenders (13 out of 182) originating home refinance loans. Zions had a 1.87 percent market share of home refinance originations. The bank's market share of home refinance originations was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 5.26 percent of lenders (third out of 57) originating small business loans in the AA. Zions had a 12.22 percent market share of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 81.71 percent of small business loan originations. Many of the banks listed ahead of Zions are nationwide lenders with large credit card portfolios.

Utah Non-MSA

The overall lending activity performance in the Utah Non-MSA is excellent. Based on FDIC Deposit Market Share Data as of June 30, 2017, Zions had \$1.7 billion in deposits in the Utah Non-MSA, with a deposit market share of 36.87 percent. Zions ranked first in total deposits out of 14 banks in the AA. Zions ranked in the top 7.14 percent of banks in deposit market share. Zions originated 1,280 home mortgage loans and 7,620 small business loans throughout the evaluation period. Small business lending represented 85.61 percent of reportable lending activity in the AA.

According to 2016 peer mortgage data, Zions ranked in the top 2.56 percent of lenders (six out of 234) originating home purchase loans. Zions' home purchase market share of 3.61 percent was less than their deposit market share. The bank ranked in the top two percent of lenders (five out of 250), originating home refinance loans in the AA. Zions had a 3.53 percent market share of home refinance loans. The bank's market share of home refinance loans was less than their deposit market share.

According to 2016 peer small business data, Zions ranked in the top 13.47 percent of lenders (first out of 71) originating small business loans in the AA. Zions had a 25.87 percent market share of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share. The top five small business lenders had a combined market share of 77.31 percent of small business loan originations. Many of the banks listed ahead of Zions are nationwide lenders with large credit card portfolios.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans is adequate.

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

Salt Lake City MSA

The overall geographic distribution of home purchase loans was poor. In 2017, the percentage of loans in low-income CTs was significantly below the aggregate, and the percentage of loans in moderate-income CTs was below aggregate. In addition, the percentage of loans in low-income CTs was significantly below the percentage of owner-occupied units, and the percentage of loans in moderate-income CTs was well below the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home purchase loans in low-income CTs was significantly below the aggregate; the percentage of loans in moderate-income CTs substantially met the aggregate. The percentage of loans in low-income CTs was significantly below the percentage of owner-occupied units, and the percentage of loans in moderate-income CTs was below the percentage of owner-occupied units.

The overall geographic distribution of home improvement loans was good. In 2017, the percentage of loans in low- and moderate-income CTs exceeded the aggregate for both. The percentage of loans in low-income CTs substantially exceeded the percentage of owner-occupied units, and the percentage of loans in moderate-income CTs was near to the percentage of owner-occupied units. Performance in 2015 through 2016 was weaker than in 2017. The bank did not make any home improvement loans in low-income CTs. The percentage of home improvement loans in moderate-income CTs significantly exceeded the aggregate and the percentage of owner-occupied units.

The overall geographic distribution of home refinance loans was adequate. In 2017, the percentage of loans in low-income CTs was significantly below the aggregate, and the percentage of loans in moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs was significantly below the percentage of owner-occupied units in these CTs, and the percentage of loans in moderate-income CTs was below the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans in both low- and moderate-income CTs was near to the aggregate. The percentage of loans in low-income CTs exceeded the percentage of owner-occupied units, and the percentage of loans in moderate-income CTs was significantly below the percentage of owner-occupied units in these CTs.

St George MSA

In evaluating the geographic distribution of home loans in the AA, it is important to note that under the 2010 U.S. Census, no low-income census tracts exist.

The overall geographic distribution of home purchase loans was poor. In 2017, the percentage of home purchase loans in moderate-income CTs was below the aggregate and significantly below the percentage of owner-occupied housing in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

The bank did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall geographic distribution of home refinance loans was adequate. In 2017, the bank did not make any home refinance loans in moderate-income CTs in this AA. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans in moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in these CTs.

UT Non-MSA

The overall geographic distribution of home purchase loans was adequate. In 2017, the percentage of loans in low-income CTs was near to the aggregate. In addition, the percentage of loans in low-income CTs was significantly below the percentage of owner-occupied units. The percentage of loans in moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in these CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

The overall geographic distribution of home improvement loans was good. In 2017, the percentage of loans in moderate-income CTs exceeded the aggregate, but was well below the percentage of owner-occupied units. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans in moderate-income CTs exceeded both the aggregate and the percentage of owner-occupied units in moderate-income CTs.

The overall geographic distribution of home refinance loans was excellent. In 2017, the percentage of loans in moderate-income CTs exceeded the aggregate and the percentage of owner-occupied units. Performance in 2015 through 2016 was consistent with 2017 performance.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was excellent.

Refer to Table 6 in the state of Utah 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.

Salt Lake City MSA

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses was well below the aggregate for loans in low-income CTs and exceeded the aggregate for loans in moderate-income CTs. In addition, the percentage of loans in low-income CTs was near to the percentage of businesses in these CTs and the percentage of loans in moderate-income CTs exceeded the percentage of businesses in these CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small loans to businesses was near to the aggregate for loans in low-income CTs. The percentage of small loans to businesses exceeded the aggregate for loans in moderate-income CTs. In addition, the percentage of loans in both low- and moderate-income CTs exceeded the percentage of businesses in these CTs.

St George MSA

In evaluating the geographic distribution of small business loans in the AA, it is important to note that under the 2010 U.S. Census, no low-income census tracts exist.

The overall geographic distribution of small loans to businesses was excellent. In 2017, the percentage of small loans to businesses exceeded both the aggregate and the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

UT Non-MSA

The overall geographic distribution of small loans to businesses was good. In 2017, the percentage of loans in low-income CTs was near to the aggregate and the percentage of businesses in these CTs. The percentage of small loans to businesses exceeded both the

aggregate and the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms was excellent.

Refer to Table 7 in the state of Utah 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 farms.

Salt Lake City MSA

The geographic distribution of small loans to farms was excellent. In 2017, the percentage of small loans to farms in both low- and moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs exceeded the percentage of farms in low-income CTs, and the percentage of loans in moderate-income CTs was below the percentage of farms in moderate-income CTs. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small loans to farms in both low- and moderate-income CTs significantly exceeded the aggregate. The percentage of small loans to farms exceeded the percentage of farms in these CTs and the percentage of loans in moderate-income CTs was near to the percentage of farms in moderate-income CTs.

St George MSA

In evaluating the geographic distribution of farm loans in the AA, it is important to note that under the 2010 U.S. Census, no low-income census tracts exist.

The overall geographic distribution of small loans to farms was excellent. In 2017, the percentage of small loans to farms exceeded both the aggregate and the percentage of farms in these CTs. Performance in 2015 through 2016 was weaker than in 2017. The percentage of loans in moderate-income CTs exceeded the aggregate and was below the percentage of farms in this AA.

UT Non-MSA

The overall geographic distribution of small loans to farms was excellent. In 2017, the percentage of loans in low-income CTs was near to the aggregate and the percentage of farms in these CTs. The percentage of small loans to farms exceeded both the aggregate and the percentage of businesses in moderate-income CTs. Performance in 2015 through 2016 was consistent with 2017 performance.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is good.

Refer to Tables 8, 9, and 10 in the state of Utah 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.

Salt Lake City MSA

The overall borrower distribution of home purchase loans in the Salt Lake City MSA was poor. In 2017, the percentage of loans to low- and moderate-income borrowers was well below the aggregate for both. In addition, the percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans to low-income borrowers was well below the aggregate, and the percentage of loans to moderate-income borrowers was significantly below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income borrowers; the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families and is adequate.

The overall borrower distribution of home improvement loans in the AA was good. In 2017, the percentage of loans to low- and moderate-income borrowers exceeded the aggregate for both. The percentage of loans to low-income borrowers was well below the percentage of low-income families, and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home improvement loans to low- and moderate-income borrowers exceeded the aggregate for both. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families; the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families.

The overall borrower distribution of home refinance loans was adequate. In 2017, the percentage of home refinance loans to low-income borrowers exceeded the aggregate, and the percentage of loans to moderate-income borrowers was near to the aggregate. The percentage of loans to low-income borrowers was well below the percentage of low-income families and the percentage of loans to moderate-income borrowers met the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of loans to low-income borrowers was below the aggregate, and the percentage of loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families.

St. George MSA

The overall borrower distribution of home purchase loans in the St. George MSA was very poor. In 2017, the percentage of loans to low- and moderate-income borrowers was significantly below the aggregate and the percentage of low- and moderate-income families. Performance in 2015 through 2016 was consistent with 2017 performance.

Zions did not originate or purchase a sufficient number of home improvement loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

The overall borrower distribution of home refinance loans was very poor. In 2017, the percentage of home refinance loans to low-income borrowers was below the aggregate, and the percentage of loans to moderate-income borrowers was significantly below the aggregate. The percentage of home refinance loans to low- and moderate-income borrowers was significantly below the percentage of low- and moderate-income families. Performance in 2015 through 2016 was stronger than in 2017. The percentage of home refinance loans to both low- and moderate-income borrowers was below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families.

UT Non-MSA

The overall borrower distribution of home purchase loans in the UT Non-MSA was adequate. In 2017, the percentage of loans to both low- and moderate-income borrowers was below the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was weaker than in 2017. The percentage of home purchase loans to low-income borrowers was significantly below the aggregate, and the percentage of loans to moderate-income borrowers was well below the aggregate. The percentage of loans to low-income borrowers was well below the percentage of low-income families, and the percentage of loans to moderate-income borrowers was below the percentage of moderate-income families.

The overall borrower distribution of home improvement loans is good. In 2017, the percentage of loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was below the percentage of low-income families, and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017 performance.

The overall borrower distribution of home refinance loans was good. In 2017, the percentage of loans to both low- and moderate-income borrowers exceeded the aggregate. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families, and the percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. Performance in 2015 through 2016 was consistent with 2017 performance.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was very poor.

Refer to Table 11 in the state of Utah 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.

Salt Lake City MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of loans to small businesses was significantly below both the aggregate and the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was well below the aggregate, and significantly below the percentage of small businesses.

St. George MSA

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of loans to small businesses (businesses with gross annual revenues of \$1 million or less) was well below the aggregate and significantly below the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loan to small businesses was below the aggregate, but significantly below the percentage of small businesses.

UT Non-MSA

The overall borrower distribution of loans to small businesses was very poor. In 2017, the percentage of loans to small businesses (businesses with gross annual revenues of \$1 million or less) was significantly below both the aggregate and the percentage of small businesses. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small businesses was below the aggregate and significantly below the percentage of small businesses.

Small Loans to Farms

Overall, the borrower distribution of small loans to farms (farms with gross annual revenues of \$1 million or less) was very poor.

Refer to Table 12 in the state of Utah section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

Salt Lake City MSA

The overall borrower distribution of loans to small farms was very poor. In 2017, the percentage of loans to small farms was significantly below the aggregate and the percentage of small farms. Performance in 2015 through 2016 was stronger than in 2017. The

percentage of loans to small farms was well below the aggregate and significantly below the percentage of small farms.

St. George MSA

The overall borrower distribution of loans to small farms was poor. In 2017, the percentage of loans to small farms was well below the aggregate and significantly below the percentage of small farms. Performance in 2015 through 2016 was stronger than in 2017. The percentage of loans to small farms exceeded the aggregate, but was well below the percentage of small businesses.

UT Non-MSA

The overall borrower distribution of loans to small farms was adequate. In 2017, the percentage of loans to small farms was near to the aggregate and well below the percentage of small farms. Performance in 2015 through 2016 was stronger than in 2017. The percentage of small farm loans exceeded the aggregate and was below the percentage of small farms.

Other Performance

Zions works in conjunction with state housing agencies, city, and county programs to offer affordable down payment assistance programs to first time and non-first time homebuyers. These programs may include down payment and closing cost assistance. Zions has worked with Federal Home Loan Bank and the Utah Housing Corporation to offer flexible, affordable loan products under this agency's program. Zions leveraged the Federal Home Loan Bank's Home Start and Home Start Plus program to originate four loans totaling \$30 thousand during the evaluation period. The bank utilized the Utah Housing Bond to originate 102 loans totaling over \$9.3 million during the evaluation period, which with 30 loans totaling over \$3 million in the Salt Lake City MSA, and 19 loans totaling over \$1.2 million in the UT Non-MSA.

Community Development Lending

The volume of CD lending had a neutral impact on the overall evaluation of its lending performance in the state of Utah. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Salt Lake City MSA

The volume of CD lending was adequate and had a neutral impact on the overall lending performance in the AA. During the evaluation period, Zions originated 23 CD loans totaling \$59 million, or 4.10 percent of Tier 1 Capital allocated to the AA. CD loans were responsive to

the identified community needs, with 64.27 percent of CD lending volume in the AA dedicated to affordable housing. Zions originated seven loans totaling \$29 million dedicated to affordable housing; the majority of CD lending was dedicated to the identified community need of affordable housing.

Examples of CD loans originated during the evaluation period include:

- A \$18 million loan to construct a 95 unit affordable housing complex with rents that are affordable to LMI families. This project qualifies for LIHTCs and is located within a moderate-income CT.
- A \$280 thousand loan for affordable housing. The purpose of the loan is for the construction of a multifamily apartment complex for low-income seniors. This loan will help finance 43 units of affordable housing in a moderate-income CT.
- A \$10 million loan dedicated to provide affordable housing to a CDFI. The loan was to refinance an existing line of credit and provide additional funding. The CDFI used the money to provide permanent financing for low- and moderate-income real estate.
- A \$1.7 million bridge loan to purchase a building for a nonprofit within the Salt Lake City MSA. This organization provide services such as computer training, arts and crafts, leadership development, career exploration, and fields trip for low- and moderate-income children between 6-18 years old.
- Five SBA 504 loans totaling \$6.8 million. These loans provide economic development opportunities.

St. George MSA

The volume of CD lending is a Needs to Improve and had a neutral impact on the overall lending performance in the AA. During the evaluation period, Zions originated one CD loan for \$32 thousand, which is equivalent to 0.04 percent of Tier 1 Capital allocated to the AA. The loan was a revolving line of credit to a nonprofit housing agency to help with working capital needs.

Utah Non-MSA

The volume of CD lending is Needs to Improve and has a neutral impact on the overall lending performance in the AA. During the evaluation period, Zions originated five CD loans totaling \$4.1 million, or 1.93 percent of Tier 1 Capital allocated to the AA. The bank dedicated all of their CD lending to community service.

Examples of CD loans originated during the evaluation period include:

- \$3.5 million loan to a nonprofit community resource center for homeless and low-income individuals. The proceeds from the loan were used to complete a major remodel of an existing property. This nonprofit offers therapy, psychosocial rehabilitation, and various other services to homeless and low-income individuals.
- \$100 thousand refinance line of credit used to provide working capital. The loan proceeds were provided to a nonprofit government agency. This agency provides health services and emergency medical services to LMI people. This health clinic is located in a moderate-income CT.

Broader Statewide

In addition to the AA's, Zions provided two CD loans for \$16 million to the broader statewide region. These loans had a neutral impact on the overall lending performance rating in the state of Utah.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Logan MSA is consistent with the overall Low Satisfactory performance under the Lending Test in Utah. In the Provo-Orem MSA the bank's performance is stronger than the bank's overall Lending Test performance in the state, due to the CD lending performance was relatively high in the AA. In the Ogden-Clearfield MSA the bank's performance is weaker than the bank's overall performance in the state, due to the overall borrower distribution was poor in the AA.

Refer to the Tables 1 through 13 in the state of Utah section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Utah is rated High Satisfactory. Zions' performance in the full-scope Salt Lake City MSA and Utah Non-MSA is good, and poor in the St. George MSA. Investments across Utah, including the AAs had a positive impact on overall Investment Test conclusions. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Salt Lake City MSA

Zions made an adequate dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited excellent responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$39.2 million, with current period investments totaling \$34.2 million and prior period investments of \$5 million. Investments benefiting the AA during the evaluation represented 2.73 percent of allocated Tier 1 Capital.

Zions also invested \$33 million in qualifying bonds benefitting affordable housing and economic development needs of the AA.

Examples of the benefit of these investments include:

- \$15 million bond to develop a 146-unit apartment building for LMI individuals.
- \$13 million bond to finance the construction of a parking garage to support permanent job creation and/or improvement for LMI individuals in a low-income CT.

- \$5 million Community Development Project Area (CDA) bond for redevelopment and economic development.

Zions also made 78 grants totaling \$1.2 million to various organizations within the AA that provide affordable housing, community services, and economic development. Zions' dollar volume of qualified contributions reflects the bank's commitment to help meet identified CD needs.

Examples of grants during the evaluation period include:

- \$250 thousand in grants to the University of Utah for scholarships to LMI students.
- \$200 thousand in grants to a clinic for the provision of medical services to LMI individuals.
- \$111 thousand in grants to a nonprofit organization that serves the Greater Salt Lake area and predominantly serves LMI kids and offers daycare and after school activities.

St George MSA

Zions made a very poor dollar volume of qualified investments, including grants and donations. Neither innovative nor complex, these investments exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$3 thousand in grants to two organizations providing community services targeted to LMI individuals. Investments benefiting the AA during the evaluation represented less than 0.01 percent of allocated Tier 1 Capital.

Utah Non-MSA

Zions made an excellent dollar volume of qualified investments, including grants and donations. While not innovative or complex, these investments exhibited good responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$38.1 million, with current period investments totaling \$7.3 million and prior period investments of \$30.9 million. Investments benefiting the AA during the evaluation represented 17.98 percent of allocated Tier 1 Capital.

During the evaluation period, the bank invested \$7.2 million in an economic development bond in Carbon County. Zions also made 17 grants totaling \$31 thousand to various organizations within the AA that provide affordable housing and community services.

Examples of grants during the evaluation period include:

- \$6 thousand in grants to a nonprofit organization, which provides shelter and mentoring, abuse recovery, and substance abuse recovery programs to victims of domestic and sexual abuse.
- \$5 thousand in grants to a nonprofit housing organization, which provides affordable homeownership opportunities for LMI individuals and families. The nonprofit provides financial education and low-cost loans to eligible homebuyers. The eligible homebuyer assists in building the house and simultaneously learns skills to maintain and repair the home.
- \$2 thousand grant to a health clinic, which provides medical services to LMI individuals.

Regional or Nationwide

Zions made investments totaling \$16 million in four SBICs. The bank also has two prior period nationwide or regional investments with a book value of \$13.4 million that remained outstanding through the evaluation period. One investment was with a CDFI loan fund for economic development in multiple states, and one was a \$12.9 million SBIC security investing in businesses in Idaho and Utah.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, Zions' performance under the Investment Test in the Logan MSA is stronger than Utah's overall High Satisfactory performance due to higher levels of investments. Performance in the Ogden-Clearfield MSA is weaker than the state's overall Investment Test performance due to lower levels of investments, but is adequate. Performance in the Provo-Orem MSA is weaker than Utah's Investment Test performance due to minimal levels of investment, and is considered very poor.

Refer to The table 14 in the state of Utah section of appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Utah is rated Outstanding. Based on full-scope reviews, the bank's performance in the Salt Lake City MSA, St George MSA, and UT Non-MSA is excellent.

Retail Banking Services

Refer to Table 15 in the state of Utah 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.

Salt Lake City MSA

Branch distribution in the AA is excellent when considering near to branches. Branches are readily accessible to all portions of the AA. One of the 32 branches is located in a low-income CT. The percentage of branches in low-income CTs is near to the percentage of population in low-income CTs. Eight of the 32 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. Five branches located in middle-income geographies are near to and directly adjacent to low- and moderate-income CTs. These branches provide services to a large percentage of LMI individuals. When considering these near to branches, performance improved in the AA.

Branch opening and closings have generally not adversely affected the accessibility of the bank's delivery systems in the AA. During the evaluation period, the bank closed three

branches during, which were in a moderate-, a middle-, and a non-income CT. The moderate-income tract branch was closed due to the location being targeted for redevelopment by the city. The middle-income tract branch, which was located inside a medical hospital, was closed due to low transaction volume and poor profitability. The non-income tract branch closed due to the expansion of the Salt Lake City International Airport.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

St. George MSA

Branch distribution in the AA is excellent based on branch distribution. Branches are readily accessible to all portions of the AA. There are no low-income CTs in the AA. One of the eight branches is located in a moderate-income CT. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs. A branch located in a middle-income geography is near to and directly adjacent to moderate-income CTs. This branch provides services to a large percentage of LMI individuals. When considering this near to branch, performance improved in the AA.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Utah Non-MSA

Branch distribution in the AA is excellent. Branches are readily accessible to all portions of the AA. There are no branches located in low-income CTs. Four of the 24 branches are located in moderate-income CTs. The percentage of branches in moderate-income CTs exceeds the percentage of population in moderate-income CTs.

The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Salt Lake City MSA

Zions' performance in providing community development services in the Salt Lake City MSA is excellent. During the evaluation period, 86 employees provided their expertise to 64 organizations for a total of 5,554 hours. Bank employees served in a leadership capacity with 71 organizations.

Examples of CD services provided during the evaluation period include:

- Several bank employees served as financial literacy instructors for various schools in the AA, teaching elementary and middle school students about money safety, currency, credit and debit cards, and checks. The students selected to participate are from LMI families.
- Seven employees provided over 630 hours in community service for an organization dedicated to reducing the number of children living in poverty by teaching low-income women, primarily single mothers, how to earn a living wage. The employees served as mentors, class facilitators, and board members of the organization.
- A bank employee provided over 240 hours as a council member. The council makes funding recommendations for grants to agencies, which provide social services to county residents. The council reviews and scores applications from organizations that help low-to-moderate individuals and families, and recommends which organization should receive funding.
- Two bank employees provided 116 hours to a clinic that provides free medical services for uninsured and low-income individuals and families. The clinic provides health education, laboratory tests, dental services, and preventative care. One employee assisted in maintaining, updating, and repairing the clinic's IT software, hardware, networks, and records systems. The other employee served as a member of the advisory board.
- A bank employee provided over 80 hours as a counselor in a nonprofit association dedicated to educating entrepreneurs and helping small businesses start, grow, and succeed nationwide. Counseling services include business plan writing, and assistance with marketing, sales training, hiring techniques, legal matters, viability studies, accounting, finance, and management.
- Three employees provided over 150 hours as board and committee members of an organization that assists children facing adversity. The employees served as mentors

with a goal of forming professionally supported one-to-one relationships that change lives for better. Children enrolled are from low-to-moderate families.

St. George MSA

Zions' performance in providing community development services in the St. George MSA is good. During the evaluation period, seven employees provided their expertise to four organizations for a total of 197 hours. CD services provided focused on community service.

Examples of CD services provided by employees during the evaluation period include:

- An employee served as a board member for an organization that provides a comprehensive range of health, educational, and preventive social services. Services for low-income and uninsured clients are provided and charged based on family income and size.
- Three employees served as financial literacy instructors for various schools in the AA, teaching middle and high school students about money safety, budgeting, interest rates, currency, credit and debit cards and checks. The schools selected had the majority of their students from LMI families.
- Four employees provided 14 hours as financial literacy instructors for various schools in the AA, teaching elementary, middle, and high school students about budgeting and money management.
- A bank employee served as a member of the advisory board of an organization that fights hunger statewide. The organization distributes meals statewide and offers programs for low-income individuals and families.

Utah Non-MSA

Zions' performance in providing community development services in the Utah Non-MSA is good. During the evaluation period, 21 employees provided their expertise to 14 organizations for a total of 1,268 hours. Zions employees served in a leadership capacity with ten organizations.

Examples of CD services provided by employees during the evaluation period include:

- An employee provided over 39 hours as an advisory board members of an organization that assists children facing adversity. The employee served as a mentor, with a goal of forming professionally supported one-to-one relationships that change lives for better. Children enrolled are from low-to-moderate families.
- An employee provided 270 hours as a site coordinator and tax preparer for an organization that assists LMI communities. The employee oversaw site operations and conducted quality control.
- An employee provided 120 hours as a board member to an organization that oversees the section 8 voucher distribution, public housing, and the operations of affordable housing for LMI seniors living in the county.
- An employee provided 168 hours as a committee member of an organization that provides startup funds and revolving loans for small businesses that cannot qualify for traditional lending through financial institutes.

- An employee provided over 115 hours as a board and committee member of an organization that provides access to other organizations offering financial incentives, a revolving loan fund, gap financing for emerging new businesses, and tax incentives. The committee evaluates applications for those programs and determines if applicants qualify for the incentives.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Ogden-Clearfield MSA and Provo-Orem MSA is consistent with Utah's overall Outstanding performance. In the Logan MSA, the bank's performance is weaker than Utah's overall performance. The branch distribution in this AA was poor and the community development services were poor compared to the overall rating area.

Refer to Table 15 in the state of Utah section of appendix D for the facts and data that support these conclusions.

State of Washington

CRA Rating for Washington¹⁰:	Needs to Improve
The lending test is rated:	Low Satisfactory
The investment test is rated:	Needs to Improve
The service test is rated:	Low Satisfactory

The major factors that support this rating include:

- ☐ Lending levels reflect good responsiveness to AA credit needs.
- ☐ The geographic distribution of loans reflects adequate penetration throughout the AAs.
- ☐ The distribution of borrowers reflects, given the product lines offered by the bank, adequate penetration among business customers of different size.
- ☐ The bank has made a relatively high level of community development loans.
- ☐ The bank has made a very poor level of qualified investments that exhibited good responsiveness to AA credit and community needs.
- Branches are reasonably accessible to the bank's AAs, including low- and moderate-income geographies and/or to low- and moderate-income individuals.
- ☐ The level of community development services is adequate.

Description of Bank's Operations in Washington

Zions has one AA comprised of one county within the state of Washington. Zions included King County in the Seattle-Bellevue-Everett MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$982.6 million in deposits in Washington, which represented 1.86 percent of the bank's total deposits. The bank made 0.06 percent of its total evaluation period HMDA and CRA loans in Washington.

Zions had one office location and no deposit-taking ATMs within the state. The bank operates in Seattle's downtown business district. The corporate structure does not facilitate a typical retail focus. The bank ranked 20th in deposit market share with 0.64 percent. Primary competitors include Bank of America National Association, Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, US Bank National Association, and KeyBank National Association. There were 83 FDIC insured depository institutions within the state of Washington.

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Refer to the community profiles for the state of Washington in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Washington

The Seattle-Bellevue-Everett MSA was selected for analysis using full-scope procedures because it is the only AA in the rating area.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF WASHINGTON

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Washington is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the Seattle-Bellevue-Everett MSA is adequate.

Lending Activity

Overall lending activity in the state of Washington is good, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is good.

Refer to Tables 1 Lending Volume in the state of Washington section of appendix D for the facts and data used to evaluate the bank's lending activity.

Seattle-Bellevue-Everett MSA

Overall lending activity in the Seattle-Bellevue-Everett MSA is good. Based on FDIC Deposit Market Share Data as June 30, 2017, Zions had \$982.6 million in deposits, with a deposit market share of 0.94 percent. Zions ranked 16th in total deposits out of 53 banks in the AA. Zions ranked in the top 30.19 percent of banks in deposit market share. Zions originated nine home mortgage loans and 70 small business loans through the evaluation period. The evaluation of lending activity only considered small business loans. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer small business data, Zions ranked in the top 19.27 percent of lenders (21 out of 109) originating small business loans in the AA. Zions had a 0.38 percent market share of small business loan originations. The top five small business lenders had a combined

market share of 77.31 percent of small business loan originations. The bank's market share of small business loan originations was less than their deposit market share.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

Zions

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was adequate.

Refer to Table 6 in the state of Washington 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.

The overall geographic distribution of small loans to businesses was adequate. In 2017, the percentage of the bank's small loans to businesses in both low- and moderate-income CTs exceeded the aggregate. The percentage of loans in low-income CTs exceeded the percentage of businesses and the percentage of loans in moderate-income CTs was below the percentage of businesses in these CTs. Performance in 2015 through 2016 was weaker than 2017. The percentage of small loans to businesses in low-income CTs exceeded the aggregate, and the percentage of loans in moderate-income CTs was significantly below the aggregate. The percentage of loans in low-income CTs was below the percentage of businesses in low-income CTs and the percentage of loans in moderate-income CTs was significantly below the percentage of businesses.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the state of Washington 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.

Seattle-Bellevue-Everett MSA

Zions did not originate or purchase a sufficient number of home purchase, home improvement, or home refinance loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the borrower distribution of small loans to businesses (businesses with gross annual revenues of \$1 million or less) was poor.

Refer to Table 11 in the state of Washington 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.

The overall borrower distribution of loans to small businesses was poor. In 2017, the percentage of the loans to small businesses was below the aggregate and significantly below the percentage of small businesses. In 2015 through 2016, performance was weaker than in 2017. The percentage of loans to small businesses was well below the aggregate, and significantly below the percentage of small businesses.

Community Development Lending

The volume of CD lending had a significantly positive impact on the overall evaluation of its lending performance in the state of Washington. We considered the lending opportunities with direct benefit within the AA and the bank's capacity to address these needs.

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

Seattle-Bellevue-Everett MSA

The volume of CD lending was excellent and had a significantly positive impact on the overall lending performance in the AA. During the evaluation period, Zions originated seven loans for \$35.3 million, or 28.21 percent of Tier 1 Capital allocated to the AA. Zions originated six loans for \$34.8 million dedicated to affordable housing; the majority of lending was responsive to the identified community needs of affordable housing.

Examples of CD loans originated during the evaluation period include:

- A \$9 million loan to construct 39 units of affordable housing. The project is located in a low-income CT.
- A \$1.9 million loan to construct 47 units of affordable housing. All 47 units will charge no more than 60 percent of the area median income. This project is located in a moderate-income CT.
- A \$500 thousand loan to a nonprofit social services organization. The loan will be used to support working capital requirements of the organization. The organization offers

services to help homeless children and families including mental health counseling, eviction prevention, domestic violence intervention, and early learning.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test in Washington is rated Needs to Improve. Based on full-scope reviews, the bank's performance in the Seattle-Bellevue-Everett MSA is poor. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

Zions made a very poor dollar volume of qualified investments, including grants and donations. These investments were neither innovative nor complex and exhibited very poor responsiveness to the credit and CD needs in the AA. Qualified investments totaled \$758 thousand, with current period investments totaling \$148 thousand and prior period investments of \$611 thousand. Investments benefiting the AA during the evaluation represented 0.61 percent of allocated Tier 1 Capital.

During the evaluation period, Zions made 29 grants totaling \$148 thousand to organizations within the AA that provide community services and affordable housing. Zions' dollar volume of qualified contributions reflects the bank's minimal commitment to help meet identified CD needs.

Regional or Nationwide

Zions made investments totaling \$16 million in four SBICs. The bank also has one prior period nationwide investment with a book value of \$467 thousand that remained outstanding through the evaluation period. The prior period investment was with a CDFI's loan fund for economic development in multiple states.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Washington is rated low satisfactory. Based on full-scope reviews, the bank's performance in the Seattle-Bellevue-Everett MSA is adequate.

Retail Banking Services

Refer to Table 15 in the state of Washington 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.

Seattle-Bellevue-Everett MSA

Branch distribution in the AA is adequate. The branch is located in the business district of Seattle. The bank did not open, close, or relocate any branches during the evaluation period in any of the income tracts.

Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development ServicesSeattle-Bellevue-Everett MSA

Zions' performance in providing community development services in the Seattle-Bellevue-Everett MSA is adequate. During the evaluation period, five employees provided their expertise to five organizations for a total of 526 hours. Zions employees served in a leadership capacity on various boards or committees. CD services provided were focused on affordable housing and community service.

Examples of CD services provided during the evaluation period include:

- A bank employee provided 100 hours as a board and committee member of an organization that buys, builds, and manages affordable housing in urban centers to enable low-wage earners, and low-income families and seniors to live independently.
- An employee provided over 180 hours as a board member of an organization that provides housing to individuals, children, families, and communities struggling with poverty. The organization has various programs that provide shelter and support services to those in need.
- An employee provided 190 hours as a board and finance committee member of an organization that develops and provides essential services and affordable housing for homeless and low-income people in the region.
- An employee served on the loan and executive committee of an organization that provides permanent loans for rent restricted housings. The organization meets the state's affordable housing and economic development needs through partnership.
- A bank employee served on the board and loan committee of a nonprofit organization created and supported by a group of financial institutions devoted to multifamily affordable housing. The lending programs in the organization provide long term financing to support the creation and preservation of low income and special needs housing, as well as real estate based economic development projects in the state. Additionally, the organization provides education and advocacy for low income and special needs housing.

State of Wyoming

CRA Rating for Wyoming¹¹: Substantial Noncompliance
The lending test is rated: Substantial Noncompliance
The investment test is rated: Substantial Noncompliance
The service test is rated: Low Satisfactory

The major factors that support this rating include:

- ☐ Lending levels reflect adequate responsiveness to AA credit needs.
- ☐ The distribution of borrowers reflects, given the product lines offered by the bank, very poor penetration among retail customers of different income levels and business customers of different size.
- ☐ The bank has made few, if any, community development loans.
- ☐ The bank has made a very poor level of qualified investments that exhibited very poor responsiveness to AA credit and community needs.
- Branches are reasonably accessible to low- and moderate-income individuals in the bank's AA. There are no low- and moderate-income CTs to low- and moderate-income individuals.
- ☐ The level of community development services is adequate.

Description of Bank's Operations in Wyoming

Zions has one AA comprised of one county within the state of Wyoming. Zions included the Teton County in the WY Non-MSA.

Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had over \$19 million in deposits in Wyoming, which represented 0.04 percent of the bank's total deposits. The bank made 0.09 percent of its total evaluation period HMDA and CRA loans in Wyoming.

Zions had one office location and no deposit-taking ATMs within the state. The bank ranked 44th in deposit market share with 0.12 percent. Primary competitors include Wells Fargo Bank National Association, First Interstate Bank, Bank of the West, Glacier Bank, and Hilltop National Bank. There were 46 FDIC insured depository institutions within the state of Wyoming.

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Refer to the community profiles for the state of Wyoming in appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in Wyoming

The WY Non-MSA was selected for analysis using full-scope procedures because it is the only AA in the rating area.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF WYOMING

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Wyoming is rated Substantial Noncompliance. Based on full-scope reviews, the bank's performance in the Wyoming Non-MSA is very poor.

Lending Activity

Overall lending activity in the state of Wyoming is adequate, considering strong competition for all types of loans. The bank's lending activity for home mortgage is poor and small business lending activity is adequate.

Refer to Tables 1 Lending Volume in the state of Wyoming section of appendix D for the facts and data used to evaluate the bank's lending activity.

Wyoming Non-MSA

Overall lending activity in the Wyoming Non-MSA is adequate. Based on FDIC Deposit Market Share data as of June 30, 2017, Zions had \$19 million in deposits in the AA, with a deposit market share of 0.94 percent. Zions ranked eighth in total deposits out of eight banks in the AA. The evaluation of lending activity only considered small business loans. There is strong competition for home mortgage lending and small business loans from large national banks, regional banks, small business banks, and finance companies.

According to 2016 peer small business data, Zions ranked in the top 24.39 percent of lenders (10 out of 41) originating small business loans in the AA. Zions had a 1.06 percent market share of small business loan originations. The top five small business lenders had a combined market share of 75.48 percent of small business loan originations. The bank's market share of small business loan originations was greater than their deposit market share.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

In evaluating the geographic distribution of home mortgage loans in the AA, it is important to note that no low- or moderate-income census tracts exist. No geographic distribution test was performed for this AA.

Small Loans to Businesses

Refer to Table 6 in the state of Wyoming 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.

In evaluating the geographic distribution of small business loans in the AA, it is important to note that no low- or moderate-income census tracts exist. No geographic distribution test was performed for this AA.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed Zions' home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the state of Wyoming 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.

WY Non-MSA

Zions did not originate or purchase a sufficient number of home purchase, home improvement, and home refinance loans in either 2017 or 2015 through 2016 in this AA to perform a meaningful analysis.

Small Loans to Businesses

Overall, the borrower distribution of loans to small loans to businesses (businesses with gross annual revenues of \$1 million or less) was very poor.

Refer to Table 11 in the state of Wyoming 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.

In 2017, the bank did not originate or purchase a sufficient number of small loans to businesses to perform a meaningful analysis. In 2015 through 2016, the percentage of loans to small businesses was well below the aggregate and significantly below the percentage of small businesses.

Community Development Lending

The volume of CD lending had a neutral impact on the overall evaluation of its lending performance in the state of Wyoming. We considered the lending opportunities with direct benefit within the AA and the bank's capacity to address these needs.

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

Zions CD lending performance has a neutral impact on the lending performance in the AA. The bank did not originate any CD loans throughout the evaluation period. There are relatively limited opportunities for community development lending in the AA.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Zions' performance under the Investment Test is rated Substantial Noncompliance. Based on full-scope reviews, the bank's performance in the WY Non-MSA is very poor. We considered the investment opportunities with direct benefit within the AA, state, and region and the bank's capacity to address these needs.

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

During the evaluation period, Zions did not make any investments or donations within the AA and there were no outstanding prior period investments.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Wyoming is rated low satisfactory. Based on full-scope reviews, the bank's performance in the Wyoming Non-MSA is adequate.

Retail Banking Services

Refer to Table 15 in the state of Wyoming 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.

WY Non-MSA

Branch distribution in the AA is adequate. Branches are accessible to all portions of the AA. There are no low- and moderate-income assessment tracts in the AA. Branch hours and services do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals.

Management complements its traditional service delivery methods with certain alternative delivery processes, including online banking, mobile banking, ATMs, and telephone banking; these delivery methods provide increased access to banking services throughout all areas in the AA.

Community Development Services

Wyoming Non-MSA

Zions' performance in providing community development services in the Wyoming Non-MSA is adequate. CD services opportunities in the AA are limited. The branch located in the full-scope AA only has two employees.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excludes CD loans): 01/01/2015 to 12/31/2017 Investment and Service Tests and CD Loans: 07/28/2015 to 12/31/2017	
Bank	Products Reviewed	
ZB, N.A. (ZIONS) Salt Lake City, UT	Home Purchase, Home Improvement, Home Refinance, Multifamily, Small Business Small Farm, and CD loans; Qualified Investments; and CD Services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Zions Bancorporation	Holding Company	Community Development investments
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
State of Arizona Flagstaff MSA Lake Havasu City-Kingman MSA Phoenix-Mesa-Scottsdale MSA Prescott MSA Sierra Vista-Douglas MSA Tucson MSA Yuma MSA AZ Non-MSA	Full-Scope Limited-Scope Full-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope	Coconino County Mohave County Maricopa and Pinal Counties Yavapai County Cochise County Pima County Yuma County Apache, Gila, Graham, Greenlee, La Paz, Navajo, and Santa Cruz counties
State of California Bakersfield MSA Fresno MSA Los Angeles-Long Beach-Anaheim MSA Oxnard-Thousand Oaks-Ventura MSA Sacramento-Roseville-Arden- Arcade MSA San Diego- Carlsbad MSA	Limited-Scope Limited-Scope Full-Scope Limited-Scope Limited-Scope Full-Scope	Kern County Fresno County Los Angeles and Orange Counties Ventura County Riverside and San Bernardino Counties San Diego County

San Francisco-Oakland-Hayward MSA	Full-Scope	Alameda, Contra Costa, San Francisco, San Mateo, and Marin Counties
San Jose-Sunnyvale-Santa Clara MSA	Limited-Scope	Santa Clara County
State of Colorado		
Boulder MSA	Limited-Scope	Boulder County
Colorado Springs MSA	Full-Scope	El Paso and Teller County
Denver-Aurora-Lakewood MDA	Full-Scope	Adams, Arapahoe, Broomfield, Denver, Douglas, Gilpin, and Jefferson Counties
Grand Junction MSA	Limited-Scope	Mesa County
Pueblo MSA	Limited-Scope	Pueblo County
CO Non-MSA	Limited-Scope	Eagle, Garfield, La Plata, Montezuma, Montrose, Pitkin, Routt Counties
State of Idaho		
Boise MSA	Full-Scope	Ada, Boise, Canyon, Gem, and Owyhee Counties
Idaho Falls MSA	Limited-Scope	Bonneville, Butte, and Jefferson Counties
Lewiston MSA	Limited-Scope	Nez Perce County
Pocatello MSA	Limited-Scope	Bannock County
ID Non-MSA	Full-Scope	Bear Lake, Bingham, Blaine, Cassia, Gooding, Latah, Madison, Payette, Twin Falls, and Washington Counties
State of Nevada		
Carson City MSA	Limited-Scope	Carson City County
Las Vegas-Henderson-Paradise MSA	Full-Scope	Clark County
Reno MSA	Limited-Scope	Storey and Washoe Counties
NV Non-MSA	Full-Scope	Churchill, Douglas, Esmeralda, Elko, Eureka, Humboldt, Lander, Lincoln, Lyon, Mineral, Nye, Pershing, & White Pine Counties
State of New Mexico		
Farmington MSA	Full-Scope	San Juan County
State of Oregon		
Portland-Vancouver-Hillsboro MSA	Full-Scope	Clackamas, Multnomah, and Washington County
State of Texas		
Dallas-Plano-Irving MD	Limited-Scope	Denton, Collin, and Dallas Counties
Houston-The Woodlands-Sugar Land MSA	Full-Scope	Brazoria, Chambers, Fort Bend, Galveston, Harris, Montgomery, and Waller Counties
San Antonio-New Braunfels MSA	Limited Scope	Bexar and Comal (2017 only) Counties
TX Non-MSA	Limited Scope	Wharton County
State of Utah		
Ogden-Clearfield MSA	Limited-Scope	Box Elder, Davis, Morgan, and Weber Counties
Provo-Orem MSA	Limited-Scope	Juan and Utah Counties
Logan MSA	Limited-Scope	Cache County
Salt Lake City MSA	Full-Scope	Salt Lake and Tooele County
St George MSA	Full-Scope	Washington County

UT Non-MSA	Full-Scope	Beaver, Carbon, Daggett, Duchesne, Emery, Garfield, Grand, Iron, Kane, Millard, Piute, Rich, San Juan, Sanpete, Sevier, Summit, Uintah, Wasatch, and Wayne Counties
State of Washington Seattle-Bellevue-Everett MSA	Full-Scope	King County
State of Wyoming WY Non-MSA	Full-Scope	Teton County

Appendix B: Summary of State Ratings

Zions, N.A. RATINGS				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
ZIONS	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
State of Arizona	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
State of California	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
State of Colorado	Low Satisfactory	Needs to Improve	High Satisfactory	Satisfactory
State of Idaho	High Satisfactory	Needs to Improve	Outstanding	Satisfactory
State of Nevada	Low Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
State of New Mexico	High Satisfactory	Needs to Improve	Low Satisfactory	Satisfactory
State of Oregon	High Satisfactory	Substantial Noncompliance	Low Satisfactory	Satisfactory
State of Texas	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
State of Utah	Low Satisfactory	High Satisfactory	Outstanding	Satisfactory
State of Washington	Low Satisfactory	Needs to Improve	Low Satisfactory	Needs to Improve
State of Wyoming	Substantial Noncompliance	Substantial Noncompliance	Low Satisfactory	Substantial Noncompliance

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

Appendix C: Community Profiles for Full-Scope Areas

State of Arizona

Flagstaff MSA

Demographic Information for Full Scope Area: Flagstaff MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	28	0.00	32.14	39.29	28.57	0.00
Population by Geography	134,421	0.00	32.68	40.74	26.58	0.00
Owner-Occupied Housing by Geography	27,835	0.00	18.02	48.42	33.56	0.00
Business by Geography	9,153	0.00	15.39	43.38	41.22	0.00
Farms by Geography	174	0.00	12.07	54.60	33.33	0.00
Family Distribution by Income Level	29,748	21.16	17.83	20.03	40.97	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	11,600	0.00	35.53	42.53	21.94	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		58,841 62,800 17%	Median Housing Value Unemployment Rate (2010 U.S. Census)		261,783 3.60%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Flagstaff MSA AA includes Coconino County in Arizona, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude low- or moderate-income geographies. According to 2010 U.S. Census data, the AA consists of 28 CTs of which nine are moderate-income. There are no low-income CTs within the AA.

According to the 2010 U.S. Census, the AA population totals 134,421. The distribution of families by income level is 35.53 percent moderate-income, 42.53 percent middle-income, and 21.94 percent upper-income. The percentage of families in the AA living below the poverty level is high at 21.21 percent. The 2017 FFIEC adjusted median family income for the AA is \$62,800. Low-income families in the AA earn median annual income of \$31,400 or less and moderate-income families earn an annual income of \$31,401 to \$50,240.

Zions offers a full range of commercial and consumer loan and deposit products and services in the AA. Zions operates four branches and four deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's

deposits total \$315 million, making this AA the bank's fifth largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranked second of eight depository financial institutions in the AA, with 17.23 percent market share. Competitors operate 16 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for 68.78 percent of total deposits in the AA. The top four depository institutions include Wells Fargo Bank National Association, JP Morgan Chase Bank National Association, Western Alliance Bank, and Compass Bank.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 5.20 percent, which is slightly higher than the nationwide and Arizona unemployment rates as of December 2017. The nationwide and Arizona unemployment rates are 4.10 percent and 4.70 percent, respectively.

According to Moody's Analytics, the AA is one of the ten most dependent on tourism nationally. The Grand Canyon National Park attracts tourists from around the world. The leading industries are local government, education and health services, leisure and hospitality services, and retail. Major employers in the AA include Northern Arizona University, Flagstaff Medical Center, W.L. Gore & Associates Inc., Wal-Mart Stores Inc., and BNSF Railway.

Housing

There are limited opportunities for home mortgage lending in this AA's moderate-income geographies due to the low number of housing units. According to Moody's Analytics, the housing market is tight and house price growth stems from a lack of existing homes for sale and land constraints that preclude residential construction. The AA is a destination for second-home owners, with nearly one in five houses used seasonally or occasionally. While the metro area benefits from robust demand from nonresidents, land constraints limit the housing supply given that national forests and other publicly owned land surround the largest communities. As a result, median house prices in the AA are high and housing affordability is the lowest in Arizona. The scarcity of housing will make it challenging for employers to attract and retain talent and, along with Flagstaff's remote location.

According to the 2010 U.S. Census, 44.68 percent of the total housing units in the AA are owner-occupied, and 28.32 percent are rental occupied units. In addition, 18.02 percent of all owner-occupied units and 26.89 percent of renter-occupied units are located in moderate-income CTs. Furthermore, 21.43 percent of all single family (1-4 unit) homes and 20.21 percent of multifamily (5 plus unit) housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$324,775 and \$385,422 in 2015 and 2017 reflecting a percent change of 18.67 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$281,901 and the median monthly gross rent increased to \$870. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 9.99 and 14.76 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$31,400 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$146,231 mortgage with a payment of \$785 per month. A moderate-income borrower making \$50,240 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$233,970 mortgage with a payment of \$1,256 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$2,069.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing, business development assistance, and community development activities including outreach.

According to the community contact, LMI residents have difficulty finding housing they can afford in the city, and rental prices have increased. In more remote areas, the residents face limited employment opportunities and lack adequate transportation, healthcare, and educational resources.

The contacts shared a need for banks to volunteer in support of community development organizations. However, there are limited opportunities for financial institutions to participate in CD activities.

Phoenix-Mesa-Scottsdale MSA

Demographic Information for Full Scope Area: Phoenix-Mesa-Scottsdale MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	991	9.18	24.52	33.91	31.38	1.01
Population by Geography	4,192,887	8.18	24.70	36.00	30.95	0.17
Owner-Occupied Housing by Geography	1,008,811	3.66	21.50	38.06	36.77	0.01
Business by Geography	347,383	6.36	15.67	30.99	46.45	0.52
Farms by Geography	7,023	5.54	17.23	34.69	42.18	0.37
Family Distribution by Income Level	1,000,063	21.18	17.76	20.47	40.59	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	389,428	13.42	36.31	33.84	16.44	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		64,408 66,200 12%	Median Housing Value Unemployment Rate (2010 U.S. Census)		251,130 3.41%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Phoenix-Mesa-Scottsdale MSA AA includes Maricopa and Pinal counties in Arizona, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude low-or moderate-income geographies. According to 2010 U.S. Census data, the AA consists of 991 CTs of which 91 are low- and 243 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 4.19 million. The distribution of families by income level is 13.42 percent low-income, 36.31 percent moderate-income, 33.84 percent middle-income, and 16.44 percent upper-income. The percentage of families in the AA living below the poverty level is high at 14.41 percent. The 2017 FFIEC adjusted median family income for the AA is \$66,200. Low-income families in the AA earn median annual income of \$33,100 or less and moderate-income families earn an annual income of \$33,101 to \$52,960.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 19 branches and 18 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$1.8 billion, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranked ninth of 60 depository financial institutions in the AA, with 1.97 percent of the market share. Competitors operate 832 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 77.74 percent of total deposits in the AA. The top five depository

institutions include JP Morgan Chase Bank National Association, Wells Fargo Bank National Association, Western Alliance Bank, and Compass Bank.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 4.20 percent, which is near to the nationwide and Arizona unemployment rates as of December 2017. The nationwide and Arizona unemployment rates are 4.10 percent and 4.70 percent, respectively.

According to Moody's Analytics, the unemployment rate is falling, but firms are not finding it difficult to recruit talent because the labor market has not yet hit full employment. The leading industries are professional and business services, education and health services, local government, retail, and leisure and hospitality services. Major employers in the AA include Banner Health System, Fry's Food Stores, Wells Fargo Bank National Association, Arizona State University, Intel Corp, Dignity Health, and Honor Health.

Housing

There are limited opportunities for home mortgage lending in this AA's moderate-income geographies due to the low number of housing units. According to Moody's Analytics, house price gains are far ahead of the nations, but this is largely because of supply constraints, as few existing homes are for sale and homebuilding is falling shy of housing demand.

According to the 2010 U.S. Census, 57.79 percent of the total housing units in the AA are owner-occupied, and 28.19 percent are rental-occupied units. Just over three (3.66) percent of all owner-occupied units and 14.06 percent of renter-occupied units are located in low-income CTs. Additionally, 5.30 percent of all single family homes and 15.29 percent of multifamily housing units are located in low-income CTs. More than 21 (21.50) percent of all owner-occupied units and 34.26 percent of renter-occupied units are located in moderate-income CTs. Additionally, 21.15 percent of all single family homes and 37.42 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$269,050 and \$320,050 in 2015 and 2017 reflecting a change of 18.96 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$282,965 and the median monthly gross rent increased to \$934. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 13.62 and 15.18 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$33,100 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the

AA) could afford a \$154,148 mortgage with a payment of \$828 per month. A moderate-income borrower making \$52,960 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$246,637 mortgage with a payment of \$1,324 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$1,718.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing programs, community development activities including outreach, and financial education, particularly in the area of budgeting, savings, and credit.

Significant opportunities for participation by financial institutions include the following:

- Participation in programs designed to keep homeowners in their home,
- Funding for down payment assistance programs,
- Affordable housing financing,
- Multifamily housing financing,
- Small loans to businesses,
- Investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses,
- Investments in Low Income Tax Housing Credits (LITHC), and
- Financial counseling and education programs and incentives for savings.

The contacts shared a need for banks to volunteer in support of community development organizations. However, there are sufficient opportunities for financial institutions to participate in CD activities.

State of California

Los Angeles-Long Beach-Anaheim MSA

Demographic Information for Full Scope Area: Los Angeles-Long Beach-Anaheim MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2,928	8.37	28.18	27.97	34.08	1.40
Population by Geography	12,826,366	7.65	29.51	29.02	33.52	0.30
Owner-Occupied Housing by Geography	2,150,382	2.37	17.45	29.92	50.25	0.01
Business by Geography	977,491	5.97	20.13	27.36	45.34	1.20
Farms by Geography	10,491	3.52	19.46	29.25	47.23	0.53
Family Distribution by Income Level	2,868,910	23.56	16.65	18.09	41.69	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	1,153,626	12.90	41.37	27.72	18.00	0.01
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		66,023 64,300 13%	Median Housing Value Unemployment Rate (2010 U.S. Census)		543,218 4.25%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Los Angeles-Long Beach-Anaheim MSA AA includes the Anaheim-Santa Ana-Irvine MD, which consist of Orange County, and the Los Angeles-Long Beach-Glendale MD, which consist of Los Angeles County in California. The AA meets the requirement of the regulation and does not arbitrarily exclude low- or moderate-income geographies. According to 2010 U.S. Census data, the AA consists of 2,928 CTs of which 245 are low- income and 825 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 12.83 million. The distribution of families by income level is 12.90 percent low-income, 41.37 percent moderate-income, 27.72 percent middle-income, and 18 percent upper-income. The percentage of families in the AA living below the poverty level is high at 15.42 percent. The 2017 FFIEC adjusted median family income for the AA was \$64,300. Low-income families in the AA earn median annual income of \$32,150 or less and moderate-income families earn an annual income of \$32,151 to \$51,440.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 39 branches and 41 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$4.8 billion, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is strong. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranked 19th of 125

depository financial institutions in the AA, with 0.91 percent market share. Competitors operate 2,383 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 60.13 percent of total deposits in the AA. The top five depository institutions include Bank of America National Association, Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, MUFG Union Bank National Association, and CIT Bank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 4.10 percent, which is the same as the nationwide unemployment rate as of December 2017. The AA's unemployment rate is the lowest since 1976. The California unemployment rate is 4.50 percent.

According to Moody's Analytics, finance is the one industry that has outperformed the state, but in the AA it is heavily tied to real estate, and rising mortgage rates will prevent the expansion of credit opportunities. Wage pressures are rising for the AA as Los Angeles moves deeper into the late-cycle phase of its expansion. The MSA's economy has lost ground. Job growth has fallen below the national average. The leading industries are education and health services, professional and business services, local government, leisure and hospitality services, and retail. Major employers in the AA include University of California Los Angeles, Kaiser Permanente, University of Southern California, Northrop Grumman Corp., Target Brands Inc., Kroger Co., Boeing Co., Providence Health Systems, Bank of America Corp., and Walt Disney Co.

Housing

There are relatively limited opportunities for residential mortgage lending in the AA's LMI geographies due to the low number of owner-occupied housing units and the high poverty rate. According to Moody's Analytics, housing's contribution to the expansion in the AA will diminish. House price appreciation has outpaced growth in incomes, which has returned housing affordability to its average over the past 20 years. Therefore, Los Angeles can no longer rely on cheap housing to drive home construction, which is expected to level off after eight strong years.

According to the 2010 U.S. Census, 48.14 percent of the total housing units in the AA are owner-occupied, and 45.92 percent are rental occupied units. Just over two (2.37) percent of all owner-occupied units and 11.53 percent of renter-occupied units are located in low-income CTs. Additionally, 4.33 percent of all single family homes and 12.67 percent of multifamily housing units are located in low-income CTs. More than 17 (17.45) percent of all owner-occupied units and 35.51 percent of renter-occupied units are located in moderate-income CTs. Additionally, 23.24 percent of all single family homes and 32.36 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$537,439 and \$699,950 in 2015 and 2017 reflecting a change of 30.24 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$581,593 and the median monthly gross rent increased to \$1,214 over the evaluation period. Homeowners and renters with home-related costs that exceed 30.00 percent of their income total 17.69 and 27.27 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$32,150 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$149,724 mortgage with a payment of \$804 per month. A moderate-income borrower making \$51,440 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$239,558 mortgage with a payment of \$1,286 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$3,757.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing programs, community development activities including outreach, and financial education, particularly in the area of budgeting, savings, and credit.

Significant opportunities for participation by financial institutions include the following:

- Need for first time homebuyer loan programs,
- Funding for down payment assistance programs,
- Affordable housing financing,
- Multifamily housing financing,
- Small loans to businesses,
- Investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses,
- Investments in Low Income Tax Housing Credits (LITHC), and
- Financial counseling and education programs, and incentives for savings

The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

San Diego-Carlsbad MSA

Demographic Information for Full Scope Area: San Diego-Carlsbad MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	628	10.03	21.34	36.15	31.53	0.96
Population by Geography	3,095,313	9.80	21.57	35.24	33.05	0.33
Owner-Occupied Housing by Geography	593,945	3.31	14.32	38.78	43.59	0.00
Business by Geography	253,037	5.77	15.48	35.21	43.36	0.17
Farms by Geography	5,009	4.03	16.19	38.89	40.87	0.02
Family Distribution by Income Level	703,747	22.36	17.55	18.75	41.34	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	280,889	16.43	31.05	33.90	18.62	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		73,560 79,300 11%	Median Housing Value Unemployment Rate (2010 U.S. Census)		496,417 3.78%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The San Diego-Carlsbad MSA AA includes San Diego County in California, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 628 CTs of which 63 are low- and 134 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 3.10 million. The distribution of families by income level is 16.43 percent low-income, 31.05 percent moderate-income, 33.90 percent middle-income, and 18.62 percent upper-income. The percentage of families in the AA living below the poverty level is high at 13.03 percent. The 2017 FFIEC adjusted median family income for the AA is \$79,300. Low-income families in the AA earn median annual income of \$39,650 or less, and moderate-income families earn an annual income of \$39,651 to \$63,440.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 24 branches and 25 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report the bank's deposits total \$3.3 billion, making this AA the bank's second largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks seventh out of 53 depository institutions in the AA with a 3.89 percent market share. Competitors operate 566 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 72.71 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, Bank of America National Association, JPMorgan

Chase Bank National Association, MUFG Union Bank National Association, and BofI Federal Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA is 3.50 percent, which is lower than nationwide and California unemployment rates as of December 2017. The nationwide and California unemployment rates are 4.10 percent, and 4.50 percent, respectively.

According to Moody's Analytics, healthcare, leisure/hospitality, and state and local government are powering the economy. The jobless rate declined by a percentage point in 2017 to its lowest since 2000, and the labor force is expanding again. Despite the tight labor market, average hourly earnings are little changed over the last year. The metro area has above-average economic vitality because of its fast-growing technology firms. The leading industries are local government, professional and business services, education and health services, leisure and hospitality services, and retail. Major employers include Marine Corps Base Camp Pendleton, University of California San Diego, Naval Base San Diego, Naval Base Coronado, Sharp Healthcare, and Scripps Health.

Sea World, Beer tours, the world famous San Diego Zoo, numerous cruises, and other sightseeing options make San Diego attractive to visitors. In 2017, the area hosted a record 35 million visitors, according to the area's tourism agency. The AA is also benefiting from the Navy's decision to rebalance its forces, moving more assets from the Atlantic coast to the Pacific coast as a result of possible threats from Russia and China, as well as changes in international shipping lanes.

Housing

There are opportunities for home mortgage lending in this AA due to the strong housing market. According to Moody's Analytics, the housing market is on solid footing. Single-family permits are climbing, and house prices are above their 2006 prerecession peak. However, there are limited opportunities for home mortgage lending within LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 51.43 percent of the total housing units in the AA are owner-occupied, and 40.51 percent are rental occupied units. Just over three (3.31) percent of all owner-occupied units and 15.02 percent of renter-occupied units are located in low-income CTs. Additionally, 5.81 percent of all single family homes and 14.62 percent of multifamily housing units are located in low-income CTs. More than 14 (14.32) percent of all owner-occupied units and 27.56 percent of renter-occupied units are located in moderate-income CTs. Additionally, 17.06 percent of all single family homes and 26.63 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$499,050 and \$650,050 in 2015 and 2017 reflecting a change of 30.26 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$537,160 and the median monthly gross rent increased to \$1,274. Homeowners and renters with home-related costs that exceed 30 percent of their income total 17.83 and 23.59 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$39,650 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$184,652 mortgage with a payment of \$991 per month. A moderate-income borrower making \$63,440 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$295,443 mortgage with a payment of \$1,586 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$3,490.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated significant community needs include affordable housing programs, small business and economic growth, and community development activities including outreach.

According to the community contact, significant opportunities for participation by banks include the following:

- Affordable housing- single and multifamily development and rehabilitation,
- Investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses,
- Products for small business micro loans need to compete with online lenders that are affordable, sustainable and transparent,
- Lending capital to small business service providers, and
- Credit-builder loans and second chance checking accounts.

The contact shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

San Francisco-Oakland-Hayward MSA

Demographic Information for Full Scope Area: San Francisco-Oakland-Hayward MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	978	12.27	19.53	35.69	31.70	0.82
Population by Geography	4,335,391	11.45	19.69	37.47	31.27	0.12
Owner-Occupied Housing by Geography	896,981	4.62	14.53	39.86	40.99	0.00
Business by Geography	363,705	13.15	14.65	33.79	38.36	0.04
Farms by Geography	5,148	6.78	15.68	38.87	38.66	0.02
Family Distribution by Income Level	984,779	23.39	16.36	18.90	41.36	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	391,375	18.31	27.41	37.05	17.23	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		91,614 113,100 9%	Median Housing Value Unemployment Rate (2010 U.S. Census)		649,463 4.07%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The San Francisco-Oakland-Hayward MSA AA includes the Oakland-Hayward-Berkeley MD, San Francisco-Redwood City-South San Francisco MD, and San Rafael MD in California. The Oakland-Hayward-Berkeley MD includes Alameda and Contra Costa Counties, which is the entire MSA. The San Francisco-Redwood City-South San Francisco MD includes San Francisco and San Mateo Counties. The San Rafael MD includes Marin County. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 978 CTs of which 120 are low- and 191 are moderate-income.

According to the 2010 U.S. Census, AA population totals 4.34 million. The distribution of families by income level is 18.31 percent low-income, 27.41 percent moderate-income, 37.05 percent middle-income, and 17.23 percent upper-income. The percentage of families in the AA living below the poverty level is high at 10.71 percent. The 2017 FFIEC adjusted median family income for the AA is \$113,100. Low-income families in the AA earn median annual income of \$56,550 or less, and moderate-income families earn an annual income of \$56,551 to \$90,480.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 11 branches and 13 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$1.2 billion, making this AA the bank's third largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks 21st out of 71 depository institutions in the AA with 0.32 percent market share. Competitors operate

1028 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 74.15 percent of total deposits in the AA. The top five depository institutions include Bank of America National Association, Wells Fargo Bank National Association, First Republic Bank, JPMorgan Chase Bank National Association, and Bank of the West.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA is 2.90 percent, which is lower than the nationwide and California unemployment rates as of December 2017. The nationwide and California unemployment rates are 4.10 percent, and 4.50 percent, respectively.

According to Moody's Analytics, job growth has slowed since 2016 in large part because the most important industry in San Francisco, professional and business services, has lost 5,000 jobs over the past year. Growth in the rest of the economy has kept the unemployment rate low, but it has nonetheless risen 30 basis points since June of 2017. The leading industries are professional and business services, leisure and hospitality services, education and health services, and local government. Major employers include University of California Santa Cruz, Stanford University, University of San Francisco, Genentech Inc., Wells Fargo Bank National Association, Kaiser Permanente, and Oracle Corp.

Housing

There are relatively limited opportunities for residential mortgage lending in the AA's LMI geographies due to the low number of units and the low rate for owner occupancy. According to the 2010 U.S. Census, 51.93 percent of the total housing units in the AA are owner-occupied, and 40.38 percent are rental occupied units. Just over four (4.62) percent of all owner-occupied units and 19.45 percent of renter-occupied units are located in low-income CTs. Additionally, 7.55 percent of all single family homes and 22.76 percent of multifamily housing units are located in low-income CTs. More than 14 (14.53) percent of all owner-occupied units and 24.38 percent of renter-occupied units are located in moderate-income CTs. Additionally, 17.62 percent of all single family homes and 22.02 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$606,550 and \$888,050 in 2015 and 2017 reflecting a change of 46.41 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$678,225 and the median monthly gross rent increased to \$1,314. Homeowners and renters with home-related costs that exceed 30 percent of their income total 17.11 and 20.93 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$56,550 per year

(or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$263,356 mortgage with a payment of \$1,414 per month. A moderate-income borrower making \$90,480 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$421,369 mortgage with a payment of \$2,262 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$4,767.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing programs, community development activities including outreach, and financial education, particularly in the area of budgeting, savings, and credit.

Significant opportunities for participation by financial institutions include the following:

- Need for first time homebuyer loan programs,
- Funding for down payment assistance programs,
- Affordable housing financing,
- Multifamily housing financing,
- Small loans to businesses,
- Investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses,
- Financial counseling and education programs, and incentives for savings,
- Support for Volunteer Income Tax Assistance programs, and
- Financial counseling and education programs, and incentives for savings

The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

State of Colorado

Colorado Springs MSA

Demographic Information for Full Scope Area: Colorado Springs MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	136	5.15	30.88	40.44	22.79	0.74
Population by Geography	645,613	4.28	26.49	41.98	26.55	0.69
Owner-Occupied Housing by Geography	159,190	2.39	21.44	45.18	30.99	0.00
Business by Geography	58,079	6.18	22.97	37.64	33.13	0.08
Farms by Geography	1,478	3.79	25.51	43.30	27.40	0.00
Family Distribution by Income Level	160,190	20.00	18.32	21.62	40.07	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	61,371	6.57	38.69	41.97	12.77	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		68,800 73,500 10%	Median Housing Value Unemployment Rate (2010 U.S. Census)		225,957 3.62%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Colorado Springs MSA AA includes El Paso and Teller Counties in Colorado, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 136 CTs of which seven are low- and 42 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 645,613. The distribution of families by income level is 6.57 percent low-income, 38.69 percent moderate-income, 41.97 percent middle-income, and 12.77 percent upper-income. The percentage of families in the AA living below the poverty level is high at 10.89 percent. The 2017 FFIEC adjusted median family income for the AA is \$73,500. Low-income families in the AA earn median annual income of \$36,750 or less, and moderate-income families earn an annual income of \$36,751 to \$58,800.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates three branches and three deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$2 billion, making this AA the bank's fifth largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks eighth out of 39 depository financial institutions in the AA, with a 2.51 percent market share. Competitors operate 139 branches in the AA and include large interstate banks,

regional banks, savings banks, and community banks. The top five depository institutions account for 61.59 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, US Bank National Association, First Bank, and ANB Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA is 3.50 percent, which is slightly lower than the nationwide unemployment rate but higher than the Colorado unemployment rate as of December 2017. The nationwide and Colorado unemployment rates are 4.10 percent, and 3.00 percent, respectively.

According to Moody's Analytics, Colorado Springs will remain a competitive location for business investment. The University of Colorado-Colorado Springs provides the labor force with a steady stream of college graduates, wage costs are low relative to the state and U.S. averages, and office space is relatively inexpensive. These factors draw business investment to the metro area and support job growth well above the U.S. average. Strong population growth facilitate job gains even in the face of a tightening labor market, as higher housing affordability is a powerful draw for workers priced out of Denver. The leading industries are state and local government, professional and business services, education and health services, leisure and hospitality services, and retail. The metro area is home to the Air Force Academy, and Fort Carson, Peterson, and Schriever Air Force bases, and the defense sector forms the economy's backbone. Major employers include Fort Carson, Peterson Air Force Base, Air Force Academy, Hewlett-Packard, Memorial Hospital, and Schriever Air Force Base.

Housing

There are opportunities for home mortgage lending in this AA's LMI geographies. According to the 2010 U.S. Census, 60.92 percent of the total housing units in the AA are owner-occupied, and 29.46 percent are rental occupied units. Just over 2 (2.39) percent of all owner-occupied units and 9.24 percent of renter-occupied units are located in low-income CTs. Additionally, 3.61 percent of all single family homes and 11.55 percent of multifamily housing units are located in low-income CTs. More than 21 (21.44) percent of all owner-occupied units and 39.19 percent of renter-occupied units are located in moderate-income CTs. Additionally, 24.25 percent of all single family homes and 42.20 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing price compared to median family income. The median housing value in the AA is \$284,921 and \$379,950 in 2015 and 2017 reflecting a change of 33.35 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$246,724 and the median monthly gross rent increased to \$827. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 14.94 and 16.72 percent, respectively. Assuming a 30-year mortgage with a five percent

interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$36,750 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$171,146 mortgage with a payment of \$919 per month. A moderate-income borrower making \$58,800 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$273,834 mortgage with a payment of \$1,470 per month. This illustrates LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$2,040.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated significant community needs include affordable housing and community development activities including outreach.

According to the community contact, there is a need for affordable housing, available housing inventory is at an all-time low but is improving, and housing prices are much lower in Colorado Springs than in Denver, but designated affordable housing is limited.

The contact shared a need for banks to volunteer in support of community development organizations. However, there are limited opportunities for financial institutions to participate in CD activities.

Denver-Aurora-Lakewood MSA

Demographic Information for Full Scope Area: Denver-Aurora-Lakewood MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	606	11.39	22.61	32.67	32.18	1.16
Population by Geography	2,495,102	11.36	23.29	32.79	32.52	0.05
Owner-Occupied Housing by Geography	633,393	6.48	19.31	35.37	38.84	0.00
Business by Geography	290,914	8.51	20.18	30.31	40.70	0.30
Farms by Geography	5,573	8.52	18.97	31.89	40.27	0.36
Family Distribution by Income Level	606,544	22.08	17.11	20.19	40.62	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	237,697	19.69	34.37	29.72	16.22	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		75,101 83,900 11%	Median Housing Value Unemployment Rate (2010 U.S. Census)		265,896 3.72%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Denver-Aurora-Lakewood MSA AA represents part of the MSA and consists of Adams, Arapahoe, Broomfield, Denver, Douglas, Gilpin, and Jefferson Counties in Colorado. The Denver-Aurora-Lakewood MSA consists of Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties. However, Zions limited their AA to the seven counties they are reasonably able to serve. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 606 CTs, of which 69 are low- and 137 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 2.50 million. The distribution of families by income level is 19.69 percent low-income, 34.37 percent moderate-income, 29.72 percent middle-income, and 16.22 percent upper-income. The percentage of families in the AA living below the poverty level is high at 10.70 percent. The 2017 FFIEC adjusted median family income for the AA is \$83,900. Low-income families in the AA earn median annual income of \$41,950 or less, and moderate-income families earn an annual income of \$41,951 to \$67,120.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 15 branches and 14 deposit-taking ATMS in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$1.5 billion, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is low. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks tenth out of 71 depository institutions with a 1.84 percent market share. Competitors operate 632 branches in the AA and

include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 70.29 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, US Bank National Association, First Bank, JPMorgan Chase Bank National Association, and Key Bank National Association.

Employment and Economic Factors

According to the Bureau of Labor Statistics, unemployment in this AA is 3.00 percent, which is lower than nationwide and the same as Colorado unemployment rates as of December 2017. The nationwide and Colorado unemployment rates are 4.10 percent, and 3.00 percent, respectively.

According to Moody's Analytics, the metro area of Denver-Aurora-Lakewood has pushed past full employment but is still adding jobs faster than the national average. Accelerating wage gains are supporting consumer spending, which has fueled strong growth in leisure and hospitality payrolls. A tight housing market has also drawn more workers into the understaffed construction industry. The leading industries are professional and businesses services, state and local government, education and health services, and leisure and hospitality services. Major employers include HealthOne, University of Colorado Hospital, Lockheed Martin Corporation, Centura Health, United Airlines Inc., Children's Health, and Kaiser Permanente. Younger companies also play a major role in job creation. As Denver-Aurora-Lakewood's tech scene matured, resources such as shared workspace and access to investors have become more prevalent, nurturing existing companies and drawing entrepreneurs to the area.

Housing

There are relatively limited opportunities for residential mortgage lending in the AA's low-income geographies due to the low number of units. According to Moody's Analytics, supply constraints have left Denver-Aurora-Lakewood's housing market overvalued. The housing prices have risen 59 percent above their prerecession peak in the largest post-recession gain of any metro area. Such rapid price gains increase homeowners' wealth, but they also make housing increasingly unaffordable for newcomers and renters looking to buy. Single-family permits have registered a sharp increase and construction employment has shot up over the past three months in its first significant gain since 2014. The new housing will help satiate pent-up demand and improve the affordability crunch.

According to the 2010 U.S. Census, 61.22 percent of the total housing units in the AA are owner-occupied, and 31.51 percent are rental occupied units. Just over six (6.48) percent of all owner-occupied units and 20.19 percent of renter-occupied units are located in low-income CTs. Additionally, 7.88 percent of all single family homes and 20.64 percent of multifamily housing units are located in low-income CTs. More than 19 (19.31) percent of all owner-occupied units and 33.07 percent of renter-occupied units are located in moderate-income CTs. Additionally, 20.87 percent of all single family

homes and 32.07 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$469,107 and \$534,709 in 2015 and 2017 reflecting a change of 13.98 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$287,972 and the median monthly gross rent increased to \$895. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 14.83 and 16.86 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$41,950 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$195,363 mortgage with a payment of \$1,049 per month. A moderate-income borrower making \$67,120 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$312,581 mortgage with a payment of \$1,678 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$2,870.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing and community development activities including outreach.

Significant opportunities for participation by banks include the following:

- Affordable housing financing,
- Home ownership down payment savings programs,
- Affordable senior housing ,
- Financing for nonprofit organizations,
- Financial counseling and education programs, and incentives for savings, and
- Appropriate referrals for customers that do not meet conventional credit criteria.

The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are adequate opportunities for financial institutions to participate in CD activities.

State of Idaho

Boise MSA

Demographic Information for Full Scope Area: Boise City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	95	2.11	32.63	41.05	24.21	0.00
Population by Geography	616,561	1.18	28.18	43.45	27.19	0.00
Owner-Occupied Housing by Geography	155,887	0.57	24.30	45.07	30.07	0.00
Business by Geography	44,800	0.87	30.07	38.63	30.43	0.00
Farms by Geography	2,116	0.52	28.21	49.86	21.41	0.00
Family Distribution by Income Level	153,721	19.58	18.32	22.49	39.62	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	58,251	2.27	41.34	41.28	15.11	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		59,649 64,000 12%	Median Housing Value Unemployment Rate (2010 U.S. Census)		199,548 3.78%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Boise MSA AA includes Ada, Boise, Canyon, Gem, and Owyhee Counties in Idaho, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 95 CTs of which two are low- and 31 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 616,561. The distribution of families by income level was 2.27 percent low-income, 41.34 percent moderate-income, 41.28 percent middle-income, and 15.11 percent upper-income. The percentage of families in the AA living below the poverty level is high at 14.19 percent. The 2017 FFIEC adjusted median family income for the AA is \$64,000. Low-income families in the AA earn median annual income of \$32,000 or less, and moderate-income families earn an annual income of \$32,001 to \$51,200.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates six branches and seven deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$353 million, making this AA the bank's second largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks eighth out of 20 depository financial institutions in the AA, with 3.27 percent market share. Competitors operate 169 branches in the AA and include large interstate banks, regional banks,

savings banks, and community banks. The top five depository institutions account for 70.52 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, US Bank National Association, KeyBank National Association, Bank of the Cascades, and JPMorgan Chase Bank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 2.80 percent, which is lower than the nationwide and Idaho unemployment rates as of December 2017. The nationwide and Idaho unemployment rates are 4.10 percent and 3.00 percent, respectively.

According to Moody's Analytics, job growth is more than twice the rates nationally. The rise in payroll employment is less broad-based than in 2016, when the public sector and private goods-producing industries were adding workers. Layoffs in local government and less support from goods producers, which struggled early in 2017 but have perked up recently thanks to stabilization in tech manufacturing, are the reason payroll gains this year are running a bit behind those in the same period in 2016. Almost the entire rise in employment in 2017 is in private services, led by healthcare, financial activities, and wholesale and retail trade. The leading industries are state and local government, education and health services, professional and business services, and retail. Major employers include St. Luke's Health System, Micron Technology Inc., Boise State University, St. Alphonsus Regional Medical Center, JR Simplot Company, and Hewlett-Packard Company.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 64.86 percent of the total housing units in the AA are owner-occupied, and 27.15 percent are rental occupied units. Just under one (0.57) percent of all owner-occupied units and 2.28 percent of renter-occupied units are located in low-income CTs. Additionally, 0.84 percent of all single family homes and 1.56 percent of multifamily housing units are located in low-income CTs. More than 24 (24.30) percent of all owner-occupied units and 43.07 percent of renter-occupied units are located in moderate-income CTs. Additionally, 27.28 percent of all single family homes and 46.19 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to the median housing prices compared to median family income. The median housing value in the AA is \$209,245 and \$296,040 in 2015 and 2017 reflecting a change of 41.48 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$209,490 and the median monthly gross rent increased to \$768. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 15.29 and 13.27 percent, respectively. Assuming a 30-year mortgage with a five percent

interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$32,000 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$149,025 mortgage with a payment of \$800 per month. A moderate-income borrower making \$51,200 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$238,440 mortgage with a payment of \$1,280 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$1,589.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing and community development activities including outreach.

Significant opportunities for participation by banks include the following:

- ☐ Affordable housing programs,
- ☐ Availability of down payment assistance programs,
- ☐ Homebuyer education,
- ☐ Small dollar amount loans for consumers,
- ☐ Committee and board involvement

Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

ID Non-MSA

Demographic Information for Full Scope Area: ID Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	56	3.57	8.93	71.43	16.07	0.00
Population by Geography	296,216	3.03	9.74	71.32	15.92	0.00
Owner-Occupied Housing by Geography	69,931	0.69	6.36	74.15	18.80	0.00
Business by Geography	18,029	2.31	9.07	68.02	20.60	0.00
Farms by Geography	2,120	0.38	2.50	83.07	14.06	0.00
Family Distribution by Income Level	72,633	19.40	17.70	22.34	40.56	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	26,950	3.51	12.70	72.85	10.94	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		49,523 55,200 16%	Median Housing Value Unemployment Rate (2010 U.S. Census)		206,737 3.18%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The ID Non-MSA AA consists of ten counties in the state of Idaho (Bear Lake, Bingham, Blaine, Cassia, Gooding, Latah, Madison, Payette, Twin Falls, and Washington) that the bank can reasonably serve. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, there are 56 census tracts in the AA, of which two low- and five moderate-income census tracts in the AA, respectively.

According to the 2010 U.S. Census, the AA population totals 296,216. The distribution of families by income level was 3.51 percent low-income, 12.70 percent moderate-income, 72.85 percent middle-income, and 10.94 percent upper-income. The percentage of families in the AA living below the poverty level is high at 17.52 percent. The 2017 FFIEC adjusted median family income for the AA was \$55,200. Low-income families in the AA earn median annual income of \$27,600 or less, and moderate-income families earn an annual income of \$27,601 to \$44,160.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 12 branches and 14 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$657 million, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks third out of 19 depository financial institutions in the AA with 14.07 percent market share. Competitors operate 99 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for

51.53 percent of total deposits in the AA. The top four depository institutions include Wells Fargo Bank National Association, US Bank National Association, First Federal Savings Bank of Twin Falls, and DL Evans Bank.

Employment and Economic Factors

According to the Bureau of Labor Statistics, the average unemployment in this AA is 4.7 percent, which is lower than the nationwide unemployment rate as of December 2017. The unemployment rate for the ten counties within the AA range from 1.9 percent to 4.7 percent. The nationwide and Idaho unemployment rates are 4.10 percent, and 3.00 percent, respectively.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 58.66 percent of the total housing units in the AA are owner-occupied, and 28.15 percent are rental occupied units. Just under one (0.69) percent of all owner-occupied units and 5.18 percent of renter-occupied units are located in low-income CTs. Additionally, 1.43 percent of all single family homes and 8.33 percent of multifamily housing units are located in low-income CTs. More than six (6.36) percent of all owner-occupied units and 13.33 percent of renter-occupied units are located in moderate-income CTs. Additionally, 7.54 percent of all single family homes and 19.06 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$227,849 and \$279,163 in 2015 and 2017 reflecting a change of 22.52 percent from 2015 to 2017 according to Zillow.com data. The median housing value rose significantly to \$176,630 and the median monthly gross rent increased to \$641. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 12.43 and 13.73 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$27,600 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$128,534 mortgage with a payment of \$690 per month. A moderate-income borrower making \$44,160 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$205,655 mortgage with a payment of \$1,104 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$1,499.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated significant community needs include affordable housing and community development activities including outreach.

According to the community contact, a shortage of affordable housing is the primary need for LMI individuals and families. The contact shared a need for banks to volunteer in support of community development organizations. Overall, there are adequate opportunities for financial institutions to participate in CD activities.

State of Nevada

Las Vegas-Henderson-Paradise MSA

Demographic Information for Full Scope Area: Las Vegas-Henderson-Paradise MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	487	5.75	23.20	41.27	29.77	0.00
Population by Geography	1,951,269	5.29	22.78	42.19	29.74	0.00
Owner-Occupied Housing by Geography	405,047	1.74	15.53	45.66	37.07	0.00
Business by Geography	97,730	4.87	20.48	42.77	31.87	0.00
Farms by Geography	1,507	1.66	17.45	46.05	34.84	0.00
Family Distribution by Income Level	457,592	20.10	18.02	22.00	39.88	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	174,412	9.69	33.02	40.10	17.20	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		63,888 61,900 10%	Median Housing Value Unemployment Rate (2010 U.S. Census)		253,307 4.62%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Las Vegas-Henderson-Paradise MSA AA includes Clark County in Nevada, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 487 CTs, of which 28 are low- and 113 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 1.95 million. The distribution of families by income level is 9.69 percent low-income, 33.02 percent moderate-income, 40.10 percent middle-income, and 17.20 percent upper-income. The percentage of families in the AA living below the poverty level is high at 13.88 percent. The 2017 FFIEC adjusted median family income for the AA is \$61,900. Low-income families in the AA earn median annual income of \$30,950 or less, and moderate-income families earn an annual income of \$30,951 to \$49,520.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 30 branches and 39 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$3 billion, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks seventh out of 39 depository institutions with a 5.40 percent market share. Competitors operate 312 branches in the AA and include large interstate banks, regional banks, savings banks,

and community banks. The top five depository institutions account for 73.02 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, Bank of America National Association, Wells Fargo Financial National Bank, Western Alliance Bank, and JPMorgan Chase Bank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 5.10 percent, which is higher than the nationwide and Nevada unemployment rates as of December 2017. The nationwide and Nevada unemployment rates are 4.10 percent and 4.90 percent, respectively.

According to Moody's Analytics, the mainstay leisure hospitality industry is making a comeback following its slump, and professional business services continues to impress. The AA's strong economy is drawing more workers into the labor force, which is growing at more than double the national pace. Although leisure and hospitality job gains are trailing, the AA's weekend hotel occupancy rates are hovering around their prerecession highs. The leading industries are leisure and hospitality services, professional and business services, state and local government, and retail. Major employers include Station Casinos Inc., Boyd Gaming Corp., Las Vegas Sands Corp., Wynn Las Vegas LLC, MGM Resorts International, Bellagio LLA, Aria Resort & Casino, and Mandalay Bay Resort & Casino.

Housing

There are relatively limited opportunities for residential mortgage lending in the AA's LMI geographies due to the low number of units. According to the 2010 U.S. Census, 49.83 percent of the total housing units in the AA are owner-occupied, and 35.76 percent are rental occupied units. Just under two (1.74) percent of all owner-occupied units and 10.78 percent of renter-occupied units are located in low-income CTs. Additionally, 3.10 percent of all single family homes and 13.16 percent of multifamily housing units are located in low-income CTs. Less than 16 (15.53) percent of all owner-occupied units and 33.23 percent of renter-occupied units are located in moderate-income CTs. Additionally, 16.12 percent of all single family homes and 41.60 percent of multifamily housing units are located in moderate-income tracts. The median housing value rose significantly to \$287,125 and the median monthly gross rent increased to \$1,061. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 13.33 and 19.48 percent, respectively.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$220,045 and \$289,050 in 2015 and 2017 reflecting a change of 31.36 percent from 2015 to 2017 according to Realtor.com data. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$30,950 per

year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$144,135 mortgage with a payment of \$774 per month. A moderate-income borrower making \$49,520 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$230,617 mortgage with a payment of \$1,238 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$1,552.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing and community development activities including outreach.

According to the community contacts, the economy is improved, but many people are still struggling, since the Las Vegas area was one of the hardest hit areas during the housing collapse. The homeless and working poor populations are growing. There is a need for more financial assistance for affordable housing development. The contact felt rehabilitation housing programs are beneficial for the AA since the housing is already built.

The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

NV Non-MSA

Demographic Information for Full Scope Area: NV Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	72	2.78	16.67	62.50	16.67	1.39
Population by Geography	268,591	1.49	18.23	63.99	16.29	0.00
Owner-Occupied Housing by Geography	72,122	1.35	19.68	60.22	18.75	0.00
Business by Geography	12,999	0.73	14.80	66.15	18.28	0.04
Farms by Geography	877	1.14	9.81	73.20	15.85	0.00
Family Distribution by Income Level	68,739	20.85	17.52	23.35	38.28	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	26,377	2.48	27.82	60.81	8.89	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		64,296 62,900 11%	Median Housing Value Unemployment Rate (2010 U.S. Census)		215,123 4.29%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The NV Non-MSA AA includes all 13 Non-MSA counties in Nevada (Churchill, Douglas, Esmeralda, Elko, Eureka, Humboldt, Lander, Lincoln, Lyon, Mineral, Nye, Pershing, and White Pine). The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 72 CTs of which two are low- and 12 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 268,591. The distribution of families by income level is 2.48 percent low-income, 27.82 percent moderate-income, 60.81 percent middle-income, and 8.89 percent upper-income. The percentage of families in the AA living below the poverty level is high at 12.22 percent. The 2017 FFIEC adjusted median family income for the AA is \$62,900. Low-income families in the AA earn median annual income of \$31,450 or less, and moderate-income families earn an annual income of \$31,451 to \$50,320.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 13 branches and 15 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$627 million, making this AA the bank's third largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 Deposit Market Share Report the bank ranks second out of 13 depository financial institutions in the AA, with an 18.97 percent market share. Competitors operate 41 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for 63.80 percent of total deposits in the AA. The top four depository institutions include

Wells Fargo Bank National Association, US Bank National Association, Bank of America National Association, and Washington Federal National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is on average higher than the national average as of December 2017. The nationwide and Nevada unemployment rates are 4.10 percent and 4.90 percent, respectively. The unemployment rate for the counties within the AA range from 3.10 percent to 6.40 percent.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 59.83 percent of the total housing units in the AA are owner-occupied, and 22.99 percent are rental occupied units. Just over one (1.35) percent of all owner-occupied units and 1.96 percent of renter-occupied units are located in low-income CTs. Additionally, 1.90 percent of all single family homes and 2.77 percent of multifamily housing units are located in low-income CTs. Less than 20 (19.68) percent of all owner-occupied units and 19.89 percent of renter-occupied units are located in moderate-income CTs. Additionally, 15.14 percent of all single family homes and 16.03 percent of multifamily housing units are located in moderate-income tracts. The median housing value rose significantly to \$234,225 and the median monthly gross rent increased to \$820. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 13.25 and 9.52 percent, respectively.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$234,139 and \$292,700 in 2015 and 2017 reflecting a change of 25.01 percent from 2015 to 2017 according to Zillow.com data. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$31,450 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$146,464 mortgage with a payment of \$786 per month. A moderate-income borrower making \$50,320 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$234,342 mortgage with a payment of \$1,258 per month. This illustrates that LMI borrowers would be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$1,571.

State of New Mexico

Farmington MSA

Demographic Information for Full Scope Area: Farmington MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	33	6.06	12.12	60.61	21.21	0.00
Population by Geography	130,044	5.84	11.27	67.07	15.82	0.00
Owner-Occupied Housing by Geography	30,863	5.52	9.78	65.64	19.05	0.00
Business by Geography	5,919	0.39	12.59	65.52	21.51	0.00
Farms by Geography	131	0.00	6.11	59.54	34.35	0.00
Family Distribution by Income Level	30,952	23.88	15.75	18.03	42.34	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,267	8.84	13.76	67.86	9.54	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		53,540 58,800 19%	Median Housing Value Unemployment Rate (2010 U.S. Census)		138,805 1.95%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Farmington MSA AA includes San Juan County in New Mexico, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 33 CTs of which two are low- and four are moderate-income.

According to the 2010 U.S. Census, the AA population totals 130,044. The distribution of families by income level is 8.84 percent low-income, 13.76 percent moderate-income, 67.86 percent middle-income, and 9.54 percent upper-income. The percentage of families in the AA living below the poverty level is high at 19.49 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is \$58,800. Low-income families in the AA earn median annual income of \$29,400 or less, and moderate-income families earn an annual income of \$29,401 to \$47,040.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates one branch and one deposit-taking ATM in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$50 million.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks fifth out of eight depository financial institutions in the AA, with a 3.41 percent market share. Competitors operate 25 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions

account for 91.84 percent of total deposits in the AA. The top four depository institutions include Citizens Bank, Wells Fargo Bank National Association, Four Corners Community Bank, and Bank of America National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 6.60 percent, which is significantly higher than the nationwide and New Mexico unemployment rates as of December 2017. The nationwide and New Mexico unemployment rates are 4.10 percent, and 6.00 percent, respectively.

The AA's economy is still in recession due to the slow recovery of the oil and gas drilling industries. According to Moody's Analytics, the unemployment rate is falling entirely due to out-migration and labor force withdrawal. The leading industries are state and local government, education and health services, and retail. Major employers include San Juan Regional Medical Center, BHP Minerals, San Juan College, Aztec Oil and Well, Basin Home Health, Wal-Mart Stores, Inc. and Conoco Philips.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the poor economy causing low housing demand. According to Moody's Analytics, the economy's depressed state can be seen in its housing market. The combined effects of out-migration and low demand have sent the estimated vacant share of the housing stock up from 14 percent in 2014 to over 20 percent in late 2017.

According to the 2010 U.S. Census, 63.75 percent of the total housing units in the AA are owner-occupied, and 22.52 percent are rental occupied units. Just over five (5.52) percent of all owner-occupied units and 4.39 percent of renter-occupied units are located in low-income CTs. Additionally, 9.68 percent of all single family homes and no multifamily housing units are located in low-income CTs. Less than 10 (9.78) percent of all owner-occupied units and 15.83 percent of renter-occupied units are located in moderate-income CTs. Additionally, 14.89 percent of all single family homes and 16.97 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for low-income individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$199,950 and \$200,050 in 2015 and 2017 reflecting a change of 0.05 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$154,358 and the median monthly gross rent increased to \$669. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 10.68 and 8.53 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$29,400 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$136,917 mortgage with a payment of

\$735 per month. A moderate-income borrower making \$47,040 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$219,067 mortgage with a payment of \$1,176 per month. This illustrates that low-income borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$1,074.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated the following community needs:

- Homebuyer counseling,
- Small loans to businesses,
- Business development assistance,
- Investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses, and
- Community development activities including outreach.

According to the community contact, the AA has some strengths due to energy and mining, and these generate revenue that helps the state and the local economy. Overall, there are adequate opportunities for financial institutions to participate in CD activities.

State of Oregon

Portland-Vancouver-Hillsboro MSA

Demographic Information for Full Scope Area: Portland-Vancouver-Hillsboro MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	355	2.82	23.66	43.10	29.86	0.56
Population by Geography	1,641,036	2.74	24.37	43.18	29.69	0.02
Owner-Occupied Housing by Geography	392,329	1.36	18.75	44.62	35.26	0.00
Business by Geography	158,562	5.00	21.77	40.25	32.81	0.17
Farms by Geography	4,425	2.19	14.58	47.82	35.34	0.07
Family Distribution by Income Level	391,462	20.43	17.25	20.73	41.59	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	147,517	4.23	34.71	42.79	18.27	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		68,924 74,700 12%	Median Housing Value Unemployment Rate (2010 U.S. Census)		317,964 4.40%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Portland-Vancouver-Hillsboro MSA AA represents part of the MSA and includes Clackamas, Multnomah, and Washington Counties in Oregon. The Portland-Vancouver-Hillsboro MSA includes Clackamas, Columbia, Multnomah, Washington, and Yamhill Counties. However, Zions limited their AA to the three counties they are reasonably able to serve. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 355 CTs, of which 10 are low- and 84 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 1.64 million. The distribution of families by income level is 4.23 percent low-income, 34.71 percent moderate-income, 42.79 percent middle-income, and 18.27 percent upper-income. The percentage of families in the AA living below the poverty level is high at 12.78 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is \$74,700. Low-income families in the AA earn median annual income of \$37,350 or less, and moderate-income families earn an annual income of \$37,351 to \$59,760.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates one branch in this AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$71 million.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report the bank ranks 26th out of 37 depository financial institutions in the AA, with 0.14 percent market share. Competitors

operate 535 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 76.31 percent of total deposits in the AA. The top five depository institutions include US Bank National Association, Bank of America National Association, Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, and KeyBank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 3.90 percent, which is slightly lower than nationwide and Oregon unemployment rates as of December 2017. The nationwide and Oregon unemployment rates are 4.10 percent and 4.10 percent, respectively.

According to Moody's Analytics, the AA is adding jobs at a faster pace than nationally due to employment gains in tech-related professional services, construction, and healthcare. A combination of strong population growth and rapidly rising labor force participation, the area's labor force expansion is among the 15 fastest across the West. The unemployment rate is near its lowest on record back to the mid-1970s. The leading industries are professional and business services, education and health services, state and local government, and leisure and hospitality services. Major employers include Intel Corp, Providence Health Systems, Oregon Health & Science University, Kaiser Foundation Health Plan of the NW, Fred Meyer Stores, and Legacy Health Systems.

Housing

There are limited opportunities for home mortgage lending in this AA's low-income geographies due to low number of housing units. According to the 2010 U.S. Census, 57.43 percent of the total housing units in the AA are owner-occupied, and 35.99 percent are rental occupied units. Just over one (1.36) percent of all owner-occupied units and 4.88 percent of renter-occupied units are located in low-income CTs. Additionally, 1.74 percent of all single family homes and 5.78 percent of multifamily housing units are located in low-income CTs. Less than 19 (18.75) percent of all owner-occupied units and 31.22 percent of renter-occupied units are located in moderate-income CTs. Additionally, 21.84 percent of all single family homes and 28.76 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$320,050 and \$450,050 in 2015 and 2017 reflecting a percent change of 40.62 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$329,822 and the median monthly gross rent increased to \$871. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 16.60 and 19.22 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$37,350 per

year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$173,940 mortgage with a payment of \$934 per month. A moderate-income borrower making \$59,760 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$278,305 mortgage with a payment of \$1,494 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$2,416.

According to Moody's Analytics, house prices are appreciating at nearly 1½ times the national pace, and poor and eroding housing affordability is a concern. Despite the steep price, fewer single family residences are being built as developers turn to multifamily construction to contend with labor shortages and restrictions on land development. Multifamily building hit a three-decade high in 2017.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing, economic development, and community development activities including outreach.

According to the community contact, there is a significant need for investments in Community Development Financial Institutions (CDFI) that make loans for affordable housing or micro loans to small businesses. The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

State of Texas

Houston-The Woodlands-Sugar Land MSA

Demographic Information for Full Scope Area: Houston-The Woodlands-Sugar Land MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1,049	12.39	28.50	26.50	32.03	0.57
Population by Geography	5,816,356	9.44	25.92	28.43	35.86	0.35
Owner-Occupied Housing by Geography	1,212,635	4.10	20.85	29.74	45.32	0.00
Business by Geography	450,579	7.89	18.61	24.85	48.60	0.04
Farms by Geography	7,489	4.05	16.52	32.25	47.19	0.00
Family Distribution by Income Level	1,367,201	23.69	16.46	17.50	42.35	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	548,957	17.09	38.13	27.43	17.34	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		63,898 72,500 13%	Median Housing Value Unemployment Rate (2010 U.S. Census)		156,522 3.39%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Houston-The Woodlands-Sugar Land MSA AA represents part of the MSA and includes Brazoria, Chambers, Fort Bend, Galveston, Harris, Montgomery, and Waller Counties in Texas. The Houston-The Woodlands-Sugar Land MSA includes Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties. However, Zions limited their AA to the seven counties they are reasonably able to serve. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 1,049 CTs, of which 130 are low- and 299 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 5.82 million. The distribution of families by income level is 17.09 percent low-income, 38.13 percent moderate-income, 27.43 percent middle-income, and 17.34 percent upper-income. The percentage of families in the AA living below the poverty level is high at 14 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is \$72,500. Low-income families in the AA earn median annual income of \$36,250 or less, and moderate-income families earn an annual income of \$36,251 to \$58,000.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 61 branches and 82 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$9.8 billion, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is strong. According to the June 30, 2017 FDIC Deposit Market Share Report, the bank ranks fifth out of 93 depository financial institutions in the AA, with a 4.10 percent market share. Competitors operate 1,360 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for 69.03 percent of total deposits in the AA. The top four depository institutions include JPMorgan Chase Bank National Association, Wells Fargo Bank National Association, Bank of America National Association, and Compass Bank.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 4.60 percent, which is slightly higher than nationwide and Texas unemployment rates as of December 2017. The nationwide and Texas unemployment rate is 4.10 percent and 4.00 percent, respectively.

According to Moody's Analytics, total employment has been rising since the drop in September 2017, and most industries except for personal services have shared in the gains. Construction and business services are leading the way, and manufacturing has begun to turn around as well. Reconstruction is under way on the many thousands of severely flood-damaged houses from Hurricane Harvey, and the efforts will contribute to overall growth in continued years.

The MSA is recovering from the effects of Hurricane Harvey in late August 2017. The leading industries are professional and business services, state and local government, education and health services, and leisure and hospitality services. Major employers include Memorial Hermann Health Systems, the University of Texas Health Science Center, Schlumberger Ltd., Landry's Inc., ExxonMobil Corporation, and Baylor College of Medicine.

Housing

There are limited opportunities for home mortgage lending in this AA's low-income geographies due to the low number of housing units. According to Moody's Analytics, house prices are rising but at a below-average pace. The reduced supply of available housing has driven new permits for single-family homes to their highest point in 10 years. However, no corresponding jump in multifamily permits has occurred. Developers tend to link demand for apartments with mining employment, which is still far below the level in 2014.

According to the 2010 U.S. Census, 55.75 percent of the total housing units in the AA are owner-occupied, and 32.66 percent are rental occupied units. Just over four (4.10) percent of all owner-occupied units and 19.20 percent of renter-occupied units are located in low-income CTs. Additionally, 6.45 percent of all single family homes and 22.67 percent of multifamily housing units are located in low-income CTs. Less than 21 (20.85) percent of all owner-occupied units and 32.34 percent of renter-occupied units

are located in moderate-income CTs. Additionally, 23.64 percent of all single family homes and 30.80 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$295,845 and \$314,045 in 2015 and 2017 reflecting a percent change of 6.15 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$167,135 and the median monthly gross rent increased to \$854. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 12.46 and 16.28 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$36,250 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$168,818 mortgage with a payment of \$906 per month. A moderate-income borrower making \$58,000 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$270,108 mortgage with a payment of \$1,450 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$1,686.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing and community development activities, including outreach. According to the community contacts, even though the economy is moving along well, there are trying times for the elderly and immigrants. Houston has one of the nation's largest refugee and immigrant populations. Affordable housing continues to be a need in the community.

Additional demolition and reconstruction funding is needed in the community. 85 percent of the homeowners whose homes were flooded in the 2015 and 2016 floods did not receive money from the City or FEMA to cover the flood damage. The majority of the homes had pre-existing damage.

The representatives expressed that bank branches are not always convenient in LMI neighborhoods. While technology increases access to banking, many residents in the community, especially the elderly, have issues with technology. Many residents lack the access to the internet or internet infrastructure because they cannot afford to have the services or high-speed internet access is not available in their neighborhood or rental unit.

The contacts shared a need for banks to volunteer in support of community development organizations. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

State of Utah

Salt Lake City MSA

Demographic Information for Full Scope Area: Salt Lake City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	223	4.93	18.83	47.53	27.35	1.35
Population by Geography	1,087,873	3.90	17.59	51.26	26.89	0.35
Owner-Occupied Housing by Geography	243,024	1.96	13.10	53.77	31.17	0.00
Business by Geography	84,821	4.70	18.48	43.91	32.36	0.54
Farms by Geography	1,435	2.72	14.70	48.36	34.08	0.14
Family Distribution by Income Level	250,518	18.10	18.80	23.10	40.01	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	92,421	7.08	27.33	50.67	14.92	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		67,016 75,400 10%	Median Housing Value Unemployment Rate (2010 U.S. Census)		249,143 3.07%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Salt Lake City MSA AA includes Salt Lake and Tooele Counties in Utah, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 223 CTs, of which 11 are low- and 42 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 1.09 million. The distribution of families by income level is 7.08 percent low-income, 27.33 percent moderate-income, 50.67 percent middle-income, and 14.92 percent upper-income. The percentage of families in the AA living below the poverty level is high at 10.97 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is \$75,400. Low-income families in the AA earn median annual income of \$37,700 or less, and moderate-income families earn an annual income of \$37,701 to \$60,320.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 35 branches and 43 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$11.3 billion, making this AA the bank's largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report, the bank ranks 10th out of 43 depository financial institutions in the AA, with a 2.57 percent market share. Competitors 188 branches in the AA and include large interstate banks, regional banks,

savings banks, and community banks. The top five depository institutions account for 74.96 percent of total deposits in the AA. The top five depository institutions include Morgan Stanley Bank National Association, Ally Bank, Synchrony Bank, UBS Bank USA, and American Express Bank.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 3.00 percent, which is lower than the nationwide and Utah unemployment rates as of December 2017. The nationwide and Utah unemployment rate is 4.10 percent, and 3.20 percent, respectively.

According to Moody's Analytics, job growth has picked up and is broad-based, but gains are largely concentrated in private services, particularly healthcare, retail and leisure, and hospitality. Manufacturers are no longer cutting back, and construction job growth would be stronger if not for labor shortages. The labor force is expanding at one of the fastest rates in the region. Over the last decade, Salt Lake City has won high-profile expansions, such as Goldman Sachs, which has found there are a large number of skilled workers who want global investment bank experience but do not want to live in cities with higher cost of living. Meanwhile, professional and business services benefit from investment by California tech firms looking to relocate to lower-cost metro areas. The leading industries are professional and business services, state and local government, education and health services, and retail. Major employers include Intermountain Health Care Inc., Comenity Capital Bank, University Hospital, Smith's Food & Drug, National Guard, Church of Jesus Christ of Latter-Day Saints, and Larry H Miller Group.

Housing

There are limited opportunities for home mortgage lending in this AA's low-income geographies due to the low number of housing units. According to the 2010 U.S. Census, 64.66 percent of the total housing units in the AA are owner-occupied, and 29.21 percent are rental occupied units. Just under two (1.96) percent of all owner-occupied units and 11.25 percent of renter-occupied units are located in low-income CTs. Additionally, 2.78 percent of all single family homes and 14.11 percent of multifamily housing units are located in low-income CTs. Just over 13 (13.10) percent of all owner-occupied units and 32.56 percent of renter-occupied units are located in moderate-income CTs. Additionally, 15.19 percent of all single family homes and 37.18 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$275,050 and \$360,786 in 2015 and 2017 reflecting a percent change of 31.17 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$261,516 and the median monthly gross rent increased to \$847. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 15.45

and 14.24 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$37,700 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$175,570 mortgage with a payment of \$943 per month. A moderate-income borrower making \$60,320 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$280,913 mortgage with a payment of \$1,508 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$1,937.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing, economic development, and community development activities including outreach.

According to the community contacts, the area is wealthy, has a high median family income, and expensive housing. The contact explained that Park City is the area's economic center that has the majority of the population, businesses, and economic activity. In relation to other neighboring communities, it does not have as large of a small business population. Most small businesses choose to operate from neighboring, more affordable counties rather than struggle with elevated expenses and the difficulty attracting a full-time work force. Due to the expensive housing and high cost-of-living, most employees commute from neighboring counties. The contacts shared a need for banks to volunteer in support of community development organizations. In addition, there is a gap for small dollar lending for businesses. Local resources do not offer lending but education and technical assistance on starting small businesses. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

St George MSA

Demographic Information for Full Scope Area: St George MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	21	0.00	4.76	80.95	14.29	0.00
Population by Geography	138,115	0.00	2.44	83.57	13.98	0.00
Owner-Occupied Housing by Geography	32,541	0.00	1.77	83.62	14.60	0.00
Business by Geography	11,695	0.00	5.53	81.61	12.86	0.00
Farms by Geography	362	0.00	2.76	79.01	18.23	0.00
Family Distribution by Income Level	35,313	15.59	19.30	26.03	39.08	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,321	0.00	3.26	88.29	8.45	0.00
Median Family Income		54,315	Median Housing Value		244,006	
FFIEC Adjusted Median Family Income for 2017		59,000	Unemployment Rate (2010		2.91%	
Households Below Poverty Level		10%	U.S. Census)			

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

Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The St. George MSA AA includes Washington County in the state of Utah, which is the entire MSA. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 21 CTs in the AA, of which none are low- or moderate-income.

According to the 2010 U.S. Census, the AA population totals 138,115. The distribution of families by income level is not assigned for low-income, 3.26 percent moderate-income, 88.29 percent middle-income, and 8.45 percent upper-income. The percentage of families in the AA living below the poverty level is high at 12.22 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is \$59,000. Low-income families in the AA earn median annual income of \$29,500 or less, and moderate-income families earn an annual income of \$29,501 to \$47,200.

Zions offers a full range of commercial and consumer loan and deposit products in the AA. Zions operates eight branches and eight deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$688 million, making this AA the bank's fifth largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report, the bank ranks first out of nine depository financial institutions in the AA, with a 30.64 percent market share. Competitors operate 26 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions account for 58.31 percent of total deposits in the AA. The top four depository

institutions include Wells Fargo Bank National Association, Cache Valley Bank, State Bank of Southern Utah, and JPMorgan Chase Bank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 3.40 percent, which is slightly lower than nationwide and slightly higher than Utah unemployment rates as of December 2017. The nationwide and Utah unemployment rate is 4.10 percent and 3.20 percent, respectively.

According to Moody's Analytics, job growth remains well ahead of the state and nationwide averages and is being led by consumer services, though gains are broad-based across industries. Increases in the labor force, which is rising at one of the fastest rates in the nation, have resulted in a higher unemployment rate in recent months. Bigger pay gains along with rapid job creation are boosting home sales, but the area remains the only Utah metro area where house prices have yet to reach their prerecession peak.

The swelling population of older residents is resulting in increased traffic at medical facilities. As a result, Intermountain Healthcare is renovating Dixie Regional Medical Center, which is one of the largest construction projects to ever take place in Washington County. Over the last three years, industry employment has risen by one fifth compared with the nationally rate.

The leading industries are education and health services, retail, leisure and hospitality services, and state and local government. Major employers include DRMC River Road, Dixie State University of Utah, Dixie Regional Medical Center, SkyWest Airlines, and Andrus Trucking.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 58.24 percent of the total housing units in the AA are owner-occupied, and 23.90 percent are rental occupied units. Less than two (1.77) percent of all owner-occupied units and 3.74 percent of renter-occupied units are located in moderate-income CTs. Additionally, 1.90 percent of all single family homes and 3.16 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$281 thousand and \$369,950 in 2015 and 2017 reflecting a percent change of 31.65 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$251,576 and the median monthly gross rent increased to \$917. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 14.99 and 11.42 percent, respectively. Assuming a 30-year mortgage

with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$29,500 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$137,383 mortgage with a payment of \$738 per month. A moderate-income borrower making \$47,200 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$219,812 mortgage with a payment of \$1,180 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$1,986.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated economic development for small businesses as a significant community need. According to the community contact, opportunities include financial education and counseling, small business-oriented lending programs, and microloans are opportunities for financial institution involvement. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

UT Non-MSA

Demographic Information for Full Scope Area: UT Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	71	0.00	11.27	69.01	19.72	0.00
Population by Geography	301,272	0.00	13.91	69.22	16.86	0.00
Owner-Occupied Housing by Geography	75,185	0.00	10.08	71.02	18.90	0.00
Business by Geography	23,139	0.00	10.33	64.48	25.20	0.00
Farms by Geography	1,215	0.00	7.65	74.57	17.78	0.00
Family Distribution by Income Level	76,711	18.92	18.46	22.57	40.05	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	28,676	0.00	17.89	73.56	8.56	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		57,187 67,700 13%	Median Housing Value Unemployment Rate (2010 U.S. Census)		241,881 2.64%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The UT Non-MSA AA includes all non-MSA counties in Utah (Beaver, Carbon, Daggett, Duchesne, Emery, Garfield, Grand, Iron, Kane, Millard, Piute, Rich, San Juan, Sanpete, Sevier, Summit, Uintah, Wasatch, and Wayne). The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 71 CTs, of which eight are moderate-income. There are no low-income CTs in the AA.

According to the 2010 U.S. Census, the AA population totals 301,272. The distribution of families by income level is not assigned for low-income, 17.89 percent moderate-income, 73.56 percent middle-income, and 8.56 percent upper-income. The percentage of families in the AA living below the poverty level is high at 13.66 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is \$67,700. Low-income families in the AA earn median annual income of \$33,850 or less, and moderate-income families earn an annual income of \$33,851 to \$54,160.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates 24 branches and 27 deposit-taking ATMs in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$1.7 billion, making this AA the bank's second largest AA, in terms of deposits held, within the rating area.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report, the bank ranks first out of 14 depository financial institutions in the AA, with a 36.87 percent market share. Competitors operate 54 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top four depository institutions

account for 47.20 percent of total deposits in the AA. The top four depository institutions include Wells Fargo Bank National Association, State Bank of Southern Utah, JPMorgan Chase Bank National Association, and LCA Bank Corporation.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is on average higher than the nationwide and Utah unemployment rates as of December 2017. The unemployment rate for Non-MSA counties range from 3.1 percent to 7.5 percent within the AA. The nationwide and Utah unemployment rate is 4.10 percent and 3.20 percent, respectively.

Housing

There are some opportunities for home mortgage lending in this AA's LMI geographies. According to the 2010 U.S. Census, 53.91 percent of the total housing units in the AA are owner-occupied, and 18.79 percent are rental occupied units. Just over 10 (10.08) percent of all owner-occupied units and 19.42 percent of renter-occupied units are located in moderate-income CTs. Additionally, 10.65 percent of all single family (1-4 unit) homes and 17.17 percent of multifamily (5 plus unit) housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$206,459 and \$349,205 in 2015 and 2017 reflecting a percent change of 69.14 from 2015 to 2017 according to Zillow.com data. The median housing value rose significantly to \$223,821 and the median monthly gross rent increased to \$719. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 10.80 and 6.76 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$33,850 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$157,641 mortgage with a payment of \$846 per month. A moderate-income borrower making \$54,160 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$252,225 mortgage with a payment of \$1,354 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$1,875.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated significant community needs include affordable housing and community development activities including outreach. According to the community contact, the area's local businesses primarily cater to the seasonal tourism industry (lodging, skiing, mountain biking, and restaurants). The

winter ski season brings the largest influx of revenue. Overall, there are limited opportunities for financial institutions to participate in CD activities.

State of Washington

Seattle-Bellevue-Everett MSA

Demographic Information for Full Scope Area: Seattle-Bellevue-Everett MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	226	3.98	20.80	48.67	26.55	0.00
Population by Geography	1,135,015	3.71	20.41	49.28	26.59	0.00
Owner-Occupied Housing by Geography	284,171	1.77	15.25	52.02	30.97	0.00
Business by Geography	78,467	5.19	19.41	47.38	28.02	0.00
Farms by Geography	1,896	2.48	12.55	54.69	30.27	0.00
Family Distribution by Income Level	285,587	20.40	17.63	22.14	39.82	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	108,612	6.39	30.92	48.48	14.21	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		83,852 96,000 8%	Median Housing Value Unemployment Rate (2010 U.S. Census)		376,886 3.33%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The Seattle-Bellevue-Everett MSA AA represents part of the MSA and includes 226 CTs within King County in Washington. The Seattle-Bellevue-Everett MSA includes King and Snohomish Counties. However, Zions limited their AA to the CTs they are reasonably able to serve. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of 226 CTs, of which nine are low- and 47 are moderate-income.

According to the 2010 U.S. Census, the AA population totals 1.14 million. The distribution of families by income level is 6.39 percent low-income, 30.92 percent moderate-income, 48.48 percent middle-income, and 14.21 percent upper-income. The percentage of families in the AA living below the poverty level is high at 9.29 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is \$96,000. Low-income families in the AA earn median annual income of \$48,000 or less, and moderate-income families earned an annual income of \$48,001 to \$76,800.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates one branch in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$983 million.

Competition for financial services within the AA is moderate. According to the June 30, 2017 FDIC Deposit Market Share Report, the bank ranks 16th out of 53 depository institutions in the AA, with a 0.94 percent market share. Competitors operate

890 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 72.03 percent of total deposits in the AA. The top five depository institutions include Bank of America National Association, Wells Fargo Bank National Association, JPMorgan Chase Bank National Association, US Bank National Association, and KeyBank National Association.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 4.20 percent, which is lower than the nationwide and Washington unemployment rates as of December 2017. The nationwide and Washington unemployment rate is 4.10 percent and 4.70 percent, respectively.

According to Moody's Analytics, job growth has eased from the frenetic pace of the past five years. A swell of in-migration has enabled the economy to grow faster for longer. Large expansions by Amazon, Microsoft, and Google are helping the AA's economy in terms of job, income, and output growth. New positions in informatics, software publishing, and data analytics offset the aerospace job layoffs within the AA. Salaries for Seattle tech workers remain well below those in the San Francisco Bay Area, but they have risen by more than a third in the past four years and are considerably higher than positions in Denver and Boulder Colorado and Salt Lake City and Provo Utah. The leading industries are professional and business services, state and local government, education and health services, and retail. Major employers include Boeing Company, Microsoft Corporation, University of Washington, Amazon, Providence Health & Services, Wal-Mart Stores Inc., and Fred Meyer Stores.

Housing

There are limited opportunities for home mortgage lending in this AA's LMI geographies due to the low number of housing units. According to the 2010 U.S. Census, 63.03 percent of the total housing units in the AA are owner-occupied, and 31.17 percent are rental occupied units. Just under two (1.77) percent of all owner-occupied units and 8.22 percent of renter-occupied units are located in low-income CTs. Additionally, 2.38 percent of all single family homes and 9.02 percent of multifamily housing units are located in low-income CTs. More than 15 (15.25) percent of all owner-occupied units and 33.10 percent of renter-occupied units are located in moderate-income CTs. Additionally, 16.74 percent of all single family homes and 33.26 percent of multifamily housing units are located in moderate-income tracts.

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$339,525 and \$495,045 in 2015 and 2017 reflecting a change of 45.81 percent from 2015 to 2017 according to Realtor.com data. The median housing value rose significantly to \$402,406 and the median monthly gross rent increased to \$1,043. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 18.15

and 15.87 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$48,000 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$223,538 mortgage with a payment of \$1,200 per month. A moderate-income borrower making \$76,800 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$357,661 mortgage with a payment of \$1,920 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$2,658.

According to Moody's Analytics, the AA is experiencing erosion in housing affordability and restrained pace of single-family homebuilding. Despite rising home sales, new residential construction badly lags demand. Soaring house prices will cause housing affordability to worsen over the next two years, putting home purchases increasingly out of reach for workers in non-technology industries.

Community Contact

Through our community contact program, representatives from community-based organizations operating in the AA communicated significant community needs include affordable housing and economic development activities. According to the community contacts, there is a major need for affordable housing financing and availability of down payment assistance programs. There is a need for small business loans for start-ups and recently established businesses. Overall, there are sufficient opportunities for financial institutions to participate in CD activities.

State of Wyoming

WY Non-MSA

Demographic Information for Full Scope Area: WY Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	4	0.00	0.00	25.00	75.00	0.00
Population by Geography	21,294	0.00	0.00	10.66	89.34	0.00
Owner-Occupied Housing by Geography	4,542	0.00	0.00	7.84	92.16	0.00
Business by Geography	2,726	0.00	0.00	19.33	80.67	0.00
Farms by Geography	72	0.00	0.00	4.17	95.83	0.00
Family Distribution by Income Level	4,307	10.68	12.61	20.69	56.03	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	1,003	0.00	0.00	10.47	89.53	0.00
Median Family Income		67,040	Median Housing Value	790,257		
FFIEC Adjusted Median Family Income for 2017		74,700	Unemployment Rate (2010	2.51%		
Households Below Poverty Level		5%	U.S. Census)			

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI

The WY Non-MSA includes Teton County in Wyoming. The AA meets the requirement of the regulation and does not arbitrarily exclude LMI geographies. According to 2010 U.S. Census data, the AA consists of four CTs, of which there are no low- or moderate-income CTs in the AA.

According to the 2010 U.S. Census, the AA population totals 21,294. The distribution of families by income level is 10.47 percent middle-income and 89.53 percent upper-income. The percentage of families in the AA living below the poverty level is low at 4.29 percent at the 2010 U.S. Census. The 2017 FFIEC adjusted median family income for the AA is \$74,700. Low-income families in the AA earn median annual income of \$37,350 or less and moderate-income families earn an annual income of \$37,351 to \$59,760.

Zions offers a full range of commercial and consumer loans and deposit products and services in the AA. Zions operates one branch in the AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the bank's deposits total \$19 million.

Competition for financial services within the AA is moderate. According to the June 30, 2017 Deposit Market Share Report, the bank ranks last out of eight depository financial institutions in the AA, with a 0.94 percent market share. Competitors operate 17 branches in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top five depository institutions account for 94.01 percent of total deposits in the AA. The top five depository institutions include Wells Fargo Bank National Association, Bank of Jackson Hole, First Interstate Bank, Rocky Mountain Bank, and Bank of the West.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 3.00 percent, which is lower than the nationwide and Wyoming unemployment rates as of December 2017. The nationwide and Wyoming unemployment rate is 4.10 percent and 4.10 percent, respectively.

Housing

Home ownership for LMI individuals may be difficult due to high median housing prices compared to median family income. The median housing value in the AA is \$1.20 million and \$1.50 million in 2015 and 2017 reflecting a change of 24.69 percent from 2015 to 2017 according to Zillow.com data. The median housing value rose significantly to \$780,038 and the median monthly gross rent increased to \$968. Homeowners and renters with home-related costs that exceed 30 percent of their income totaled 9.70 and 9.23 percent, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$37,350 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$173,940 mortgage with a payment of \$934 per month. A moderate-income borrower making \$59,760 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a \$278,305 mortgage with a payment of \$1,494 per month. This illustrates that LMI borrowers may be challenged to qualify for a mortgage loan in the AA with an estimated payment of \$8,025.

Community Contact

Through our community contact program, a representative from a community-based organization operating in the AA communicated community development activities including outreach, as a significant community need. According to the community contact, the AA's economy is completely driven by tourism and outdoor recreation. The current economy is strong but the availability of vacant land is minimal, restricting some growth. Available land in the AA is extremely limited as 96 percent of the County is a national park or U.S. forest. Teton County is the most affluent county in the State and one of the highest in the nation. The LMI workers struggle to find afford housing, many of them commute from Lincoln County or the state of Idaho. Overall, there are limited opportunities for financial institutions to participate in CD activities.

Appendix D: Tables of Performance Data

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 assessment area; (2) Partially geocoded loans (loans where no CT 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 30th 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.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500 thousand) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the

bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

Table 12. Borrower Distribution of Small Loans to Farms - Compares the percentage distribution of the number of small loans (less than or equal to \$500 thousand originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

Table 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.

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

Tables of Performance Data

State of Arizona

Table 1. Lending Volume

LENDING VOLUME		GEOGRAPHY: STATE OF ARIZONA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
	% 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)	
Assessment Area (2017):												
Full Review:												
Flagstaff MSA	8.02	44	20,784	359	13,779	5	83	1	100	409	34,746	6.63
Phoenix-Mesa- Scottsdale MSA	39.00	284	160,584	1,669	148,000	26	812	11	30,980	1990	340,376	37.26
Limited Review:												
AZ Non-MSA	8.96	33	5,914	397	19,975	23	1,293	4	500	457	27,682	15.26
Lake Havasu City- Kingman MSA	5.31	54	10,300	214	5,244	3	50	0	0	271	15,594	5.01
Prescott MSA	13.35	52	17,725	611	27,397	17	300	1	52	681	45,474	11.23
Sierra Vista-Douglas MSA	2.90	14	1,919	128	3,724	6	60	0	0	148	5,703	4.89
Tucson MSA	17.54	109	37,920	757	53,573	14	226	15	23,226	895	114,945	13.60
Yuma MSA	4.92	15	3,450	219	11,249	13	517	4	4,563	251	19,779	6.12

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			GEOGRAPHY: STATE OF ARIZONA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	24	8.03	3.51	0.00	18.21	4.17	35.60	50.00	42.68	45.83	0.00	4.85	59.80	35.35
Phoenix-Mesa-Scottsdale MSA	136	45.48	4.46	0.00	19.63	13.24	37.15	38.24	38.76	48.53	2.00	15.74	42.48	39.78
Limited Review:														
AZ Non-MSA	11	3.68	0.75	0.00	34.29	18.18	41.27	36.36	23.68	45.45	0.12	2.90	52.67	44.31
Lake Havasu City-Kingman MSA	23	7.69	0.00	0.00	9.22	0.00	72.31	52.17	18.47	47.83	0.00	4.03	89.22	6.75
Prescott MSA	33	11.04	0.00	0.00	18.72	9.09	61.16	51.52	20.12	39.39	0.00	12.43	71.68	15.88
Sierra Vista-Douglas MSA	3	1.00	2.32	0.00	26.56	0.00	44.17	66.67	26.95	33.33	0.00	24.34	48.97	26.68
Tucson MSA	65	21.74	4.73	0.00	21.42	24.62	32.88	12.31	40.97	63.08	1.79	15.68	36.45	46.08
Yuma MSA	4	1.34	0.00	0.00	25.72	0.00	46.95	100.00	27.33	0.00	0.00	21.83	34.27	43.90

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF ARIZONA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	2	3.03	3.51	0.00	18.21	0.00	35.60	100.00	42.68	0.00	0.00	3.06	53.06	43.88
Phoenix-Mesa-Scottsdale MSA	27	40.91	4.46	3.70	19.63	18.52	37.15	25.93	38.76	51.85	1.71	13.32	38.86	46.11
Limited Review:														
AZ Non-MSA	12	18.18	0.75	0.00	34.29	0.00	41.27	41.67	23.68	58.33	0.55	9.84	55.19	34.43
Lake Havasu City-Kingman MSA	10	15.15	0.00	0.00	9.22	10.00	72.31	90.00	18.47	0.00	0.00	3.42	89.35	7.22
Prescott MSA	1	1.52	0.00	0.00	18.72	100.00	61.16	0.00	20.12	0.00	0.00	11.97	66.80	21.24
Sierra Vista-Douglas MSA	4	6.06	2.32	0.00	26.56	25.00	44.17	75.00	26.95	0.00	0.00	23.68	53.51	22.81
Tucson MSA	6	9.09	4.73	0.00	21.42	0.00	32.88	33.33	40.97	66.67	2.62	14.15	35.79	47.44
Yuma MSA	4	6.06	0.00	0.00	25.72	50.00	46.95	25.00	27.33	25.00	0.00	21.86	34.97	43.17

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF ARIZONA															Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*							
	#	% of Total**	% Owner Occ	% BANK Loans*** *	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp				
Full Review:																		
Flagstaff MSA	16	6.84	3.51	0.00	18.21	12.50	35.60	18.75	42.68	68.75	0.00	3.74	50.46	45.80				
Phoenix-Mesa-Scottsdale MSA	118	50.43	4.46	3.39	19.63	16.95	37.15	27.97	38.76	51.69	1.24	11.73	38.84	48.20				
Limited Review:																		
AZ Non-MSA	10	4.27	0.75	0.00	34.29	20.00	41.27	50.00	23.68	30.00	0.19	2.04	54.57	43.20				
Lake Havasu City-Kingman MSA	21	8.97	0.00	0.00	9.22	0.00	72.31	47.62	18.47	52.38	0.00	2.68	90.78	6.54				
Prescott MSA	17	7.26	0.00	0.00	18.72	5.88	61.16	64.71	20.12	29.41	0.00	10.73	69.04	20.23				
Sierra Vista-Douglas MSA	7	2.99	2.32	0.00	26.56	14.29	44.17	71.43	26.95	14.29	0.00	18.46	47.25	34.29				
Tucson MSA	38	16.24	4.73	0.00	21.42	23.68	32.88	21.05	40.97	55.26	1.62	12.93	34.60	50.86				
Yuma MSA	7	2.99	0.00	0.00	25.72	0.00	46.95	14.29	27.33	85.71	0.00	17.66	31.95	50.39				

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF ARIZONA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017							
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans***	% MF Units** *	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	2	33.33	0.38	0.00	37.23	0.00	14.70	50.00	47.69	50.00	0.00	28.57	28.57	42.86
Phoenix-Mesa-Scottsdale MSA	3	50.00	18.88	33.33	31.18	33.33	31.17	0.00	18.77	33.33	22.67	39.83	27.91	9.59
Limited Review:														
AZ Non-MSA	0	0.00	0.00	0.00	37.63	0.00	31.17	0.00	31.20	0.00	0.00	0.00	57.14	42.86
Lake Havasu City-Kingman MSA	0	0.00	0.00	0.00	1.26	0.00	62.72	0.00	36.02	0.00	0.00	0.00	100.00	0.00
Prescott MSA	1	16.67	0.00	0.00	32.62	0.00	43.91	0.00	23.48	100.00	0.00	63.64	27.27	9.09
Sierra Vista-Douglas MSA	0	0.00	3.59	0.00	39.45	0.00	39.07	0.00	17.89	0.00	0.00	0.00	83.33	16.67
Tucson MSA	0	0.00	16.25	0.00	38.72	0.00	27.32	0.00	17.71	0.00	20.99	50.62	20.99	7.41
Yuma MSA	0	0.00	0.00	0.00	36.35	0.00	42.72	0.00	20.93	0.00	0.00	84.62	15.38	0.00

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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: STATE OF ARIZONA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	356	8.27	0.17	0.00	19.69	21.91	32.56	38.20	45.46	39.89	0.00	14.07	42.79	43.14
Phoenix-Mesa-Scottsdale MSA	1,644	38.21	6.51	8.52	16.93	22.87	29.44	27.07	46.60	41.55	6.35	14.60	28.51	50.54
Limited Review:														
AZ Non-MSA	397	9.23	0.00	0.00	25.16	10.33	43.80	37.53	31.03	52.14	0.77	9.73	58.82	30.69
Lake Havasu City-Kingman MSA	214	4.97	0.00	0.00	4.45	5.14	73.27	77.57	22.29	17.29	0.00	4.62	87.81	7.56
Prescott MSA	611	14.20	0.00	0.00	23.34	31.42	49.32	46.81	27.34	21.77	0.00	14.36	58.40	27.24
Sierra Vista-Douglas MSA	128	2.97	4.54	0.00	31.88	40.63	41.82	38.28	21.75	21.09	0.00	26.36	52.42	21.22
Tucson MSA	734	17.06	6.59	8.31	24.53	34.60	28.67	26.02	39.13	31.06	4.70	22.81	30.37	42.12
Yuma MSA	219	5.09	0.00	0.00	29.20	26.48	40.41	38.81	30.38	34.70	0.00	31.82	28.95	39.23

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS					GEOGRAPHY: STATE OF ARIZONA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	5	4.67	0.00	0.00	17.14	0.00	35.43	80.00	46.29	20.00	0.00	14.29	57.14	28.57
Phoenix-Mesa-Scottsdale MSA	26	24.30	5.81	7.69	20.43	15.38	31.30	46.15	42.16	30.77	5.26	17.63	41.84	35.26
Limited Review:														
AZ Non-MSA	23	21.50	0.00	0.00	15.24	26.09	39.29	26.09	45.48	47.83	0.00	7.14	75.00	17.86
Lake Havasu City-Kingman MSA	3	2.80	0.00	0.00	4.90	0.00	78.78	100.00	16.33	0.00	0.00	0.00	84.21	15.79
Prescott MSA	17	15.89	0.00	0.00	19.36	35.29	52.63	35.29	28.01	29.41	0.00	7.14	64.29	28.57
Sierra Vista-Douglas MSA	6	5.61	1.60	0.00	11.97	0.00	77.13	100.00	9.31	0.00	0.00	42.59	44.44	12.96
Tucson MSA	14	13.08	4.51	0.00	22.54	0.00	33.92	85.71	38.81	14.29	0.00	22.58	37.10	40.32
Yuma MSA	13	12.15	0.00	0.00	19.79	7.69	50.27	76.92	29.95	15.38	0.00	32.47	41.56	25.97

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			GEOGRAPHY: STATE OF ARIZONA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans***	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	24	8.03	23.97	0.00	15.64	4.35	17.18	8.70	43.21	86.96	2.11	11.75	20.98	65.16
Phoenix-Mesa-Scottsdale MSA	136	45.48	21.94	6.06	17.29	21.97	19.51	8.33	41.26	63.64	5.37	19.71	26.06	48.86
Limited Review:														
AZ Non-MSA	11	3.68	24.64	0.00	17.18	0.00	18.12	18.18	40.06	81.82	1.49	12.86	20.80	64.85
Lake Havasu City-Kingman MSA	23	7.69	18.48	0.00	19.29	0.00	22.22	21.74	40.00	78.26	5.64	16.42	22.45	55.49
Prescott MSA	33	11.04	18.79	0.00	19.29	3.33	22.35	16.67	39.56	80.00	3.50	15.63	24.50	56.36
Sierra Vista-Douglas MSA	3	1.00	23.06	0.00	16.02	33.33	19.86	66.67	41.05	0.00	11.03	20.93	25.35	42.69
Tucson MSA	65	21.74	22.19	6.15	17.33	13.85	19.11	6.15	41.37	73.85	6.11	18.88	25.07	49.94
Yuma MSA	4	1.34	20.03	0.00	19.14	0.00	19.58	50.00	41.26	50.00	5.04	20.59	26.15	48.22

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.7% of loans originated and purchased by the bank.

*** Percentage of Families is based on the 2015 ACS Census information.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				GEOGRAPHY: STATE OF ARIZONA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total* *	% Families* **	% BANK Loans****	% Families 12	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	2	3.03	23.97	50.00	15.64	0.00	17.18	50.00	43.21	0.00	2.11	13.68	22.11	62.11
Phoenix-Mesa-Scottsdale MSA	27	40.91	21.94	7.41	17.29	22.22	19.51	14.81	41.26	55.56	5.32	15.19	23.04	56.45
Limited Review:														
AZ Non-MSA	12	18.18	24.64	16.67	17.18	0.00	18.12	33.33	40.06	50.00	3.39	12.43	18.64	65.54
Lake Havasu City-Kingman MSA	10	15.15	18.48	10.00	19.29	0.00	22.22	20.00	40.00	70.00	9.39	16.73	19.59	54.29
Prescott MSA	1	1.52	18.79	0.00	19.29	100.00	22.35	0.00	39.56	0.00	7.60	11.60	28.80	52.00
Sierra Vista-Douglas MSA	4	6.06	23.06	25.00	16.02	25.00	19.86	50.00	41.05	0.00	11.71	13.51	22.52	52.25
Tucson MSA	6	9.09	22.19	33.33	17.33	0.00	19.11	0.00	41.37	66.67	6.46	14.91	21.24	57.39
Yuma MSA	4	6.06	20.03	0.00	19.14	0.00	19.58	50.00	41.26	50.00	6.78	7.91	23.16	62.15

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

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

12 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: STATE OF ARIZONA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families***	% BANK Loans****	% Families 13	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Flagstaff MSA	16	6.84	23.97	0.00	15.64	6.25	17.18	0.00	43.21	93.75	1.57	12.12	20.01	66.30
Phoenix-Mesa-Scottsdale MSA	118	50.43	21.94	15.25	17.29	20.34	19.51	8.47	41.26	55.93	5.51	15.59	23.64	55.27
Limited Review:														
AZ Non-MSA	10	4.27	24.64	0.00	17.18	0.00	18.12	50.00	40.06	50.00	3.51	10.45	17.34	68.70
Lake Havasu City-Kingman MSA	21	8.97	18.48	4.76	19.29	23.81	22.22	19.05	40.00	52.38	6.68	15.91	23.50	53.90
Prescott MSA	17	7.26	18.79	0.00	19.29	25.00	22.35	18.75	39.56	56.25	4.98	12.54	25.62	56.86
Sierra Vista-Douglas MSA	7	2.99	23.06	14.29	16.02	14.29	19.86	28.57	41.05	42.86	9.91	16.47	20.88	52.74
Tucson MSA	38	16.24	22.19	10.53	17.33	18.42	19.11	10.53	41.37	60.53	5.94	14.12	22.19	57.76
Yuma MSA	7	2.99	20.03	0.00	19.14	16.67	19.58	0.00	41.26	83.33	6.17	13.72	21.10	59.01

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

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

13 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: STATE OF ARIZONA		Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Flagstaff MSA	359	8.25	82.17	26.74	93.87	2.79	3.34	3,116	1,347
Phoenix-Mesa-Scottsdale MSA	1,669	38.33	87.37	20.37	82.68	7.19	10.13	127,100	52,466
Limited Review:									
AZ Non-MSA	397	9.12	77.51	22.92	90.68	4.79	4.53	5,101	2,085
Lake Havasu City-Kingman MSA	214	4.92	85.94	22.43	95.79	3.27	0.93	4,062	1,800
Prescott MSA	611	14.03	88.88	20.29	92.14	4.26	3.60	8,614	3,347
Sierra Vista-Douglas MSA	128	2.94	82.67	18.75	94.53	3.13	2.34	2,114	879
Tucson MSA	757	17.39	85.97	25.63	86.26	6.87	6.87	23,805	9,430
Yuma MSA	219	5.03	80.48	30.59	90.87	5.02	4.11	2,152	874

* Based on 2016 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 - 2016).

**** 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 59.03% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			GEOGRAPHY: STATE OF ARIZONA		Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Flagstaff MSA	5	4.67	92.57	60.00	100.00	0.00	0.00	15	7
Phoenix-Mesa-Scottsdale MSA	26	24.30	93.59	30.77	96.15	0.00	3.85	401	152
Limited Review:									
AZ Non-MSA	23	21.50	94.76	43.48	91.30	0.00	8.70	102	49
Lake Havasu City-Kingman MSA	3	2.80	97.14	66.67	100.00	0.00	0.00	19	5
Prescott MSA	17	15.89	96.24	11.76	100.00	0.00	0.00	46	16
Sierra Vista-Douglas MSA	6	5.61	96.81	33.33	100.00	0.00	0.00	56	22
Tucson MSA	14	13.08	95.80	14.29	100.00	0.00	0.00	63	31
Yuma MSA	13	12.15	80.48	0.00	92.31	7.69	0.00	78	22

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 68.22% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		GEOGRAPHY: STATE OF ARIZONA				Evaluation Period: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Flagstaff MSA	2	972	7	3,304	9	4,276	4.66	1	2
Phoenix-Mesa-Scottsdale MSA	19	12,269	58	347	77	12,616	13.75	1	19
Limited Review:									
AZ Non-MSA	0	0	6	6,253	6	6,253	6.81	0	0
Lake Havasu City-Kingman MSA	1	1,310	4	14	5	1,324	1.44	0	0
Prescott MSA	2	888	3	2,151	5	3,039	3.31	0	0
Sierra Vista-Douglas MSA	0	0	0	0	0	0	0.00	0	0
Tucson MSA	3	1,179	17	10,714	20	11,893	12.96	0	0
Yuma MSA	4	16,799	7	1,896	11	18,695	20.37	0	0
Broader Statewide or Regional:									
Statewide	18	16,658	6	563	24	17,222		0	0
Regional	1	467	4	16,000	5	16,467		0	0

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

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank'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: STATE OF ARIZONA									
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Flagstaff MSA	6.63	4	0.00	0.00	0.00	75.00	25.00	0	0	0	0	0	0	0.00	32.68	40.74	26.58
Phoenix-Mesa-Scottsdale MSA	40.78	19	22.22	0.00	22.22	33.33	44.44	0	5	0	-1	-1	-3	8.18	24.70	36.00	30.95
Limited Review:																	
AZ Non-MSA	7.25	11	18.18	0.00	18.18	45.45	36.36	0	1	0	0	-1	0	5.29	26.82	47.41	20.48
Lake Havasu City-Kingman MSA	5.48	4	0.00	0.00	0.00	75.00	25.00	0	2	0	0	-2	0	0.00	11.26	82.97	5.77
Prescott MSA	12.29	7	42.86	0.00	42.86	28.57	28.57	0	0	0	0	0	0	0.00	15.17	67.84	16.98
Sierra Vista-Douglas MSA	5.35	3	33.33	0.00	33.33	33.33	33.33	0	0	0	0	0	0	0.00	30.58	49.28	20.14
Tucson MSA	14.89	7	14.29	0.00	14.29	42.86	42.86	0	0	0	0	0	0	7.54	29.30	32.40	30.33
Yuma MSA	6.70	4	50.00	0.00	50.00	50.00	0.00	0	0	0	0	0	0	0.00	34.73	35.02	29.98

State of California

Table 1. Lending Volume

LENDING VOLUME		GEOGRAPHY: STATE OF CALIFORNIA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Los Angeles-Long Beach-Anaheim MSA	37.27	303	268,310	2,252	218,233	2	29	41	100,184	2,598	37.27	44.14
San Diego-Carlsbad MSA	30.78	164	96,431	1,941	158,948	5	285	36	98,114	2,146	30.78	30.61
San Francisco-Oakland-Hayward MSA	10.53	155	141,417	560	52,345	0	0	19	56,400	734	10.53	10.65
Limited Review:												
Bakersfield MSA	0.90	7	1,026	53	1,771	2	120	1	11,668	63	14,585	0.32
Fresno MSA	4.26	18	7,790	275	25,660	2	65	2	8,543	297	42,058	3.78
Oxnard-Thousand Oaks-Ventura MSA	0.96	6	3,742	57	6,595	0	0	4	6,151	67	16,488	0.43
Riverside-San Bernardino-Ontario MSA	9.04	58	34,686	563	49,590	1	20	8	29,547	630	113,843	3.43
Sacramento-Roseville-Arden-Arcade MSA	3.07	10	6,609	197	20,864	0	0	7	11,966	214	39,439	3.11
San Jose-Sunnyvale-Santa Clara MSA	3.18	22	26,504	195	13,196	1	10	4	47,213	222	86,923	3.54

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating are.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			GEOGRAPHY: STATE OF CALIFORNIA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	96	36.92	2.67	4.17	17.59	26.04	27.52	13.54	52.22	56.25	2.55	18.46	30.05	48.94
San Diego-Carlsbad MSA	67	25.77	2.79	1.49	15.14	19.40	35.45	35.82	46.62	43.28	3.51	14.24	38.13	44.12
San Francisco-Oakland-Hayward MSA	51	19.62	4.57	1.96	16.91	5.88	34.56	17.65	43.96	74.51	6.39	15.94	40.66	37.01
Limited Review:														
Bakersfield MSA	0	0.00	5.58	0.00	15.81	0.00	32.35	0.00	46.26	0.00	0.83	16.82	26.50	55.84
Fresno MSA	3	1.15	3.18	0.00	23.24	33.33	22.45	0.00	51.13	66.67	3.56	15.85	26.84	53.74
Oxnard-Thousand Oaks-Ventura MSA	2	0.77	1.38	0.00	19.20	0.00	40.68	50.00	38.75	50.00	2.16	16.62	45.83	35.39
Riverside-San Bernardino-Ontario MSA	26	10.00	2.58	0.00	21.02	3.85	37.27	34.62	39.13	61.54	2.79	18.90	38.95	39.36
Sacramento-Roseville-Arden-Arcade MSA	7	2.69	5.23	0.00	19.91	0.00	35.43	42.86	39.43	57.14	5.08	19.36	38.52	37.03
San Jose-Sunnyvale-Santa Clara MSA	8	3.08	4.39	0.00	15.45	0.00	36.65	0.00	43.51	100.00	6.68	22.28	42.23	28.81

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF CALIFORNIA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	18	51.43	2.67	5.56	17.59	33.33	27.52	22.22	52.22	38.89	1.84	16.58	29.90	51.68
San Diego-Carlsbad MSA	8	22.86	2.79	12.50	15.14	0.00	35.45	25.00	46.62	62.50	3.82	13.25	39.24	43.68
San Francisco-Oakland-Hayward MSA	2	5.71	4.57	0.00	16.91	0.00	34.56	50.00	43.96	50.00	4.59	14.64	39.51	41.26
Limited Review:														
Bakersfield MSA	2	5.71	5.58	0.00	15.81	0.00	32.35	100.00	46.26	0.00	0.30	10.19	21.51	68.00
Fresno MSA	2	5.71	3.18	0.00	23.24	0.00	22.45	0.00	51.13	100.00	2.37	12.58	22.34	62.71
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	1.38	0.00	19.20	0.00	40.68	0.00	38.75	0.00	1.87	15.26	43.77	39.09
Riverside-San Bernardino-Ontario MSA	1	2.86	2.58	0.00	21.02	0.00	37.27	0.00	39.13	100.00	1.66	14.44	36.51	47.39
Sacramento-Roseville-Arden-Arcade MSA	1	2.86	5.23	0.00	19.91	100.00	35.43	0.00	39.43	0.00	3.48	16.85	38.22	41.45
San Jose-Sunnyvale-Santa Clara MSA	1	2.86	4.39	0.00	15.45	0.00	36.65	100.00	43.51	0.00	4.43	16.52	39.86	39.19

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF CALIFORNIA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	176	41.71	2.67	1.70	17.59	13.64	27.52	12.50	52.22	72.16	1.84	15.57	29.37	53.21
San Diego-Carlsbad MSA	83	19.67	2.79	2.41	15.14	16.87	35.45	24.10	46.62	56.63	2.75	12.46	38.09	46.71
San Francisco-Oakland-Hayward MSA	98	23.22	4.57	2.04	16.91	7.14	34.56	16.33	43.96	74.49	3.87	13.26	40.59	42.29
Limited Review:														
Bakersfield MSA	5	1.18	5.58	20.00	15.81	0.00	32.35	40.00	46.26	40.00	0.45	12.03	25.02	62.49
Fresno MSA	12	2.84	3.18	0.00	23.24	8.33	22.45	8.33	51.13	83.33	2.12	12.84	23.22	61.81
Oxnard-Thousand Oaks-Ventura MSA	4	0.95	1.38	0.00	19.20	25.00	40.68	25.00	38.75	50.00	1.79	14.35	44.51	39.35
Riverside-San Bernardino-Ontario MSA	29	6.87	2.58	0.00	21.02	10.34	37.27	34.48	39.13	55.17	1.57	13.54	34.75	50.14
Sacramento-Roseville-Arden-Arcade MSA	2	0.47	5.23	0.00	19.91	0.00	35.43	50.00	39.43	50.00	3.04	14.51	38.04	44.42
San Jose-Sunnyvale-Santa Clara MSA	13	3.08	4.39	0.00	15.45	7.69	36.65	23.08	43.51	69.23	4.51	19.37	40.35	35.78

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF CALIFORNIA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans* ***	% MF Units** *	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	12	50.00	12.53	33.33	31.55	33.33	23.90	25.00	32.02	8.33	14.33	41.01	23.74	20.91
San Diego-Carlsbad MSA	6	25.00	12.97	16.67	26.43	33.33	34.32	50.00	26.28	0.00	27.36	34.23	26.17	12.24
San Francisco-Oakland-Hayward MSA	3	12.50	19.81	66.67	24.47	33.33	28.01	0.00	27.72	0.00	22.69	26.04	28.63	22.64
Limited Review:														
Bakersfield MSA	0	0.00	12.56	0.00	33.47	0.00	29.10	0.00	24.87	0.00	4.65	51.16	27.91	16.28
Fresno MSA	1	4.17	16.77	0.00	42.79	0.00	22.26	100.00	18.18	0.00	21.82	39.09	30.00	9.09
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	7.92	0.00	42.72	0.00	35.01	0.00	14.34	0.00	18.27	46.15	23.08	12.50
Riverside-San Bernardino-Ontario MSA	2	8.33	10.47	0.00	40.97	0.00	31.25	0.00	17.31	100.00	18.39	44.58	26.70	10.33
Sacramento-Roseville-Arden-Arcade MSA	0	0.00	17.42	0.00	28.88	0.00	37.26	0.00	16.44	0.00	13.04	47.83	27.54	11.59
San Jose-Sunnyvale-Santa Clara MSA	0	0.00	12.11	0.00	22.68	0.00	41.90	0.00	23.31	0.00	15.74	35.79	36.55	11.93

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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: STATE OF CALIFORNIA Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	2,179	36.26	5.00	7.39	19.42	20.93	25.32	33.27	48.30	38.41	5.14	18.87	27.21	48.77
San Diego-Carlsbad MSA	1,941	32.30	5.44	5.98	15.11	15.66	35.00	39.82	44.27	38.54	4.36	14.15	34.40	47.09
San Francisco-Oakland-Hayward MSA	560	9.32	11.32	13.75	16.87	17.50	29.47	35.89	41.57	32.86	9.65	14.65	35.80	39.91
Limited Review:														
Bakersfield MSA	53	0.88	6.14	1.89	21.10	5.66	28.56	75.47	43.46	16.98	2.71	16.58	25.23	55.48
Fresno MSA	273	4.54	6.77	5.13	28.35	27.84	21.49	21.61	42.02	45.42	6.27	19.42	24.83	49.47
Oxnard-Thousand Oaks-Ventura MSA	57	0.95	5.38	19.30	19.64	19.30	39.82	36.84	34.61	24.56	2.85	15.95	41.84	39.35
Riverside-San Bernardino-Ontario MSA	562	9.35	4.64	2.67	26.01	24.73	34.97	34.70	34.28	37.90	3.01	20.74	32.85	43.40
Sacramento-Roseville-Arden-Arcade MSA	190	3.16	9.53	18.95	22.70	30.53	32.08	24.74	33.33	25.79	6.36	18.12	37.45	38.08
San Jose-Sunnyvale-Santa Clara MSA	195	3.24	5.26	5.13	17.78	16.92	36.04	42.56	40.82	35.38	5.50	21.59	36.67	36.24

* Based on 2016 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 are.

*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS														
GEOGRAPHY: STATE OF CALIFORNIA							Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017							
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	2	15.38	3.47	0.00	18.68	50.00	28.08	50.00	48.96	0.00	3.52	17.84	29.74	48.90
San Diego-Carlsbad MSA	5	38.46	3.48	0.00	17.42	80.00	38.81	20.00	40.29	0.00	0.71	12.10	36.30	50.89
San Francisco-Oakland-Hayward MSA	0	0.00	6.90	0.00	17.74	0.00	33.32	0.00	41.90	0.00	4.23	8.46	36.54	50.77
Limited Review:														
Bakersfield MSA	2	15.38	4.40	0.00	21.09	0.00	33.86	0.00	38.63	100.00	0.40	34.39	28.46	36.76
Fresno MSA	2	15.38	3.68	0.00	29.05	0.00	32.80	100.00	34.34	0.00	4.40	30.46	37.61	27.52
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	4.71	0.00	24.04	0.00	43.12	0.00	27.83	0.00	9.71	23.30	45.63	21.36
Riverside-San Bernardino-Ontario MSA	1	7.69	3.57	0.00	24.37	0.00	39.01	100.00	32.98	0.00	5.37	20.47	28.52	45.64
Sacramento-Roseville-Arden-Arcade MSA	0	0.00	5.71	0.00	21.35	0.00	32.78	0.00	39.58	0.00	2.11	11.97	48.59	37.32
San Jose-Sunnyvale-Santa Clara MSA	1	7.69	6.55	0.00	21.82	100.00	37.65	0.00	33.88	0.00	2.75	21.10	30.28	45.87

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE															GEOGRAPHY: STATE OF CALIFORNIA					Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*													
	#	% of Total**	% Families***	% BANK Loans***	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp										
Full Review:																								
Los Angeles-Long Beach-Anaheim MSA	97	37.02	24.36	0.00	16.31	6.33	17.01	8.86	42.32	84.81	0.91	5.58	17.32	76.19										
San Diego-Carlsbad MSA	67	25.57	23.58	3.17	16.93	17.46	17.82	17.46	41.67	61.90	0.80	6.62	22.66	69.91										
San Francisco-Oakland-Hayward MSA	52	19.85	24.44	0.00	15.96	12.50	18.08	0.00	41.52	87.50	1.41	9.14	19.06	70.39										
Limited Review:																								
Bakersfield MSA	0	0.00	24.82	0.00	16.42	0.00	16.07	0.00	42.69	0.00	3.22	14.50	26.43	55.85										
Fresno MSA	3	1.15	25.27	0.00	15.91	0.00	16.28	0.00	42.54	100.00	1.58	11.51	25.03	61.88										
Oxnard-Thousand Oaks-Ventura MSA	2	0.76	22.20	0.00	17.09	0.00	19.95	0.00	40.76	100.00	1.68	10.13	27.76	60.43										
Riverside-San Bernardino-Ontario MSA	26	9.92	23.02	0.00	16.81	8.70	18.86	8.70	41.30	82.61	2.09	12.76	27.06	58.09										
Sacramento-Roseville-Arden-Arcade MSA	7	2.67	24.44	0.00	16.44	0.00	18.52	0.00	40.61	100.00	2.41	15.11	26.55	55.92										
San Jose-Sunnyvale-Santa Clara MSA	8	3.05	23.82	0.00	15.51	0.00	18.50	0.00	42.17	100.00	1.15	6.15	18.99	73.71										

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 30.5% of loans originated and purchased by the bank.

*** Percentage of Families is based on the 2015 ACS Census information.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				GEOGRAPHY: STATE OF CALIFORNIA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total* *	% Families* **	% BANK Loans****	% Families 14	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	18	51.43	24.36	0.00	16.31	11.11	17.01	22.22	42.32	66.67	2.83	9.03	19.54	68.61
San Diego-Carlsbad MSA	8	22.86	23.58	0.00	16.93	25.00	17.82	12.50	41.67	62.50	2.72	10.45	23.77	63.07
San Francisco-Oakland-Hayward MSA	2	5.71	24.44	0.00	15.96	50.00	18.08	50.00	41.52	0.00	4.19	12.69	21.69	61.43
Limited Review:														
Bakersfield MSA	2	5.71	24.82	0.00	16.42	0.00	16.07	100.00	42.69	0.00	2.98	7.29	16.54	73.20
Fresno MSA	2	5.71	25.27	50.00	15.91	0.00	16.28	0.00	42.54	50.00	1.29	6.91	16.77	75.02
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	22.20	0.00	17.09	0.00	19.95	0.00	40.76	0.00	5.79	16.54	24.74	52.93
Riverside-San Bernardino-Ontario MSA	1	2.86	23.02	0.00	16.81	0.00	18.86	0.00	41.30	100.00	3.37	12.94	22.64	61.05
Sacramento-Roseville-Arden-Arcade MSA	1	2.86	24.44	0.00	16.44	100.00	18.52	0.00	40.61	0.00	3.31	14.65	25.40	56.64
San Jose-Sunnyvale-Santa Clara MSA	1	2.86	23.82	0.00	15.51	0.00	18.50	0.00	42.17	100.00	4.59	12.13	20.88	62.40

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

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

14 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: STATE OF CALIFORNIA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total* *	% Families ***	% BANK Loans****	% Families 15	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Los Angeles-Long Beach-Anaheim MSA	176	41.71	24.36	2.56	16.31	7.69	17.01	9.62	42.32	80.13	2.35	7.46	17.85	72.34
San Diego-Carlsbad MSA	83	19.67	23.58	1.32	16.93	10.53	17.82	19.74	41.67	68.42	2.29	8.26	20.69	68.76
San Francisco-Oakland-Hayward MSA	98	23.22	24.44	2.78	15.96	5.56	18.08	11.11	41.52	80.56	3.42	11.58	21.82	63.18
Limited Review:														
Bakersfield MSA	5	1.18	24.82	0.00	16.42	25.00	16.07	0.00	42.69	75.00	4.03	10.81	19.24	65.91
Fresno MSA	12	2.84	25.27	0.00	15.91	0.00	16.28	0.00	42.54	100.00	3.11	7.75	17.91	71.23
Oxnard-Thousand Oaks-Ventura MSA	4	0.95	22.20	0.00	17.09	33.33	19.95	0.00	40.76	66.67	3.87	13.58	26.64	55.91
Riverside-San Bernardino-Ontario MSA	29	6.87	23.02	0.00	16.81	3.70	18.86	14.81	41.30	81.48	3.30	11.56	21.58	63.56
Sacramento-Roseville-Arden-Arcade MSA	2	0.47	24.44	0.00	16.44	0.00	18.52	50.00	40.61	50.00	3.66	12.99	23.88	59.46
San Jose-Sunnyvale-Santa Clara MSA	13	3.08	23.82	0.00	15.51	20.00	18.50	20.00	42.17	60.00	2.64	9.81	20.96	66.59

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 23.9% of loans originated and purchased by the bank.

15 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: STATE OF CALIFORNIA			Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Los Angeles-Long Beach-Anaheim MSA	2,252	36.96	86.75	17.58	81.66	7.37	10.97	530,267	234,068
San Diego-Carlsbad MSA	1,941	31.86	87.64	17.62	84.60	7.57	7.83	126,610	52,639
San Francisco-Oakland-Hayward MSA	560	9.19	85.67	20.36	83.57	5.89	10.54	197,102	76,006
Limited Review:									
Bakersfield MSA	53	0.87	84.32	26.42	92.45	5.66	1.89	18,939	7,368
Fresno MSA	275	4.51	83.79	17.82	81.82	7.64	10.55	23,477	8,891
Oxnard-Thousand Oaks-Ventura MSA	57	0.94	86.42	22.81	75.44	8.77	15.79	33,454	13,591
Riverside-San Bernardino-Ontario MSA	563	9.24	85.93	14.92	83.84	6.04	10.12	115,169	50,204
Sacramento-Roseville-Arden-Arcade MSA	197	3.23	85.67	16.75	76.65	12.69	10.66	56,712	23,015
San Jose-Sunnyvale-Santa Clara MSA	195	3.20	86.29	19.49	88.72	4.62	6.67	72,770	28,681

* Based on 2016 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 are.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2016).

**** 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 58.94% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			GEOGRAPHY: STATE OF CALIFORNIA			Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Los Angeles-Long Beach-Anaheim MSA	2	15.38	93.13	0.00	100.00	0.00	0.00	467	187
San Diego-Carlsbad MSA	5	38.46	94.24	20.00	80.00	20.00	0.00	292	164
San Francisco-Oakland-Hayward MSA	0	0.00	94.11	0.00	0.00	0.00	0.00	274	132
Limited Review:									
Bakersfield MSA	2	15.38	87.29	0.00	100.00	0.00	0.00	264	102
Fresno MSA	2	15.38	90.26	0.00	100.00	0.00	0.00	558	275
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	90.52	0.00	0.00	0.00	0.00	212	89
Riverside-San Bernardino-Ontario MSA	1	7.69	93.25	0.00	100.00	0.00	0.00	304	151
Sacramento-Roseville-Arden-Arcade MSA	0	0.00	94.36	0.00	0.00	0.00	0.00	288	184
San Jose-Sunnyvale-Santa Clara MSA	1	7.69	93.35	0.00	100.00	0.00	0.00	111	61

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 76.92% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		GEOGRAPHY: STATE OF CALIFORNIA				Evaluation Period: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Los Angeles-Long Beach-Anaheim MSA	9	7,773	82	11,925	91	19,698	43.08	0	0
San Diego-Carlsbad MSA	4	731	46	8,693	50	9,423	20.61	0	0
San Francisco-Oakland-Hayward MSA	0	0	28	6,451	28	6,451	14.11	0	0
Limited Review:									
Bakersfield MSA	0	0	2	3	2	3	0.01	0	0
Fresno MSA	1	149	4	7	5	156	0.34	0	0
Oxnard-Thousand Oaks-Ventura MSA	0	0	2	20	2	20	0.04	0	0
Riverside-San Bernardino-Ontario MSA	2	862	9	3,564	11	4,426	9.68	0	0
Sacramento-Roseville-Arden-Arcade MSA	0	0	16	1,023	16	1,023	2.24	0	0
San Jose-Sunnyvale-Santa Clara MSA	1	326	3	4,202	4	4,528	9.90	0	0
Broader Statewide or Regional:									
Statewide	33	33,608	1	5	34	33,613		0	0
Regional	1	467	4	16,000	5	16,467		0	0

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

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank'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: STATE OF CALIFORNIA									
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Los Angeles-Long Beach-Anaheim MSA	44.14	39	15.38	7.69	7.69	30.77	53.85	0	3	0	0	-1	0	7.65	29.51	29.02	33.52
San Diego-Carlsbad MSA	30.61	24	20.84	4.17	16.67	41.67	37.50	0	1	0	0	-1	0	9.80	21.57	35.24	33.05
San Francisco-Oakland-Hayward MSA	10.65	11	36.36	18.18	18.18	36.36	27.27	0	0	0	0	0	0	11.45	19.69	37.47	31.27
Limited Review:																	
Bakersfield MSA	0.32	1	0.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	3.38	32.56	28.83	33.16
Fresno MSA	3.78	2	0.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	10.89	29.44	27.63	31.29
Oxnard-Thousand Oaks-Ventura MSA	0.43	1	0.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	5.38	26.09	40.80	27.72
Riverside-San Bernardino-Ontario MSA	3.43	7	0.00	0.00	0.00	71.43	28.57	0	0	0	0	0	0	5.71	26.45	35.43	32.09
Sacramento-Roseville-Arden-Arcade MSA	3.11	4	25.00	0.00	25.00	75.00	0.00	0	0	0	0	0	0	8.06	25.63	36.07	29.86
San Jose-Sunnyvale-Santa Clara MSA	3.54	3	0.00	0.00	0.00	33.33	66.67	0	0	0	0	0	0	9.22	24.43	36.92	29.26

State of Colorado

Table 1. Lending Volume

LENDING VOLUME		GEOGRAPHY: STATE OF COLORADO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Colorado Springs MSA	11.87	66	21,175	302	16,161	1	10	0	0	369	37,346	7.48
Denver-Aurora- Lakewood MSA	52.20	271	120,750	1,330	100,282	5	204	17	47,509	1,623	268,745	55.98
Limited Review:												
Boulder MSA	8.39	33	15,692	228	9,829	0	0	0	0	261	25,521	9.43
CO Non-MSA	17.11	130	59,646	379	21,072	20	1,057	3	30,509	532	112,284	17.23
Grand Junction MSA	4.76	12	1,872	133	3,996	3	145	0	0	148	6,013	1.81
Pueblo MSA	5.66	25	2,871	141	4,757	7	277	3	356	176	8,261	8.05

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE 2017			GEOGRAPHY: STATE OF COLORADO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31,					
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	39	13.93	3.15	0.00	19.83	15.38	42.11	33.33	34.92	51.28	2.54	16.01	48.81	32.64
Denver-Aurora-Lakewood MSA	139	49.64	4.67	1.44	18.84	17.27	34.11	36.69	42.38	44.60	6.55	17.55	34.51	41.39
Limited Review:														
Boulder MSA	11	3.93	3.01	0.00	18.04	9.09	45.61	54.55	33.33	36.36	3.68	16.61	46.29	33.42
CO Non-MSA	74	26.43	0.00	0.00	6.75	2.70	39.29	36.49	53.96	60.81	0.00	6.89	39.01	54.10
Grand Junction MSA	6	2.14	0.00	0.00	19.07	16.67	58.25	66.67	22.68	16.67	0.00	12.73	64.83	22.44
Pueblo MSA	11	3.93	3.51	0.00	23.63	18.18	30.66	27.27	42.19	54.55	4.87	11.39	34.64	49.11

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF COLORADO								Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	3	12.00	3.15	0.00	19.83	33.33	42.11	66.67	34.92	0.00	1.74	16.24	48.19	33.84
Denver-Aurora-Lakewood MSA	13	52.00	4.67	0.00	18.84	7.69	34.11	15.38	42.38	76.92	5.47	16.64	37.14	40.75
Limited Review:														
Boulder MSA	1	4.00	3.01	0.00	18.04	0.00	45.61	0.00	33.33	100.00	4.80	15.20	47.52	32.48
CO Non-MSA	3	12.00	0.00	0.00	6.75	33.33	39.29	0.00	53.96	66.67	0.00	4.07	34.62	61.31
Grand Junction MSA	1	4.00	0.00	0.00	19.07	100.00	58.25	0.00	22.68	0.00	0.00	12.00	64.00	24.00
Pueblo MSA	4	16.00	3.51	0.00	23.63	25.00	30.66	25.00	42.19	50.00	3.55	16.75	31.47	48.22

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF COLORADO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	24	10.53	3.15	0.00	19.83	4.17	42.11	45.83	34.92	50.00	1.77	15.36	46.47	36.40
Denver-Aurora-Lakewood MSA	118	51.75	4.67	4.24	18.84	16.95	34.11	32.20	42.38	46.61	4.88	17.11	36.34	41.67
Limited Review:														
Boulder MSA	21	9.21	3.01	9.52	18.04	9.52	45.61	42.86	33.33	38.10	2.73	15.40	46.95	34.92
CO Non-MSA	50	21.93	0.00	0.00	6.75	0.00	39.29	36.00	53.96	64.00	0.00	4.80	36.33	58.87
Grand Junction MSA	5	2.19	0.00	0.00	19.07	20.00	58.25	60.00	22.68	20.00	0.00	11.08	60.80	28.12
Pueblo MSA	10	4.39	3.51	0.00	23.63	40.00	30.66	10.00	42.19	50.00	2.80	9.70	35.63	51.87

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF COLORADO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units**	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	0	0.00	11.64	0.00	45.32	0.00	28.01	0.00	15.03	0.00	9.46	48.65	27.03	14.86
Denver-Aurora-Lakewood MSA	1	25.00	13.58	100.00	29.83	0.00	37.36	0.00	19.23	0.00	25.26	32.78	33.40	8.56
Limited Review:														
Boulder MSA	0	0.00	15.13	0.00	33.14	0.00	38.89	0.00	12.84	0.00	12.12	45.45	39.39	3.03
CO Non-MSA	3	75.00	0.00	0.00	1.98	33.33	24.81	66.67	73.21	0.00	0.00	13.33	53.33	33.33
Grand Junction MSA	0	0.00	0.00	0.00	39.55	0.00	41.99	0.00	18.46	0.00	0.00	45.45	54.55	0.00
Pueblo MSA	0	0.00	10.91	0.00	52.73	0.00	26.77	0.00	9.58	0.00	0.00	38.89	55.56	5.56

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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: STATE OF COLORADO Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	302	12.06	7.58	10.26	22.50	19.54	33.19	30.79	36.53	39.40	5.71	21.63	36.66	36.01
Denver-Aurora-Lakewood MSA	1,322	52.77	6.56	12.18	18.25	21.41	32.30	32.15	42.50	34.27	8.97	20.61	28.78	41.64
Limited Review:														
Boulder MSA	228	9.10	3.79	2.63	28.50	35.96	37.95	29.39	29.77	32.02	3.17	20.75	41.82	34.26
CO Non-MSA	379	15.13	0.00	0.00	5.84	7.12	37.97	36.68	56.18	56.20	0.00	5.18	34.63	60.19
Grand Junction MSA	133	5.31	0.00	0.00	17.53	22.56	57.98	63.16	24.49	14.29	0.00	11.31	62.41	26.29
Pueblo MSA	141	5.63	3.06	2.13	27.60	35.46	29.75	25.53	39.27	36.88	5.36	26.00	26.62	42.03

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		GEOGRAPHY: STATE OF COLORADO								Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	1	2.78	5.36	0.00	18.48	0.00	43.48	100.00	32.61	0.00	1.79	17.86	33.93	46.43
Denver-Aurora-Lakewood MSA	5	13.89	6.78	0.00	17.99	20.00	32.68	0.00	42.47	80.00	1.66	9.96	42.32	46.06
Limited Review:														
Boulder MSA	0	0.00	3.76	0.00	21.35	0.00	45.02	0.00	29.87	0.00	1.67	13.33	46.67	38.33
CO Non-MSA	20	55.56	0.00	0.00	5.49	5.00	47.29	70.00	47.22	25.00	0.00	11.40	64.47	24.12
Grand Junction MSA	3	8.33	0.00	0.00	10.48	0.00	45.40	100.00	44.12	0.00	0.00	2.22	71.85	25.93
Pueblo MSA	7	19.44	3.66	0.00	10.98	0.00	39.94	57.14	44.51	42.86	2.27	15.91	63.64	18.18

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			GEOGRAPHY: STATE OF COLORADO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans***	% Families 16	% BANK Loans****	% Families**	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	39	13.93	20.20	2.63	18.49	10.53	20.33	31.58	40.99	55.26	5.89	25.70	29.64	38.78
Denver-Aurora-Lakewood MSA	139	49.64	21.40	6.11	17.48	12.98	20.39	19.85	40.74	61.07	4.86	20.58	27.43	47.13
Limited Review:														
Boulder MSA	11	3.93	22.28	20.00	17.02	0.00	19.88	10.00	40.82	70.00	5.63	15.83	23.64	54.90
CO Non-MSA	74	26.43	16.22	1.41	16.30	16.90	19.48	22.54	48.00	59.15	2.43	12.03	21.21	64.33
Grand Junction MSA	6	2.14	21.63	0.00	17.99	66.67	19.92	33.33	40.46	0.00	5.90	21.33	29.52	43.25
Pueblo MSA	11	3.93	22.60	20.00	17.60	0.00	18.73	30.00	41.06	50.00	4.83	18.05	29.20	47.91

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 5.0% of loans originated and purchased by the bank.

16 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: STATE OF COLORADO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total* *	% Families* **	% BANK Loans****	% Families 17	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	3	12.00	20.20	0.00	18.49	66.67	20.33	33.33	40.99	0.00	6.44	18.60	27.27	47.69
Denver-Aurora-Lakewood MSA	13	52.00	21.40	18.18	17.48	9.09	20.39	9.09	40.74	63.64	7.88	20.97	25.94	45.21
Limited Review:														
Boulder MSA	1	4.00	22.28	0.00	17.02	0.00	19.88	0.00	40.82	100.00	8.28	17.88	25.00	48.84
CO Non-MSA	3	12.00	16.22	0.00	16.30	0.00	19.48	0.00	48.00	100.00	2.51	10.53	21.55	65.41
Grand Junction MSA	1	4.00	21.63	0.00	17.99	0.00	19.92	0.00	40.46	100.00	9.63	19.25	26.20	44.92
Pueblo MSA	4	16.00	22.60	0.00	17.60	25.00	18.73	0.00	41.06	75.00	3.85	12.64	19.78	63.74

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 8.0% of loans originated and purchased by the bank.

17 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: STATE OF COLORADO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total* *	% Families ***	% BANK Loans****	% Families 18	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	24	10.53	20.20	8.33	18.49	4.17	20.33	41.67	40.99	45.83	7.63	19.77	25.85	46.75
Denver-Aurora-Lakewood MSA	118	51.75	21.40	10.19	17.48	11.11	20.39	22.22	40.74	56.48	6.81	20.46	27.71	45.01
Limited Review:														
Boulder MSA	21	9.21	22.28	4.76	17.02	4.76	19.88	28.57	40.82	61.90	8.51	17.78	26.05	47.67
CO Non-MSA	50	21.93	16.22	0.00	16.30	8.33	19.48	25.00	48.00	66.67	2.99	8.88	18.57	69.55
Grand Junction MSA	5	2.19	21.63	0.00	17.99	75.00	19.92	0.00	40.46	25.00	7.08	18.04	25.97	48.90
Pueblo MSA	10	4.39	22.60	22.22	17.60	33.33	18.73	22.22	41.06	22.22	4.81	13.38	25.82	55.99

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 6.1% of loans originated and purchased by the bank.

18 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: STATE OF COLORADO			Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Colorado Springs MSA	302	12.02	88.03	34.44	87.75	7.95	4.30	16,664	7,801
Denver-Aurora-Lakewood MSA	1,330	52.92	87.68	23.08	85.04	7.74	7.22	87,662	38,007
Limited Review:									
Boulder MSA	228	9.07	89.08	23.25	93.42	3.95	2.63	12,948	5,569
CO Non-MSA	379	15.08	87.13	35.36	87.86	7.65	4.49	11,227	5,189
Grand Junction MSA	133	5.29	86.22	33.08	95.49	3.01	1.50	3,612	1,810
Pueblo MSA	141	5.61	84.61	31.21	95.74	3.55	0.71	2,454	1,156

* Based on 2016 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 - 2016).

**** 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 52.25% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			GEOGRAPHY: STATE OF COLORADO			Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Colorado Springs MSA	1	2.78	96.43	0.00	100.00	0.00	0.00	57	37
Denver-Aurora-Lakewood MSA	5	13.89	95.18	60.00	100.00	0.00	0.00	246	127
Limited Review:									
Boulder MSA	0	0.00	96.46	0.00	0.00	0.00	0.00	60	37
CO Non-MSA	20	55.56	96.80	75.00	90.00	10.00	0.00	239	158
Grand Junction MSA	3	8.33	98.53	66.67	66.67	33.33	0.00	139	107
Pueblo MSA	7	19.44	97.26	57.14	85.71	14.29	0.00	44	25

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 33.33% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		GEOGRAPHY: STATE OF COLORADO				Evaluation Period: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Colorado Springs MSA	0	0	7	5	7	5	1.88	0	0
Denver-Aurora-Lakewood MSA	0	0	55	163	55	163	57.76	0	0
Limited Review:									
Boulder MSA	0	0	5	13	5	13	4.63	0	0
CO Non-MSA	0	0	19	24	19	24	8.41	0	0
Grand Junction MSA	0	0	11	27	11	27	9.51	0	0
Pueblo MSA	0	0	14	50	14	50	17.80	0	0
Broader Statewide or Regional:									
Statewide	15	11,694	2	10	17	11,704		0	0
Regional	2	717	4	16,000	6	16,717		0	0

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

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank'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: STATE OF COLORADO									
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Colorado Springs MSA	7.48	3	33.33	33.33	0.00	66.67	0.00	0	0	0	0	0	0	4.28	26.49	41.98	26.55
Denver-Aurora-Lakewood MSA	55.98	15	33.33	0.00	33.33	33.33	33.33	0	0	0	0	0	0	11.36	23.29	32.79	32.52
Limited Review:																	
Boulder MSA	9.43	3	100.00	0.00	100.00	0.00	0.00	0	0	0	0	0	0	6.89	18.39	45.80	28.91
CO Non-MSA	17.25	9	0.00	0.00	0.00	66.67	33.33	0	0	0	0	0	0	0.00	8.04	43.09	48.87
Grand Junction MSA	1.81	2	0.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	17.15	60.53	22.32
Pueblo MSA	8.05	5	40.00	0.00	40.00	40.00	20.00	0	0	0	0	0	0	7.79	23.43	35.03	32.43

State of Idaho

Table 1. Lending Volume

LENDING VOLUME		GEOGRAPHY: STATE OF IDAHO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Boise City MSA	31.66	71	18,117	757	45,141	89	7,493	4	19,899	921	90,650	23.94
ID Non-MSA	39.05	114	24,548	798	42,284	224	20,599	0	0	1,136	87,431	44.55
Limited Review:												
Idaho Falls MSA	21.59	42	9,225	514	44,390	72	5,453	0	0	628	59,068	22.86
Lewiston MSA	2.82	3	1,143	73	6,020	4	618	2	400	82	8,181	2.78
Pocatello MSA	4.88	9	1,973	130	7,264	3	689	0	0	142	9,926	5.87

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		GEOGRAPHY: STATE OF IDAHO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans*** *	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	33	25.98	1.44	0.00	24.41	9.09	46.04	51.52	28.11	39.39	0.36	19.34	44.57	35.72
ID Non-MSA	61	48.03	1.99	6.56	1.90	1.64	75.67	67.21	20.44	24.59	0.68	9.03	72.49	17.80
Limited Review:														
Idaho Falls MSA	26	20.47	0.00	0.00	12.71	11.54	60.03	50.00	27.26	38.46	0.00	13.02	63.02	23.97
Lewiston MSA	1	0.79	0.00	0.00	0.00	0.00	74.52	100.00	25.48	0.00	0.00	0.00	78.87	21.13
Pocatello MSA	6	4.72	3.03	16.67	14.80	0.00	49.37	33.33	32.80	50.00	1.75	13.30	58.84	26.11

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF IDAHO								Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	7	25.00	1.44	0.00	24.41	0.00	46.04	28.57	28.11	71.43	0.24	19.79	48.70	31.27
ID Non-MSA	17	60.71	1.99	5.88	1.90	0.00	75.67	88.24	20.44	5.88	0.80	2.80	75.60	20.80
Limited Review:														
Idaho Falls MSA	4	14.29	0.00	0.00	12.71	0.00	60.03	75.00	27.26	25.00	0.00	9.70	58.58	31.72
Lewiston MSA	0	0.00	0.00	0.00	0.00	0.00	74.52	0.00	25.48	0.00	0.00	0.00	82.86	17.14
Pocatello MSA	0	0.00	3.03	0.00	14.80	0.00	49.37	0.00	32.80	0.00	0.00	10.61	57.58	31.82

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF IDAHO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	30	36.59	1.44	6.67	24.41	26.67	46.04	33.33	28.11	33.33	0.18	17.65	45.65	36.52
ID Non-MSA	36	43.90	1.99	2.78	1.90	0.00	75.67	69.44	20.44	27.78	0.80	6.70	66.81	25.69
Limited Review:														
Idaho Falls MSA	11	13.41	0.00	0.00	12.71	18.18	60.03	63.64	27.26	18.18	0.00	11.29	62.18	26.52
Lewiston MSA	2	2.44	0.00	0.00	0.00	0.00	74.52	100.00	25.48	0.00	0.00	0.00	78.53	21.47
Pocatello MSA	3	3.66	3.03	33.33	14.80	0.00	49.37	0.00	32.80	66.67	1.02	12.57	54.81	31.61

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF IDAHO							Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans* ***	% MF Units** *	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	1	50.00	15.20	100.00	37.70	0.00	30.45	0.00	16.65	0.00	2.38	45.24	33.33	19.05
ID Non-MSA	0	0.00	26.77	0.00	3.49	0.00	48.18	0.00	21.56	0.00	21.05	36.84	26.32	15.79
Limited Review:														
Idaho Falls MSA	1	50.00	0.00	0.00	47.72	100.00	30.34	0.00	21.94	0.00	0.00	85.71	14.29	0.00
Lewiston MSA	0	0.00	0.00	0.00	0.00	0.00	80.63	0.00	19.37	0.00	0.00	0.00	83.33	16.67
Pocatello MSA	0	0.00	18.38	0.00	18.47	0.00	54.58	0.00	8.57	0.00	25.00	25.00	37.50	12.50

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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: STATE OF IDAHO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	757	33.32	10.85	11.36	26.61	38.18	36.21	27.87	26.34	22.59	0.70	25.19	40.72	33.39
ID Non-MSA	798	35.12	4.28	6.39	5.30	4.51	71.35	74.44	19.07	14.66	1.63	6.59	68.88	22.91
Limited Review:														
Idaho Falls MSA	514	22.62	0.00	0.00	23.05	17.51	46.04	48.25	30.92	34.24	0.00	16.89	52.66	30.44
Lewiston MSA	73	3.21	0.00	0.00	0.00	0.00	82.20	84.93	17.80	15.07	0.00	30.50	60.57	8.93
Pocatello MSA	130	5.72	11.73	11.54	20.24	12.31	46.54	57.69	21.48	18.46	6.21	18.16	43.91	31.72

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS														
GEOGRAPHY: STATE OF IDAHO							Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017							
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	89	22.70	4.29	0.00	31.27	59.55	43.52	29.21	20.93	11.24	0.00	37.42	52.64	9.94
ID Non-MSA	224	57.14	1.34	0.00	0.58	0.45	79.76	86.61	18.32	12.95	0.00	1.20	81.73	17.07
Limited Review:														
Idaho Falls MSA	72	18.37	0.00	0.00	6.21	0.00	70.92	81.94	22.87	18.06	0.00	0.97	83.82	15.22
Lewiston MSA	4	1.02	0.00	0.00	0.00	0.00	78.71	75.00	21.29	25.00	0.00	15.38	78.21	6.41
Pocatello MSA	3	0.77	4.86	0.00	9.19	0.00	58.92	66.67	27.03	33.33	3.23	12.90	58.06	25.81

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			GEOGRAPHY: STATE OF IDAHO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans*** *	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	33	25.98	19.48	0.00	18.77	16.13	21.68	16.13	40.07	67.74	8.09	22.34	26.72	42.85
ID Non-MSA	61	48.03	20.11	1.82	17.18	10.91	20.39	9.09	42.32	78.18	4.22	20.68	26.97	48.14
Limited Review:														
Idaho Falls MSA	26	20.47	18.71	4.17	19.02	4.17	21.26	33.33	41.01	58.33	6.01	22.87	27.58	43.53
Lewiston MSA	1	0.79	18.04	0.00	19.31	100.00	22.34	0.00	40.32	0.00	4.30	24.96	28.57	42.17
Pocatello MSA	6	4.72	21.16	0.00	19.21	0.00	19.52	40.00	40.11	60.00	12.02	25.83	28.26	33.89

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 8.7% of loans originated and purchased by the bank.

*** Percentage of Families is based on the 2015 ACS Census information.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				GEOGRAPHY: STATE OF IDAHO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families*	% BANK Loans****	% Families 19	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	7	25.00	19.48	0.00	18.77	0.00	21.68	28.57	40.07	71.43	9.73	20.64	25.50	44.13
ID Non-MSA	17	60.71	20.11	11.76	17.18	5.88	20.39	17.65	42.32	64.71	7.23	12.34	18.72	61.70
Limited Review:														
Idaho Falls MSA	4	14.29	18.71	0.00	19.02	50.00	21.26	50.00	41.01	0.00	4.56	10.27	22.81	62.36
Lewiston MSA	0	0.00	18.04	0.00	19.31	0.00	22.34	0.00	40.32	0.00	6.67	12.00	38.67	42.67
Pocatello MSA	0	0.00	21.16	0.00	19.21	0.00	19.52	0.00	40.11	0.00	4.55	28.79	22.73	43.94

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

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

19 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: STATE OF IDAHO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total* *	% Families ***	% BANK Loans****	% Families 20	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Boise City MSA	30	36.59	19.48	0.00	18.77	11.11	21.68	11.11	40.07	77.78	7.33	17.75	26.29	48.62
ID Non-MSA	36	43.90	20.11	0.00	17.18	18.18	20.39	27.27	42.32	54.55	4.83	13.45	21.65	60.07
Limited Review:														
Idaho Falls MSA	11	13.41	18.71	0.00	19.02	10.00	21.26	20.00	41.01	70.00	5.41	15.19	22.88	56.52
Lewiston MSA	2	2.44	18.04	0.00	19.31	0.00	22.34	0.00	40.32	100.00	5.99	17.51	28.34	48.16
Pocatello MSA	3	3.66	21.16	0.00	19.21	33.33	19.52	0.00	40.11	66.67	7.48	19.98	27.94	44.61

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 8.5% of loans originated and purchased by the bank.

20 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: STATE OF IDAHO			Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*								
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less							
Full Review:																
Boise City MSA	757	33.32	83.98	20.48	88.90	6.74	4.36	20,518	7,954							
ID Non-MSA	798	35.12	81.20	23.06	89.85	5.76	4.39	9,240	3,893							
Limited Review:																
Idaho Falls MSA	514	22.62	80.82	18.29	83.27	8.17	8.56	3,363	1,481							
Lewiston MSA	73	3.21	77.01	13.70	84.93	6.85	8.22	1,233	506							
Pocatello MSA	130	5.72	78.58	22.31	89.23	6.92	3.85	1,822	753							

* Based on 2016 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 - 2016).

**** 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 62.28% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			GEOGRAPHY: STATE OF IDAHO		Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Boise City MSA	89	22.70	94.40	55.06	76.40	13.48	10.11	480	298
ID Non-MSA	224	57.14	93.53	50.45	72.32	18.30	9.38	1,016	669
Limited Review:									
Idaho Falls MSA	72	18.37	94.15	48.61	76.39	16.67	6.94	416	297
Lewiston MSA	4	1.02	95.05	100.00	50.00	25.00	25.00	78	51
Pocatello MSA	3	0.77	97.84	33.33	33.33	33.33	33.33	32	25

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 40.05% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		GEOGRAPHY: STATE OF IDAHO				Evaluation Period: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Boise MSA	1	151	5	7	6	158	8.11	0	0
ID Non-MSA	0	0	5	4	5	4	0.18	0	0
Limited Review:									
Idaho Falls MSA	0	0	0	0	0	0	0.00	0	0
Lewiston MSA	1	1,774	5	6	6	1,780	91.50	0	0
Pocatello MSA	0	0	2	4	2	4	0.21	0	0
Broader Statewide or Regional:									
Statewide	1	43,070	0	0	1	43,070		0	0
Regional	2	13,362	4	16,000	6	29,362		0	0

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

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank'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: STATE OF IDAHO							
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Boise City MSA	23.94	6	66.67	16.67	50.00	0.00	33.33	0	1	0	0	-1	0	1.18	28.18	43.45	27.19
ID Non-MSA	44.55	12	16.66	8.33	8.33	66.67	16.67	0	0	0	0	0	0	3.03	9.74	71.32	15.92
Limited Review:																	
Idaho Falls MSA	22.86	3	33.33	0.00	33.33	33.33	33.33	0	0	0	0	0	0	0.00	17.32	62.31	20.37
Lewiston MSA	2.78	1	0.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	12.48	73.91	13.62
Pocatello MSA	5.87	1	0.00	0.00	0.00	100.00	0.00	0	1	0	0	-1	0	3.52	15.76	55.42	25.30

State of Nevada

Table 1. Lending Volume

State of Nevada Lending Volume

LENDING VOLUME		GEOGRAPHY: STATE OF NEVADA						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Las Vegas-Henderson-Paradise MSA	64.90	495	190,124	2,472	131,435	2	40	45	18,912	3,014	340,511	67.97
NV Non-MSA	17.40	112	17,637	590	19,616	91	5,668	15	21,295	808	64,216	14.41
Limited Review:												
Carson City MSA	2.09	11	2,487	83	2,654	0	0	3	1,135	97	6,276	2.67
Reno MSA	15.61	67	24,368	647	36,585	1	75	10	4,665	725	65,693	14.95

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			GEOGRAPHY: STATE OF NEVADA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017							
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	239	73.31	1.90	0.42	16.89	10.88	41.71	31.38	39.50	57.32	1.05	9.97	46.38	42.59
NV Non-MSA	45	13.80	0.00	0.00	20.80	13.33	48.20	57.78	31.01	28.89	0.00	17.11	60.49	22.40
Limited Review:														
Carson City MSA	5	1.53	0.00	0.00	25.86	40.00	25.88	40.00	48.26	20.00	0.00	14.97	77.55	7.48
Reno MSA	37	11.35	2.67	0.00	12.54	5.41	44.71	32.43	40.07	62.16	2.01	12.17	42.28	43.54

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF NEVADA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	40	55.56	1.90	2.50	16.89	35.00	41.71	40.00	39.50	22.50	0.88	9.71	42.43	46.98
NV Non-MSA	24	33.33	0.00	0.00	20.80	16.67	48.20	70.83	31.01	12.50	0.00	14.84	64.96	20.19
Limited Review:														
Carson City MSA	2	2.78	0.00	0.00	25.86	0.00	25.88	50.00	48.26	50.00	0.00	12.90	75.00	12.10
Reno MSA	6	8.33	2.67	0.00	12.54	33.33	44.71	50.00	40.07	16.67	1.03	10.55	38.57	49.84

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF NEVADA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ	% BANK Loans**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	211	74.82	1.90	0.00	16.89	7.58	41.71	34.60	39.50	57.82	0.54	7.38	43.59	48.48
NV Non-MSA	43	15.25	0.00	0.00	20.80	18.60	48.20	55.81	31.01	25.58	0.00	15.59	60.30	24.11
Limited Review:														
Carson City MSA	4	1.42	0.00	0.00	25.86	25.00	25.88	25.00	48.26	50.00	0.00	15.57	76.31	8.12
Reno MSA	24	8.51	2.67	0.00	12.54	8.33	44.71	37.50	40.07	54.17	1.63	9.84	37.23	51.30

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF NEVADA								Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units**	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	1	100.00	11.51	100.00	38.15	0.00	32.94	0.00	17.39	0.00	21.15	47.12	25.96	5.77
NV Non-MSA	0	0.00	0.00	0.00	29.34	0.00	50.43	0.00	20.23	0.00	0.00	44.44	55.56	0.00
Limited Review:														
Carson City MSA	0	0.00	0.00	0.00	44.92	0.00	27.57	0.00	27.51	0.00	0.00	20.00	80.00	0.00
Reno MSA	0	0.00	23.92	0.00	37.00	0.00	27.80	0.00	11.28	0.00	22.58	41.94	22.58	12.90

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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: STATE OF NEVADA							Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017							
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	2,461	65.71	4.01	3.09	23.36	21.82	37.67	39.21	34.26	35.88	2.92	16.26	41.95	38.87
NV Non-MSA	590	15.75	0.00	0.00	22.82	21.36	47.92	45.93	29.21	32.71	0.28	12.56	61.03	26.14
Limited Review:														
Carson City MSA	83	2.22	0.00	0.00	27.07	25.30	20.92	13.25	52.01	61.45	0.00	12.22	76.48	11.30
Reno MSA	611	16.32	9.07	9.17	25.75	32.57	28.06	28.97	30.90	29.30	6.47	22.94	23.56	47.03

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS				GEOGRAPHY: STATE OF NEVADA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	2	2.13	2.40	0.00	20.04	0.00	43.42	50.00	34.07	50.00	0.00	10.71	50.00	39.29
NV Non-MSA	91	96.81	0.00	0.00	17.17	5.49	52.88	49.45	29.95	45.05	1.36	2.27	84.55	11.82
Limited Review:														
Carson City MSA	0	0.00	0.00	0.00	21.52	0.00	20.25	0.00	58.23	0.00	0.00	16.67	83.33	0.00
Reno MSA	1	1.06	5.82	0.00	15.86	0.00	36.75	100.00	38.96	0.00	4.00	12.00	40.00	44.00

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		GEOGRAPHY: STATE OF NEVADA								Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans**	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	243	73.64	20.67	2.22	18.35	10.67	20.51	13.33	40.47	73.78	4.60	20.08	27.08	48.24
NV Non-MSA	45	13.64	20.47	6.67	18.47	17.78	20.80	22.22	40.27	53.33	4.50	17.46	31.54	46.50
Limited Review:														
Carson City MSA	5	1.52	21.41	0.00	18.51	20.00	20.09	0.00	39.99	80.00	5.75	24.33	28.61	41.31
Reno MSA	37	11.21	21.03	5.71	17.28	8.57	20.70	11.43	40.99	74.29	3.45	16.96	28.12	51.47

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 6.1% of loans originated and purchased by the bank.

*** Percentage of Families is based on the 2015 ACS Census information.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				GEOGRAPHY: STATE OF NEVADA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families*	% BANK Loans***	% Families 21	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	40	55.56	20.67	7.69	18.35	30.77	20.51	35.90	40.47	25.64	6.71	17.76	23.38	52.15
NV Non-MSA	24	33.33	20.47	13.04	18.47	43.48	20.80	21.74	40.27	21.74	7.91	17.09	30.61	44.39
Limited Review:														
Carson City MSA	2	2.78	21.41	0.00	18.51	0.00	20.09	50.00	39.99	50.00	10.66	16.39	23.77	49.18
Reno MSA	6	8.33	21.03	0.00	17.28	50.00	20.70	33.33	40.99	16.67	5.73	17.52	27.49	49.26

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.8% of loans originated and purchased by the bank.

21 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: STATE OF NEVADA				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families***	% BANK Loans***	% Families22	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Las Vegas-Henderson-Paradise MSA	211	74.82	20.67	4.26	18.35	15.43	20.51	21.28	40.47	59.04	5.51	17.01	25.08	52.39
NV Non-MSA	43	15.25	20.47	10.26	18.47	17.95	20.80	33.33	40.27	38.46	5.44	16.03	25.53	53.00
Limited Review:														
Carson City MSA	4	1.42	21.41	25.00	18.51	0.00	20.09	0.00	39.99	75.00	8.71	21.90	27.35	42.04
Reno MSA	24	8.51	21.03	8.70	17.28	8.70	20.70	26.09	40.99	56.52	5.74	17.05	26.58	50.63

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 9.9% of loans originated and purchased by the bank.

22 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: STATE OF NEVADA			Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017			
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Las Vegas-Henderson-Paradise MSA	2,472	65.19	83.06	23.95	91.67	4.21	4.13	48,369	21,866
NV Non-MSA	590	15.56	79.14	25.25	94.92	3.73	1.36	7,806	3,030
Limited Review:									
Carson City MSA	83	2.19	77.27	24.10	97.59	1.20	1.20	2,401	892
Reno MSA	647	17.06	80.31	27.67	92.43	3.09	4.48	16,006	6,412

* Based on 2016 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 - 2016).

**** 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 56.99% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			GEOGRAPHY: STATE OF NEVADA		Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Las Vegas-Henderson-Paradise MSA	2	2.13	91.25	0.00	100.00	0.00	0.00	57	28
NV Non-MSA	91	96.81	92.86	42.86	81.32	10.99	7.69	245	141
Limited Review:									
Carson City MSA	0	0.00	98.73	0.00	0.00	0.00	0.00	6	4
Reno MSA	1	1.06	93.57	0.00	100.00	0.00	0.00	30	14

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 54.26% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: STATE OF NEVADA				Evaluation Period: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Las Vegas-Henderson-Paradise MSA	1	4,596	47	4,360	48	8,956	83.53	0	0
NV Non-MSA	1	625	5	664	6	1,289	12.02	0	0
Limited Review:									
Carson City MSA	0	0	2	6	2	6	0.06	0	0
Reno MSA	0	0	7	471	7	471	4.39	0	0
Broader Statewide or Regional:									
Statewide	13	13,550	0	0	13	13,550		0	0
Regional	1	467	4	16,000	5	16,467		0	0

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

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank'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: STATE OF NEVADA							
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Las Vegas-Henderson-Paradise MSA	67.97	30	20.00	3.33	16.67	43.33	36.67	1	1	0	0	-1	1	5.29	22.78	42.19	29.74
NV Non-MSA	14.41	13	23.08	0.00	23.08	53.85	23.08	0	0	0	0	0	0	1.49	18.23	63.99	16.29
Limited Review:																	
Carson City MSA	2.67	2	0.00	0.00	0.00	50.00	50.00	0	0	0	0	0	0	0.00	19.89	73.22	6.89
Reno MSA	14.95	5	60.00	20.00	40.00	20.00	20.00	1	0	0	0	1	0	10.11	22.33	34.85	32.66

State of New Mexico

Table 1. Lending Volume

LENDING VOLUME		GEOGRAPHY: STATE OF NEW MEXICO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
	% 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)	
Assessment Area (2017):												
Full Review:												
Farmington MSA	100.00	11	1,544	93	6,855	0	0	5	6,692	109	15,091	100.00

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			GEOGRAPHY: STATE OF NEW MEXICO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans*** *	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	5	100.00	3.80	0.00	20.18	0.00	44.04	40.00	31.98	60.00	0.31	3.46	67.92	28.30

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF NEW MEXICO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	2	100.00	3.80	0.00	20.18	50.00	44.04	0.00	31.98	50.00	2.94	2.94	75.49	18.63

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF NEW MEXICO Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	4	100.00	3.80	0.00	20.18	0.00	44.04	75.00	31.98	25.00	0.00	1.69	65.34	32.97

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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: STATE OF NEW MEXICO					Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans* ***	% MF Units**	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	0	0.00	0.06	0.00	41.84	0.00	28.34	0.00	29.77	0.00	0.00	0.00	66.67	33.33

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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: STATE OF NEW MEXICO Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017														
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	93	100.00	0.33	0.00	28.36	25.81	41.35	40.86	29.95	33.33	0.52	11.20	59.72	28.56

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS				GEOGRAPHY: STATE OF NEW MEXICO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	0	0.00	0.00	0.00	14.62	0.00	41.54	0.00	43.85	0.00	0.00	6.25	68.75	25.00

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			GEOGRAPHY: STATE OF NEW MEXICO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans***	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	5	100.00	24.48	0.00	16.27	25.00	17.46	75.00	41.79	0.00	2.90	19.47	30.83	46.80

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 20.0% of loans originated and purchased by the bank.

*** Percentage of Families is based on the 2015 ACS Census information.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			GEOGRAPHY: STATE OF NEW MEXICO						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total* *	% Families* **	% BANK Loans****	% Families 23	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	2	100.00	24.48	0.00	16.27	50.00	17.46	0.00	41.79	50.00	13.86	18.81	20.79	46.53

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by the bank.
23 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: STATE OF NEW MEXICO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families***	% BANK Loans****	% Families 24	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Farmington MSA	4	100.00	24.48	0.00	16.27	0.00	17.46	25.00	41.79	75.00	4.18	15.02	20.90	59.91

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

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

24 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: STATE OF NEW MEXICO		Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Farmington MSA	93	100.00	77.35	41.94	79.57	13.98	6.45	1,443	572

* Based on 2016 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 - 2016).

**** 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 35.48% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			GEOGRAPHY: STATE OF NEW MEXICO				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017		
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Farmington MSA	0	0.00	97.69	0.00	0.00	0.00	0.00	17	12

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		GEOGRAPHY: STATE OF NEW MEXICO				Evaluation Period: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Farmington MSA	1	33	5	13	6	46	100.00	0	0
Broader Statewide or Regional:									
Regional	1	467	4	16,000	5	16,467		0	0

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

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank'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: STATE OF NEW MEXICO							
Evaluation Period: JULY 28, 2017 TO DECEMBER 31, 2017																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Farmington MSA	100.00	1	100.00	0.00	100.00	0.00	0.00	0	0	0	0	0	0	5.84	11.27	67.07	15.82

State of Oregon

Table 1. Lending Volume

LENDING VOLUME		GEOGRAPHY:STATE OF OREGON						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
	% 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)	
Assessment Area (2017):												
Full Review:												
Portland-Vancouver-Hillsboro MSA	100.00	19	10,376	80	23,987	0	0	1	7,990	100	42,353	100.00

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE DECEMBER 31, 2017					Geography: STATE OF OREGON				Evaluation Period: JANUARY 1, 2017 TO					
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans*** *	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	6	100.00	0.91	0.00	18.86	16.67	42.57	16.67	37.66	66.67	1.70	19.57	45.11	33.62

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017				Geography: STATE OF OREGON				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	0	0.00	0.91	0.00	18.86	0.00	42.57	0.00	37.66	0.00	1.23	19.90	45.64	33.23

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017					Geography: STATE OF OREGON					Evaluation Period: JANUARY 1, 2017 TO				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	13	100.00	0.91	0.00	18.86	15.38	42.57	30.77	37.66	53.85	1.30	18.29	45.53	34.88

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 31, 2017				Geography: STATE OF OREGON				Evaluation Period: JANUARY 1, 2017 TO DECEMBER						
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans* ***	% MF Units** *	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland- Vancouver- Hillsboro MSA	0	0.00	4.28	0.00	28.67	0.00	34.88	0.00	32.17	0.00	7.63	38.15	39.24	14.99

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017				Geography: STATE OF OREGON				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	77	100.00	2.96	10.39	19.63	19.48	36.83	35.06	37.40	35.06	3.52	19.71	40.10	36.67

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2017					Geography: STATE OF OREGON				Evaluation Period: JANUARY 1, 2017 TO					
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms*	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	0	0.00	1.65	0.00	14.72	0.00	49.63	0.00	33.12	0.00	1.62	8.78	52.89	36.72

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2017				Geography: STATE OF OREGON				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31,						
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans***	% Families 25	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	6	100.00	21.22	0.00	16.68	0.00	19.98	0.00	42.12	100.00	2.26	14.88	26.23	56.63

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 16.7% of loans originated and purchased by the bank. 25 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 DECEMBER 31, 2017				Geography: STATE OF OREGON				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families*	% BANK Loans****	% Families 26	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	0	0.00	21.22	0.00	16.68	0.00	19.98	0.00	42.12	0.00	3.97	15.73	28.08	52.22

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

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

26 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 DECEMBER 31, 2017					Geography: STATE OF OREGON				Evaluation Period: JANUARY 1, 2017 TO					
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Portland-Vancouver-Hillsboro MSA	13	100.00	21.22	0.00	16.68	7.69	19.98	0.00	42.12	92.31	3.63	14.82	26.81	54.75

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

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

*** Percentage of Families is based on the 2015 ACS Census information.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES DECEMBER 31, 2017			Geography: STATE OF OREGON			Evaluation Period: JANUARY 1, 2017 TO			
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Portland-Vancouver- Hillsboro MSA	80	100.00	87.39	16.25	33.75	26.25	40.00	59,669	24,120

* Based on 2016 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 - 2016).

**** 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 10.00% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2017			Geography: STATE OF OREGON				Evaluation Period: JANUARY 1, 2017 TO		
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Portland-Vancouver-Hillsboro MSA	0	0.00	94.80	0.00	0.00	0.00	0.00	443	231

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		GEOGRAPHY: STATE OF OREGON				Evaluation Period: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Portland-Vancouver-Hillsboro MSA	0	0	4	2	4	2	100.00	0	0
Broader Statewide or Regional:									
Regional	1	467	4	16,000	5	16,467		0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS 28, 2017 TO DECEMBER 31, 2017								GEOGRAPHY: STATE OF OREGON						Evaluation Period: JULY			
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Portland-Vancouver-Hillsboro MSA	100.00	1	0.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	2.74	24.37	43.18	29.69

State of Texas

Table 1. Lending Volume

LENDING VOLUME		Geography: STATE OF TEXAS						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Houston-The Woodlands-Sugar Land MSA	84.13	1,613	656,815	4,056	373,867	15	529	32	110,257	5,716	1,141,468	90.04
Limited Review:												
Dallas-Plano-Irving MD	7.59	129	68,932	382	41,892	1	25	4	5,221	516	116,070	5.35
San Antonio-New Braunfels MSA	7.98	116	72,284	423	46,841	2	390	1	8,554	542	128,069	4.33
TX Non-MSA	0.29	10	2,013	10	300	0	0	0	0	20	2,313	0.28

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE 31, 2017				Geography: STATE OF TEXAS				Evaluation Period: JANUARY 1, 2017 TO DECEMBER						
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans*** *	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	866	83.67	5.28	2.54	21.20	9.35	28.63	12.59	44.89	75.52	1.64	10.95	30.07	57.34
Limited Review:														
Dallas-Plano-Irving MD	75	7.25	5.66	2.67	20.90	16.00	25.90	10.67	47.55	70.67	2.88	10.74	29.73	56.65
San Antonio-New Braunfels MSA	87	8.41	4.84	2.30	26.08	5.75	27.74	19.54	41.34	72.41	1.56	11.55	34.10	52.79
TX Non-MSA	7	0.68	0.00	0.00	19.79	0.00	38.38	42.86	41.83	57.14	0.00	4.24	47.46	48.31

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017		Geography: STATE OF TEXAS								Evaluation Period: JANUARY 1, 2017 TO				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	376	95.19	5.28	3.72	21.20	27.13	28.63	28.72	44.89	40.43	2.81	12.15	26.19	58.86
Limited Review:														
Dallas-Plano-Irving MD	14	3.54	5.66	0.00	20.90	21.43	25.90	14.29	47.55	64.29	1.85	10.50	23.18	64.48
San Antonio-New Braunfels MSA	4	1.01	4.84	0.00	26.08	0.00	27.74	25.00	41.34	75.00	4.26	20.02	26.46	49.26
TX Non-MSA	1	0.25	0.00	0.00	19.79	0.00	38.38	0.00	41.83	100.00	0.00	6.52	47.83	45.65

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017					Geography: STATE OF TEXAS					Evaluation Period: JANUARY 1, 2017 TO				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	356	84.36	5.28	1.97	21.20	9.83	28.63	25.00	44.89	63.20	1.40	10.01	27.02	61.57
Limited Review:														
Dallas-Plano-Irving MD	40	9.48	5.66	2.50	20.90	7.50	25.90	20.00	47.55	70.00	1.69	8.58	24.06	65.67
San Antonio-New Braunfels MSA	24	5.69	4.84	4.17	26.08	8.33	27.74	12.50	41.34	75.00	1.45	10.90	32.53	55.13
TX Non-MSA	2	0.47	0.00	0.00	19.79	0.00	38.38	0.00	41.83	100.00	0.00	2.33	53.49	44.19

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 2017				Geography: STATE OF TEXAS				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31,						
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans* ****	% MF Units** *	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	15	93.75	25.39	13.33	27.81	26.67	21.37	33.33	25.42	26.67	19.72	31.46	26.76	22.07
Limited Review:														
Dallas-Plano-Irving MD	0	0.00	24.89	0.00	26.70	0.00	24.08	0.00	24.33	0.00	28.68	30.26	21.58	19.47
San Antonio-New Braunfels MSA	1	6.25	6.89	0.00	38.00	0.00	30.76	100.00	24.35	0.00	8.06	44.35	28.23	19.35
TX Non-MSA	0	0.00	0.00	0.00	47.09	0.00	36.71	0.00	16.20	0.00	0.00	0.00	0.00	0.00

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017				Geography: STATE OF TEXAS				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	4,052	83.48	10.35	8.29	20.00	17.97	23.23	23.79	46.21	49.95	7.52	18.07	24.69	49.72
Limited Review:														
Dallas-Plano-Irving MD	370	7.62	7.81	8.65	19.69	22.97	24.61	23.78	47.00	44.59	8.10	17.01	22.23	52.67
San Antonio-New Braunfels MSA	422	8.69	4.98	6.40	23.66	12.32	28.83	40.28	42.29	41.00	5.19	20.00	26.67	48.14
TX Non-MSA	10	0.21	0.00	0.00	26.07	0.00	38.32	10.00	35.61	90.00	0.00	5.80	55.94	38.26

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2017				Geography: STATE OF TEXAS				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	15	83.33	5.89	6.67	18.82	6.67	30.98	13.33	44.20	73.33	1.78	15.60	47.70	34.92
Limited Review:														
Dallas-Plano-Irving MD	1	5.56	5.83	0.00	18.88	0.00	28.74	0.00	46.04	100.00	4.64	13.91	39.71	41.74
San Antonio-New Braunfels MSA	2	11.11	2.70	0.00	17.87	0.00	27.62	50.00	51.72	50.00	2.70	21.62	23.42	52.25
TX Non-MSA	0	0.00	0.00	0.00	16.99	0.00	28.49	0.00	54.52	0.00	0.00	4.09	43.86	52.05

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2017				Geography: STATE OF TEXAS				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31,						
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 27	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	866	83.67	24.38	1.31	16.03	4.76	17.03	7.86	42.56	86.07	2.51	14.14	22.79	60.56
Limited Review:														
Dallas-Plano-Irving MD	75	7.25	24.04	1.35	16.41	10.81	17.26	12.16	42.29	75.68	3.58	13.45	20.57	62.41
San Antonio-New Braunfels MSA	87	8.41	23.42	1.19	17.50	1.19	19.12	11.90	39.96	85.71	3.35	12.91	27.03	56.70
TX Non-MSA	7	0.68	21.56	0.00	16.08	0.00	19.89	14.29	42.47	85.71	1.77	10.95	19.79	67.49

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.9% of loans originated and purchased by the bank.

27 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 31, 2017				Geography: STATE OF TEXAS				Evaluation Period: JANUARY 1, 2017 TO DECEMBER						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families*	% BANK Loans****	% Families 28	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	376	95.19	24.38	11.45	16.03	16.27	17.03	16.87	42.56	55.42	4.00	10.56	17.49	67.94
Limited Review:														
Dallas-Plano-Irving MD	14	3.54	24.04	0.00	16.41	7.14	17.26	7.14	42.29	85.71	4.66	11.28	16.58	67.49
San Antonio-New Braunfels MSA	4	1.01	23.42	0.00	17.50	0.00	19.12	0.00	39.96	100.00	8.47	13.70	18.26	59.56
TX Non-MSA	1	0.25	21.56	0.00	16.08	100.00	19.89	0.00	42.47	0.00	7.14	16.67	16.67	59.52

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 53.2% of loans originated and purchased by the bank.

28 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 DECEMBER 31, 2017					Geography: STATE OF TEXAS				Evaluation Period: JANUARY 1, 2017 TO					
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families***	% BANK Loans****	% Families 29	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Houston-The Woodlands-Sugar Land MSA	356	84.36	24.38	2.61	16.03	11.88	17.03	16.52	42.56	68.99	3.68	10.66	19.01	66.64
Limited Review:														
Dallas-Plano-Irving MD	40	9.48	24.04	0.00	16.41	7.69	17.26	10.26	42.29	82.05	3.54	10.92	19.00	66.54
San Antonio-New Braunfels MSA	24	5.69	23.42	0.00	17.50	0.00	19.12	9.52	39.96	90.48	4.83	11.56	21.21	62.39
TX Non-MSA	2	0.47	21.56	0.00	16.08	0.00	19.89	0.00	42.47	100.00	0.70	7.04	12.68	79.58

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 3.6% of loans originated and purchased by the bank.

29 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 DECEMBER 31, 2017			Geography: STATE OF TEXAS			Evaluation Period: JANUARY 1, 2017 TO			
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Houston-The Woodlands-Sugar Land MSA	4,056	83.27	85.30	16.52	81.53	9.12	9.34	155,361	63,056
Limited Review:									
Dallas-Plano-Irving MD	382	7.84	85.34	22.51	77.75	10.99	11.26	109,903	46,617
San Antonio-New Braunfels MSA	423	8.68	84.21	16.31	73.52	16.31	10.17	36,329	14,495
TX Non-MSA	10	0.21	80.96	20.00	100.00	0.00	0.00	758	308

* Based on 2016 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 - 2016).

**** 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 57.85% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2017			Geography: STATE OF TEXAS				Evaluation Period: JANUARY 1, 2017 TO		
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Houston-The Woodlands-Sugar Land MSA	15	83.33	95.14	33.33	93.33	6.67	0.00	688	373
Limited Review:									
Dallas-Plano-Irving MD	1	5.56	94.48	0.00	100.00	0.00	0.00	348	156
San Antonio-New Braunfels MSA	2	11.11	94.92	0.00	50.00	0.00	50.00	118	59
TX Non-MSA	0	0.00	94.79	0.00	0.00	0.00	0.00	173	107

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 55.56% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		GEOGRAPHY: STATE OF TEXAS				Evaluation Period: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Houston-The Woodlands-Sugar Land MSA	7	18,761	53	32,994	60	51,755	74.78	0	0
Limited Review:									
Dallas-Plano-Irving MD	0	0	5	2,514	5	2,514	3.63	0	0
San Antonio-New Braunfels MSA	0	0	4	14,944	4	14,944	21.59	0	0
TX Non-MSA	0	0	0	0	0	0	0.00	0	0
Broader Statewide or Regional:									
Statewide	42	57,904	0	0	42	57,904		0	0
Regional	1	467	4	16,000	5	16,467		0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS 28, 2017 TO DECEMBER 31, 2017								GEOGRAPHY: STATE OF TEXAS						Evaluation Period: JULY			
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Houston-The Woodlands-Sugar Land MSA	90.04	62	24.19	4.84	19.35	25.81	50.00	2	6	-1	0	0	-3	9.44	25.92	28.43	35.86
Limited Review:																	
Dallas-Plano-Irving MD	5.35	8	12.50	0.00	12.50	25.00	62.50	0	0	0	0	0	0	11.85	25.21	26.19	36.75
San Antonio-New Braunfels MSA	4.33	5	20.00	20.00	0.00	20.00	60.00	1	1	0	-1	0	1	7.27	30.66	30.76	31.30
TX Non-MSA	0.28	1	0.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	4.54	63.90	31.56

State of Utah

Table 1. Lending Volume

LENDING VOLUME		GEOGRAPHY: STATE OF UTAH						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Salt Lake City MSA	35.95	352	160,703	4,369	234,827	26	1,090	23	58,962	4,770	455,582	67.37
St George MSA	7.45	177	73,168	785	43,990	26	1,953	1	32	989	119,143	4.11
UT Non-MSA	23.78	357	116,113	2,464	110,607	329	16,739	5	4,100	3,155	247,559	9.94
Limited Review:												
Logan MMSA	5.45	77	15,104	631	25,196	14	768	1	2,136	723	43,204	5.45
Ogden-Clearfield MSA	14.82	191	71,385	1,697	103,499	74	6,290	4	4,311	1,966	185,485	14.82
Provo-Orem MSA	12.54	145	51,307	1,469	95,125	43	1,698	7	37,140	1,664	185,270	12.54

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE 31, 2017				Geography: STATE OF UTAH				Evaluation Period: JANUARY 1, 2017 TO DECEMBER						
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans*** *	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	185	23.57	1.48	0.54	17.83	10.27	47.01	29.19	33.68	60.00	2.46	12.49	55.99	29.06
St George MSA	130	16.56	0.00	0.00	5.50	1.54	82.07	77.69	12.43	20.77	0.00	1.86	86.48	11.66
UT Non-MSA	218	27.77	0.66	0.00	15.41	17.89	65.94	57.80	17.99	24.31	0.00	9.28	67.03	23.69
Limited Review:														
Logan MMSA	47	100.00	1.50	0.00	12.65	8.51	47.27	44.68	38.58	46.81	2.23	16.00	47.83	33.95
Ogden-Clearfield MSA	131	16.69	0.90	1.53	17.54	6.11	48.04	40.46	33.51	51.91	1.02	16.13	58.46	24.39
Provo-Orem MSA	72	9.17	1.18	0.00	9.85	6.94	54.47	55.56	34.50	37.50	1.25	9.99	65.60	23.16

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017				Geography: STATE OF UTAH				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	26	30.23	1.48	3.85	17.83	15.38	47.01	26.92	33.68	53.85	1.59	10.07	55.18	33.16
St George MSA	10	11.63	0.00	0.00	5.50	0.00	82.07	80.00	12.43	20.00	0.00	1.23	85.49	13.27
UT Non-MSA	23	26.74	0.66	0.00	15.41	8.70	65.94	82.61	17.99	8.70	0.00	6.05	65.34	28.60
Limited Review:														
Logan MMSA	7	100.00	1.50	0.00	12.65	14.29	47.27	42.86	38.58	42.86	1.23	12.27	48.47	38.04
Ogden-Clearfield MSA	12	13.95	0.90	0.00	17.54	33.33	48.04	41.67	33.51	25.00	0.60	10.68	55.16	33.55
Provo-Orem MSA	8	9.30	1.18	0.00	9.85	12.50	54.47	75.00	34.50	12.50	0.86	6.72	57.87	34.54

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017					Geography: STATE OF UTAH				Evaluation Period: JANUARY 1, 2017 TO					
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	139	32.78	1.48	0.72	17.83	13.67	47.01	31.65	33.68	53.96	1.70	9.70	53.99	34.60
St George MSA	36	8.49	0.00	0.00	5.50	0.00	82.07	77.78	12.43	22.22	0.00	1.65	83.05	15.31
UT Non-MSA	112	26.42	0.66	0.00	15.41	16.07	65.94	66.07	17.99	17.86	0.00	7.50	62.85	29.65
Limited Review:														
Logan MMSA	23	100.00	1.50	0.00	12.65	8.70	47.27	52.17	38.58	39.13	1.63	10.55	47.52	40.30
Ogden-Clearfield MSA	48	11.32	0.90	0.00	17.54	10.42	48.04	37.50	33.51	52.08	0.47	10.54	56.80	32.20
Provo-Orem MSA	64	15.09	1.18	0.00	9.85	6.25	54.47	50.00	34.50	43.75	0.85	7.36	60.58	31.22

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 2017				Geography: STATE OF UTAH				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31,						
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units**	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	1	25.00	7.39	100.00	42.06	0.00	38.91	0.00	11.63	0.00	23.85	36.92	30.77	8.46
St George MSA	1	25.00	0.00	0.00	14.94	0.00	82.42	100.00	2.64	0.00	0.00	0.00	100.00	0.00
UT Non-MSA	1	25.00	0.24	0.00	14.90	100.00	32.38	0.00	52.49	0.00	0.00	50.00	50.00	0.00
Limited Review:														
Logan MMSA	0	0.00	24.98	0.00	45.26	0.00	24.30	0.00	5.46	0.00	100.00	0.00	0.00	0.00
Ogden-Clearfield MSA	0	0.00	5.89	0.00	45.96	0.00	35.01	0.00	13.14	0.00	6.00	34.00	50.00	10.00
Provo-Orem MSA	1	25.00	33.03	0.00	27.79	100.00	31.37	0.00	7.81	0.00	20.59	41.18	32.35	5.88

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017					Geography: STATE OF UTAH				Evaluation Period: JANUARY 1, 2017 TO					
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Business ses***	% BANK Loans	% of Businesses* **	% BANK Loans	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	4,336	38.02	3.16	2.86	22.61	27.28	40.75	36.65	32.60	33.21	4.32	18.23	42.18	35.27
St George MSA	785	6.88	0.00	0.00	7.40	9.17	82.41	83.69	10.19	7.13	0.00	5.22	80.02	14.77
UT Non-MSA	2,463	21.60	0.05	0.04	16.83	12.67	55.48	72.68	27.54	14.62	0.00	8.33	63.71	27.96
Limited Review:														
Logan MMSA	631	100.00	6.77	6.66	22.38	20.76	40.05	39.30	30.80	33.28	0.08	31.41	47.45	21.05
Ogden-Clearfield MSA	1,697	14.88	4.94	5.48	18.43	16.21	42.33	43.43	34.30	34.89	3.09	11.61	48.96	36.34
Provo-Orem MSA	1,469	12.88	5.44	5.11	12.56	14.64	47.08	53.71	34.92	26.55	2.17	13.26	50.51	34.06

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS 31, 2017				Geography: STATE OF UTAH				Evaluation Period: JANUARY 1, 2017 TO DECEMBER						
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	26	4.72	2.08	3.85	20.10	15.38	43.47	61.54	33.90	19.23	0.00	15.00	45.00	40.00
St George MSA	26	4.72	0.00	0.00	11.61	15.38	73.81	76.92	14.58	7.69	0.00	0.00	74.29	25.71
UT Non-MSA	329	59.71	0.08	0.00	12.61	12.46	73.22	81.76	14.00	5.78	0.00	5.12	85.71	9.17
Limited Review:														
Logan MMSA	14	100.00	0.77	0.00	8.25	7.14	62.37	64.29	28.61	28.57	0.00	8.11	83.78	8.11
Ogden-Clearfield MSA	74	13.43	1.66	0.00	14.51	5.41	54.55	77.03	29.28	17.57	0.65	1.29	78.71	19.35
Provo-Orem MSA	43	7.80	1.60	0.00	8.47	4.65	60.61	74.42	29.33	20.93	0.00	6.17	76.54	17.28

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2017			Geography: STATE OF UTAH						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31,					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 30	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	186	23.60	19.72	4.14	17.84	13.02	22.22	10.06	40.22	72.78	8.33	29.48	29.33	32.86
St George MSA	130	16.50	17.73	1.59	19.64	5.56	23.28	14.29	39.35	78.57	4.48	19.96	29.01	46.55
UT Non-MSA	220	27.92	20.44	6.73	17.78	16.83	22.15	14.90	39.63	61.54	8.14	20.20	23.43	48.22
Limited Review:														
Logan MMSA	47	100.00	19.40	9.52	18.53	16.67	22.53	26.19	39.54	47.62	5.56	24.75	32.41	37.28
Ogden-Clearfield MSA	131	16.62	17.60	1.75	19.26	12.28	24.08	14.91	39.05	71.05	12.46	30.90	29.70	26.94
Provo-Orem MSA	72	9.14	19.44	1.52	17.89	13.64	22.33	21.21	40.35	63.64	4.72	26.86	31.73	36.69

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 7.7% of loans originated and purchased by the bank.

30 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 31, 2017				Geography: STATE OF UTAH				Evaluation Period: JANUARY 1, 2017 TO DECEMBER						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families*	% BANK Loans****	% Families 31	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	26	30.23	19.72	12.00	17.84	28.00	22.22	12.00	40.22	48.00	7.33	20.09	28.08	44.50
St George MSA	10	11.63	17.73	0.00	19.64	10.00	23.28	40.00	39.35	50.00	3.80	15.19	26.90	54.11
UT Non-MSA	23	26.74	20.44	15.00	17.78	25.00	22.15	15.00	39.63	45.00	6.72	15.62	24.95	52.71
Limited Review:														
Logan MMSA	7	100.00	19.40	0.00	18.53	14.29	22.53	42.86	39.54	42.86	5.19	15.58	27.27	51.95
Ogden-Clearfield MSA	12	13.95	17.60	8.33	19.26	33.33	24.08	25.00	39.05	33.33	5.88	16.58	32.43	45.11
Provo-Orem MSA	8	9.30	19.44	12.50	17.89	12.50	22.33	25.00	40.35	50.00	3.28	15.39	28.91	52.43

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 4.7% of loans originated and purchased by the bank.

31 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 DECEMBER 31, 2017					Geography: STATE OF UTAH				Evaluation Period: JANUARY 1, 2017 TO					
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families***	% BANK Loans****	% Families 32	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Salt Lake City MSA	139	32.71	19.72	10.40	17.84	18.40	22.22	16.80	40.22	54.40	6.30	20.08	29.47	44.16
St George MSA	36	8.47	17.73	2.78	19.64	5.56	23.28	25.00	39.35	66.67	3.82	16.41	27.75	52.03
UT Non-MSA	113	26.59	20.44	9.52	17.78	20.95	22.15	25.71	39.63	43.81	6.03	14.03	22.50	57.43
Limited Review:														
Logan MMSA	23	100.00	19.40	8.70	18.53	34.78	22.53	13.04	39.54	43.48	6.24	21.99	28.15	43.62
Ogden-Clearfield MSA	48	11.29	17.60	2.56	19.26	20.51	24.08	23.08	39.05	53.85	6.45	19.92	31.66	41.96
Provo-Orem MSA	64	15.06	19.44	9.84	17.89	13.11	22.33	19.67	40.35	57.38	3.53	16.99	30.36	49.12

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 8.0% of loans originated and purchased by the bank.

32 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 DECEMBER 31, 2017			Geography: STATE OF UTAH				Evaluation Period: JANUARY 1, 2017 TO		
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Salt Lake City MSA	4,369	38.20	83.99	16.00	90.66	5.29	4.05	33,654	13,112
St George MSA	785	6.86	86.19	18.98	90.06	5.22	4.71	6,258	2,138
UT Non-MSA	2,464	21.54	82.61	18.55	92.61	4.59	2.80	9,944	3,994
Limited Review:									
Logan MMSA	631	100.00	83.41	15.21	93.03	5.39	1.58	2,428	912
Ogden-Clearfield MSA	1,697	14.84	85.35	18.68	88.92	5.54	5.54	13,969	5,554
Provo-Orem MSA	1,469	12.84	87.97	16.54	88.63	6.40	4.97	15,483	5,803

* Based on 2016 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 - 2016).

**** 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 69.03% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS 31, 2017					Geography: STATE OF UTAH			Evaluation Period: JANUARY 1, 2017 TO DECEMBER	
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Salt Lake City MSA	26	4.72	94.58	15.38	96.15	3.85	0.00	61	29
St George MSA	26	4.72	97.62	30.77	80.77	3.85	15.38	35	16
UT Non-MSA	329	59.71	97.87	55.02	87.54	9.42	3.04	495	313
Limited Review:									
Logan MMSA	14	100.00	96.39	42.86	85.71	7.14	7.14	38	17
Ogden-Clearfield MSA	74	13.43	97.03	64.86	72.97	17.57	9.46	161	113
Provo-Orem MSA	43	7.80	96.32	34.88	93.02	4.65	2.33	83	45

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 45.37% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		GEOGRAPHY: STATE OF UTAH				Evaluation Period: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Salt Lake City MSA	1	4,991	81	34,235	82	39,226	44.67	0	0
St George MSA	0	0	3	3	3	3	0.00	0	0
UT Non-MSA	8	30,854	18	7,276	26	38,130	43.42	0	0
Limited Review:									
Ogden-Clearfield MSA	1	1,930	18	2,865	19	4,795	5.46	0	0
Provo-Orem MSA	0	0	13	49	13	49	0.06	0	0
Logan MSA	0	0	9	5,607	9	5,607	6.39	0	0
Broader Statewide or Regional:									
Statewide	3	90,923	1	50	4	90,973		0	0
Regional	2	13,362	4	16,000	6	29,362		0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS 28, 2017 TO DECEMBER 31, 2017								GEOGRAPHY: STATE OF UTAH						Evaluation Period: JULY			
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Salt Lake City MSA	67.37	32	28.13	3.13	25.00	43.75	28.13	0	3	0	-1	-1	-1	3.90	17.59	51.26	26.89
St George MSA	4.11	8	12.50	0.00	12.50	87.50	0.00	0	0	0	0	0	0	0.00	2.44	83.57	13.98
UT Non-MSA	9.94	24	16.67	0.00	16.67	75.00	8.33	0	0	0	0	0	0	0.00	13.91	69.22	16.86
Limited Review:																	
Logan MMSA	2.50	15	28.13	6.67	26.67	53.33	13.33	0	1	-1	0	0	0	2.17	26.70	55.37	15.76
Ogden-Clearfield MSA	7.17	13	38.46	15.38	23.08	53.85	7.69	0	0	0	0	0	0	1.90	17.82	53.87	26.40
Provo-Orem MSA	8.89	5	40.00	40.00	0.00	60.00	0.00	1	0	0	0	1	0	6.56	15.68	51.79	25.96

State of Washington

Table 1. Lending Volume

LENDING VOLUME		GEOGRAPHY: STATE OF WASHINGTON						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
Assessment Area (2017):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Seattle-Bellevue-Everett MSA	100.00	8	3,190	36	8,815	0	0	7	35,343	51	47,348	100.00

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE DECEMBER 31, 2017				Geography: STATE OF WASHINGTON				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans*** *	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	4	100.00	3.35	25.00	17.40	0.00	46.13	75.00	33.12	0.00	1.80	15.13	51.00	32.06

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017				Geography: STATE OF WASHINGTON				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	0	0.00	3.35	0.00	17.40	0.00	46.13	0.00	33.12	0.00	1.52	13.79	53.31	31.37

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017					Geography: STATE OF WASHINGTON					Evaluation Period: JANUARY 1, 2017 TO				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	3	100.00	3.35	0.00	17.40	0.00	46.13	66.67	33.12	33.33	1.25	12.01	51.34	35.39

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017					Geography: STATE OF WASHINGTON				Evaluation Period: JANUARY 1, 2017 TO					
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans* ***	% MF Units** *	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue- Everett MSA	1	100.00	15.33	0.00	33.38	100.00	31.85	0.00	19.44	0.00	8.24	43.53	41.18	7.06

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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 TO DECEMBER 31, 2017					Geography: STATE OF WASHINGTON				Evaluation Period: JANUARY 1, 2017					
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Business ses***	% BANK Loans	% of Business **	% BANK Loans	% of Business es***	% BANK Loans	% of Business s***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	36	100.00	8.80	13.89	20.76	13.89	39.98	44.44	30.46	27.78	4.51	13.82	43.91	37.75

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2017			Geography: STATE OF WASHINGTON								Evaluation Period: JANUARY 1, 2017 TO			
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	0	0.00	4.22	0.00	16.55	0.00	46.28	0.00	32.95	0.00	0.68	7.53	47.26	44.52

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE DECEMBER 31, 2017				Geography: STATE OF WASHINGTON				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans***	% Families 33	% BANK Loans****	% Families**	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	4	100.00	22.17	0.00	17.49	0.00	20.34	0.00	40.01	100.00	4.98	18.20	24.78	52.04

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 50.0% of loans originated and purchased by the bank.
33 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 DECEMBER 31, 2017					Geography: STATE OF WASHINGTON				Evaluation Period: JANUARY 1, 2017 TO					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families*	% BANK Loans****	% Families 34	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	0	0.00	22.17	0.00	17.49	0.00	20.34	0.00	40.01	0.00	6.45	17.37	29.21	46.96

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

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

34 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 DECEMBER 31, 2017					Geography: STATE OF WASHINGTON					Evaluation Period: JANUARY 1, 2017 TO				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families***	% BANK Loans****	% Families 35	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Seattle-Bellevue-Everett MSA	3	100.00	22.17	0.00	17.49	0.00	20.34	0.00	40.01	0.00	4.76	16.27	25.39	53.58

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 100.0% of loans originated and purchased by the bank.

35 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 DECEMBER 31, 2017			Geography: STATE OF WASHINGTON			Evaluation Period: JANUARY 1, 2017 TO			
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Seattle-Bellevue-Everett MSA	36	100.00	86.94	27.78	41.67	27.78	30.56	75,222	29,325

* Based on 2016 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 - 2016).

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

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2017			Geography: STATE OF WASHINGTON				Evaluation Period: JANUARY 1, 2017 TO		
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Seattle-Bellevue-Everett MSA	0	0.00	95.89	0.00	0.00	0.00	0.00	151	89

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: STATE OF WASHINGTON				Evaluation Period: JULY 28, 2015 TO DECEMBER 31, 2017			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Seattle-Bellevue-Everett MSA	1	611	29	148	30	758	100.00	0	0
Broader Statewide or Regional:									
Statewide	2	487	0	0	2	487		0	0
Regional	1	467	4	16,000	5	16,467		0	0

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

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the bank'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: STATE OF WASHINGTON					Evaluation			
Period: JULY 28, 2017 TO DECEMBER 31, 2017																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Seattle-Bellevue-Everett MSA	100.00	1	0.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	3.71	20.41	49.28	26.59

State of Wyoming

Table 1. Lending Volume

LENDING VOLUME		GEOGRAPHY:: STATE OF WYOMING						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
	% 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)	
Assessment Area (2017):												
Full Review:												
WY Non-MSA	100.00	15	18,645	18	2,817	0	0	0	0	33	21,462	100.00

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 28, 2017 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or bank, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE DECEMBER 31, 2017				Geography: STATE OF WYOMING				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans*** *	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	8	100.00	0.00	0.00	0.00	0.00	39.45	37.50	60.55	62.50	0.00	0.00	8.48	91.52

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017				Geography: STATE OF WYOMING				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total*	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	0	0.00	0.00	0.00	0.00	0.00	39.45	0.00	60.55	0.00	0.00	0.00	11.76	88.24

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017					Geography: STATE OF WYOMING					Evaluation Period: JANUARY 1, 2017 TO				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ	% BANK Loans***	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	7	100.00	0.00	0.00	0.00	0.00	39.45	57.14	60.55	42.86	0.00	0.00	6.33	93.67

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2015 ACS 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 31, 2017			Geography: STATE OF WYOMING						Evaluation Period: JANUARY 1, 2017 TO DECEMBER					
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans* ****	% MF Units** *	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	0	0.00	0.00	0.00	0.00	0.00	52.20	0.00	47.80	0.00	0.00	0.00	0.00	100.00

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2015 ACS 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 DECEMBER 31, 2017				Geography: STATE OF WYOMING				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	18	100.00	0.00	0.00	0.00	0.00	53.10	38.89	46.90	61.11	0.00	0.00	17.97	82.03

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2017				Geography: STATE OF WYOMING				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms* **	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	0	0.00	0.00	0.00	0.00	0.00	38.67	0.00	61.33	0.00	0.00	0.00	0.00	100.00

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 31, 2017				Geography: STATE OF WYOMING				Evaluation Period: JANUARY 1, 2017 TO DECEMBER						
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 36	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	8	100.00	10.43	0.00	12.52	0.00	22.29	0.00	54.75	100.00	1.75	6.64	17.48	74.13

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 12.5% of loans originated and purchased by the bank.
36 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 DECEMBER 31, 2017				Geography: STATE OF WYOMING				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families*	% BANK Loans****	% Families 37	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	0	0.00	10.43	0.00	12.52	0.00	22.29	0.00	54.75	0.00	7.14	7.14	14.29	71.43

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2015 ACS Census information.

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

37 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 DECEMBER 31, 2017				Geography: STATE OF WYOMING				Evaluation Period: JANUARY 1, 2017 TO						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total*	% Families***	% BANK Loans****	% Families 38	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
WY Non-MSA	7	100.00	10.43	0.00	12.52	0.00	22.29	0.00	54.75	100.00	1.78	6.09	13.45	78.68

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Families is based on the 2015 ACS Census information.

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

38 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 DECEMBER 31, 2017			Geography: STATE OF WYOMING			Evaluation Period: JANUARY 1, 2017 TO			
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
WY Non-MSA	18	100.00	84.07	22.22	61.11	16.67	22.22	1,419	715

* Based on 2016 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 - 2016).

**** 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 38.89% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2017			Geography: STATE OF WYOMING				Evaluation Period: JANUARY 1, 2017 TO		
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
WY Non-MSA	0	0.00	92.00	0.00	0.00	0.00	0.00	9	6

* Based on 2016 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS 31, 2017		Geography: STATE OF WYOMING				Evaluation Period: JULY 28, 2015 TO DECEMBER			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
WY Non-MSA	0	0	0	0	0	0	0.00	0	0
Broader Statewide or Regional:									
Regional	1	467	4	16,000	5	16,467		0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS 28, 2017 TO DECEMBER 31, 2017								GEOGRAPHY: STATE OF WYOMING						Evaluation Period: JULY			
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
WY Non-MSA	100.00	1	0.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	10.66	89.34