



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

March 31, 2000

Community Reinvestment Act Performance Evaluation

U.S. Bank National Association
Charter Number: 13405

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Minneapolis, MN 55402**

Office of the Comptroller of the Currency

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

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General Information

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority, when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

*This document is an evaluation of the CRA performance of **U.S. Bank National Association** prepared by the **Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of **March 31, 2000**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this Performance Evaluation. 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 by another company. A company is under common control with another company if both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Block Numbering Area (BNA) - Statistical subdivisions of counties in which census tracts have not been established. BNAs have been established by the United States Census Bureau in conjunction with state agencies.

Census Tract (CT) - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the United States Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten year census and an average population of 4,000.

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

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

Full-Scope Review - Performance under the Lending, Investment and Service Tests is analyzed considering fully understood performance context, quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

Geography - A census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA) - The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

Home Mortgage Loans - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes multi-family (five or more families) dwellings loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

Limited-Scope 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, branch distribution).

LMI - Used as an adjective within the body of this document to describe either low- and moderate-income geographies or low- and moderate-income individuals.

Low-Income - Income levels that are less than 50% of the median family income.

Median Family Income (MFI) - The median income determined by the United States Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Statistical Area (MSA) - Area defined by the Director of the United States Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

Middle-Income - Income levels that are at least 80% and less than 120% of the MFI.

Moderate-Income - Income levels that are at least 50% and less than 80% of the MFI.

Small Business Loans - Loans with original amounts of \$1 million or less that are: (1) secured by nonfarm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

Small Farm Loans - Loans with original amounts of \$500 thousand or less that are: (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

Tier 1 Capital - The total of common shareholders' equity, perpetual preferred shareholders' equity with noncumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income - Income levels that are 120% or more of the MFI.

Overall CRA Rating

Institution’s CRA Rating: This institution is rated "Outstanding."

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

Performance Levels	U.S. Bank National Association Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- < The strength of U.S. Bank National Association (USB)’s lending performance was especially seen in its distribution of loans to LMI borrowers - particularly in its consumer loan products and home mortgage products. Nearly all of the full-scope assessment areas also benefited from very favorable levels of community development lending. Community development loans had a very positive influence in the Lending Test rating in most of the full-scope assessment areas. USB is consistently named one of the Small Business Administration’s leading lenders. This high level of performance is shown in several states and assessment areas within this Performance Evaluation. The lending volumes in these areas demonstrate a commitment to the needs of small businesses.
- < USB has made substantial investments within most of its full-scope assessment areas, especially in the form of Low-Income Housing Tax Credits in many assessment areas. These investments have had a significant impact on those areas and addressed often critical affordable housing concerns. In other assessment areas, USB had excellent responsiveness to economic development needs or for necessary services to LMI people. In four of the five largest assessment areas (in terms of total USB deposits), USB showed excellent responsiveness to identified needs and warranted an “Outstanding” Investment Test rating. In some markets, however, USB made no investments or very

limited investment in light of available opportunities. These were typically in smaller, more rural areas. These areas had very limited impact on our overall conclusions because they were markets where USB has a very limited presence and few deposits in terms of comparison to total USB deposits.

- < In most assessment areas, USB's offices and delivery systems provided access to financial products and services for geographies and individuals of different income levels. Excellent performance in some assessment areas was, however, tempered by poor performance in a few areas. In these instances, USB had relatively few offices located in LMI geographies in comparison to the population living there. USB's employees provide a relatively high level of services that cover a wide range of community development related services within its assessment areas.

Description of Institution

U. S. Bank National Association (USB) is the lead bank of the U.S. Bancorp holding company. The main office is headquartered in Minneapolis, Minnesota. It is an interstate bank with offices located throughout 15 Midwestern and Western states. As of December 31, 1999, USB had \$72 billion in total assets and \$5 billion in Tier I capital.

This bank is the result of the 1997 merger of the former Minneapolis based First Bank System, Inc. and U.S. Bancorp, formerly headquartered in Portland, Oregon. During June 1997, several charters of the former First Bank System were consolidated into one charter. First Bank System, Inc. acquired U.S. Bancorp, retained the U.S. Bancorp name and moved its corporate headquarters to Minneapolis.

- < USB is a subsidiary of the U.S. Bancorp, an \$83 billion holding company also located in Minneapolis, Minnesota. It is the eleventh largest financial services holding company in the United States. The holding company has 988 offices in 16 Midwestern and Western states. Significant subsidiaries include this bank, two other nationally chartered banks, several trust companies, a brokerage company, a data processing center, an agricultural credit company, leasing companies, and a finance company.
- < USB has no subsidiaries that negatively impacted the bank's capacity to lend or invest in its communities. USB asked that investments made by U.S. Affordable Housing CDC be considered as part of this bank's performance. In addition, USB requested that we include the lending efforts of the affiliated U.S. Bank

National Association North Dakota (USBND) in our evaluation of its retail lending activity. USBND processes, originates, and services retail loans for the greater U.S. Bancorp. All loans originated by USBND within USB's assessment areas are included in this Evaluation.

- < U.S. Bancorp, through its various subsidiaries, offers a wide variety of financial services focused out of its four primary business lines. These business lines are categorized as consumer banking, payment systems, wholesale banking, and wealth management and capital markets. Consumer banking includes the delivery of more traditional products and services to the broad consumer market and small businesses through branch offices, telemarketing, online services, direct mail, and automated teller machines (ATMs). Payment systems includes consumer and business credit cards, corporate and purchasing card services, card-accessed secured and unsecured lines of credit, ATM processing, and merchant processing. Wholesale banking is lending, treasury management, corporate trust and other financial services to middle market, large corporate, and public sector clients. Wealth management and capital markets include institutional trust, investment management services, and private banking and personal trust. U.S. Bancorp is one of the largest providers of corporate and purchasing cards in the world and one of the largest providers of corporate trust services in the United States.
- < During 1999, U.S. Bancorp sold 28 branches with aggregate deposits of \$364 million in Kansas and portions of Iowa. Data from this area is not included in our evaluation because it does not reflect current holdings. During the last half of 1999, the holding company acquired three banks or holding companies located primarily in Southern California. Data from these acquisitions are not included because the mergers were too recent to accurately reflect U.S. Bancorp practices. During 1998, U.S. Bancorp acquired Piper Jaffray Companies Inc., a full service investment banking and brokerage firm. Investments and services from this entity are included in this evaluation because management asked us to consider them.
- < Total loans represented 84% of the bank's total assets on December 31, 1999. The loan portfolio was broken down as follows: Commercial 32%, 1-4 family residential real estate 17%, consumer 16%, commercial real estate 13%, construction and development real estate 6%, miscellaneous real estate 2%, agricultural 2%, leases 4%, and 8% all other loans.
- < There are no known legal, financial or other factors impeding the bank's ability to help meet the credit needs in its assessment areas.
- < The last CRA examination of USB was dated April 8, 1998. We assigned a Satisfactory rating on the bank's performance.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated the bank's CRA performance from January 1, 1998 through December 31, 1999. Although the last Public Evaluation is dated April 8, 1998, it did not include an evaluation of any 1998 data. We used this evaluation period for all products and for all three tests included in our analysis. Included in our analysis was an analysis of USB's mortgage lending efforts, including home purchase, home improvement, and refinance loans, small business, small farm, and community development loans. We reviewed, at the bank's option, bank supplied data pertaining to consumer lending efforts. We also evaluated the level of services offered by the bank to its community and the level of qualifying investments made.

The Lending Activity section of each rated area includes a description of the weightings used to assign the ratings. USB is not an active lender of small farm loans and, as a result, we did not place much emphasis on this loan category. In addition, we also gave consideration to the bank's community development lending efforts. These efforts, where applicable, typically had a positive impact on the bank's lending test rating.

Our conclusions for the Investment Test were based on the level of qualifying investments made by the bank during the evaluation period. We also considered the level of innovation, complexity, responsiveness, and degree to which the investments are not routinely provided by private investors. These elements did not impact our conclusions. The Service Test ratings were assigned based on a review of the bank's accessibility to its communities and the level of community development services offered by the bank.

Data Integrity

To assess the accuracy of the bank's CRA and HMDA data, we sampled internal reviews completed by the bank. Quarterly, USB takes a statistically valid sample of loans reported for CRA purposes and reviews the accuracy of the reported information to the actual information contained in the credit file. These internal reviews determined that the reported data is accurate. Our review of the bank's reviews concluded that those reviews are accurate. Based on the above, we concluded that USB's publicly available CRA data is accurate and can be relied upon for analytical purposes.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, specific assessment areas within that state were selected for full-scope reviews. We determined which assessment areas should have full-scope reviews based on the volume of deposits generated within the assessment area. We compared the volume of deposits in each particular assessment area to the volume of deposits for the state as a whole. The areas selected for a full-scope review represented the highest percentage(s) of deposits within each state. Refer to the Scope section under each State Rating for details regarding which areas were selected. The five multi-state metropolitan areas in which USB has branches in more than one state each received a full-scope review.

Ratings

The bank's overall rating is a blend of the multi-state metropolitan area ratings and state ratings. In arriving at the overall rating, the greatest weighting was given to these areas in order of greatest significance to the bank: Minneapolis-St. Paul, MN-WI MSA #5120; the State of Washington; Portland-Vancouver, OR-WA MSA #6440; the State of Colorado; and the State of Oregon. These are the five assessment areas with the highest volumes of deposits of the total bank.

The multi-state metropolitan area ratings are based on full-scope reviews. State ratings are based primarily on those areas that received full-scope reviews. Refer to the Scope section under each State Rating for details regarding how the areas were weighted in arriving at the overall state rating.

Fair Lending Review

Fair lending compliance is satisfactory; we did not identify any evidence of discrimination. We base our conclusions on findings from our concurrent fair lending examination. Our objectives were to assess compliance with the substantive provisions of fair lending laws and evaluate the adequacy of fair lending controls.

The transactional review compared decisions to approve or deny “piggy-back” home purchase applications between June 1, 1999 and December 31, 1999, using race as the prohibited basis. The “piggy-back” product is a subordinated loan (second lien position or a home equity loan) created at the time of the home purchase loan origination. This loan basically serves as the down payment for the first purchase money loan.

The fair lending analysis focused on override decisions because this “piggy-back” product is primarily underwritten using a credit scoring system. This product is underwritten using a combination of FICO scores (an external credit bureau scoring system widely used in the banking industry) and Relationship Management Scores (an internally developed scoring system designed to rank the risk and profitability of existing customers). The bank last validated its internally developed score cards during December 1998. Override decisions for this home purchase product are limited, however, when used, overrides are consistently applied, regardless of the applicant’s race.

Multi-state Metropolitan Area Rating

CRA Rating for the Fargo-Moorhead, ND-MN Multi-state MSA #2520¹: 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:

- < USB has demonstrated good responsiveness to the credit needs of the area primarily through its volume of community development lending and by an overall adequate geographic and borrower distribution of home mortgage, small business, and consumer lending.
- < USB has a poor level of investments in terms of actual dollars and in light of available opportunities in the Fargo-Moorhead MSA.
- < USB offices and delivery systems provide reasonable access to financial products and services to geographies and individuals of different income levels. USB employees provide an adequate level of community development services within the assessment area.

Description of Institution's Operations in the Fargo-Moorhead, ND-MN Multi-state MSA

Refer to the Market Profile for the Fargo-Moorhead, ND-MN Multi-state MSA in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Lending Activity

Refer to Table 1 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

¹ This rating reflects performance within the multi-state metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multi-state metropolitan area.

USB's lending record in the Fargo-Moorhead Multi-state MSA represents a good responsiveness to the credit needs of this assessment area. In the Fargo-Moorhead assessment area, approximately one-half of USB's nearly 1,200 CRA-reportable loans originated during the evaluation period were small loans to businesses and the other one-half home mortgage loans. The volume of USB's small farm loan originations/purchases was not significant (less than 1%).

Among home mortgage loans, home purchase comprised approximately 26%, home improvement 23%, and home refinance 51%.

In the Fargo-Moorhead Multi-state Metropolitan assessment area, the bank ranks third in deposit market share (13%) according to June 30, 1999 FDIC Deposit Market Share Report data. In lending activity, the bank ranks fourth (10%) in small loans to businesses (based on 1998 CRA aggregate data). Also, based on 1998 HMDA aggregate data, USB ranks eighteenth in home purchase loans (2%), third in home improvement loans (14%), and eleventh in home refinance loans (4%). As reflected above, USB is not a significant lender with small loans to farms.

In addition, USB requested that we include 5,422 consumer loans (types were comprised of automobile, secured and unsecured) in our analysis for the Lending Test. Market share information is not available on consumer data.

In analyzing USB's Lending Test performance in this multi-state MSA, more emphasis was placed on USB's performance on small loans to businesses where the volume was more meaningful. Consumer loans were weighted as well because of the significant volume of originations, but not to the extent of small loans to businesses. The Lending Test rating was also positively impacted by the high volume of CD lending. The home mortgage product was not weighted as heavily because there were fewer loans in this category divided by three specific product types. The volume of USB's small loans to farms was not significant enough to perform a meaningful analysis.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The overall geographic distribution of home mortgage loans is good. This conclusion is based on the bank's activity in moderate-income geographies because there were essentially no lending opportunities in low-income areas as reflected by

the nominal level of owner-occupied housing there.

Home Purchase Loans

Home purchase loan geographic distribution is excellent.

The distribution of these home purchase loans made in moderate-income geographies was well above the portion of owner-occupied housing units that were within those geographies. In addition, the bank's market share for loans made in moderate-income geographies was well above the bank's overall market share.

Home Improvement Loans

Home improvement loan geographic distribution is adequate. The distribution of these home improvement loans made in moderate-income geographies was below the portion of owner-occupied housing units that were within those geographies. USB's market share for loans made in moderate-income geographies was also below the bank's overall market share.

Refinance Loans

Refinance loan geographic distribution is excellent. The portion of refinance loans made in moderate-income geographies exceeded the portion of owner-occupied housing units that are within those geographies. The market share for loans made in moderate-income geographies also significantly exceeded the bank's overall market share.

Small Loans to Businesses

Refer to Table 5 in the Multi-state Metropolitan Areas 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 geographic distribution of small loans to businesses is excellent. This conclusion is based on USB's lending activity in moderate-income geographies.

In low-income geographies, there were too few businesses to render any meaningful conclusions.

The portion of small loans to businesses made in moderate-income geographies slightly exceeded the portion of businesses that are within those geographies. The respective market share for such loans was slightly below the bank's overall market share.

Small Loans to Farms

Refer to Table 6 in the Multi-state Metropolitan Areas 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.

The bank's lending activity with this product was not significant enough to result in any meaningful analysis. During the evaluation period, only two such loans were made.

Consumer Loans

Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The geographic distribution of USB's consumer loans is adequate. The portion of such loans made in low-income geographies was well below the portion of the population that resides in those geographies.

In moderate-income geographies, the portion of loans made there exceeded the portion of the population that resides there.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases

The overall borrower distribution of USB's home mortgage lending is good in the Fargo-Moorhead Multi-state MSA.

Home Purchase

USB's distribution of home purchase loans to borrowers of different income levels is good.

USB's portion of home purchase loans made to low-income borrowers was below the portion of families defined as such. The market share for such loans exceeded the bank's overall market share.

For loans to moderate-income borrowers, the bank's portion of loans significantly exceeded the level of families defined as such. In addition, the market share for such loans exceeded the bank's overall market share.

Home Improvement Loans

Overall, USB's distribution of home improvement loans to borrowers of different income levels is adequate.

USB's portion of home improvement loans made to low-income borrowers was well below the portion of families defined as such. Its respective market share for such loans was below the bank's overall market share.

For loans to moderate-income borrowers, the bank's portion of loans was near to the level of families defined as such. However, the market share for such loans was below the bank's overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different income levels is good.

The bank's portion of loans to low-income families was below the portion of families defined as such. However, the respective market share of such loans significantly exceeded the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers essentially matched the portion of such families and the respective market share of such loans was well above the bank's overall market share.

Small Loans to Businesses

Refer to Table 10 in the Multi-state Metropolitan Areas 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 businesses.

USB's distribution of loans to small businesses reflects adequate responsiveness to the credit needs of smaller businesses in the assessment area.

The bank's portion of loans to small businesses (businesses with annual revenues equal to or less than \$1 million) was well below the portion of businesses defined as such. However, it should be noted that USB did not obtain revenue information on 45% of the small business loans it made. Of those loans made with revenue information collected, 70% were to businesses with revenues of \$1 million or less. In addition, the bank's market share of such loans was below the bank's overall market share.

Small Loans to Farms

Refer to Table 11 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations/purchases of small loans to farms.

As stated previously, the bank's lending activity with this product was insignificant to result in any meaningful analysis. During the evaluation period, only two such loans were made.

Consumer Loans

Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's distribution of consumer loans to borrowers of different income levels reflects good responsiveness in the Fargo-Moorhead MSA.

The portion of consumer loans made to low-income borrowers was below the portion of households defined as such.

The portion of consumer loans made to moderate-income borrowers exceeded the portion of households defined as such.

Community Development Lending

Refer to Table 1 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

USB's CD lending efforts during the evaluation period had a positive impact on our overall rating. This level of CD lending was a major influence on our assignment of the overall Lending Test rating. As depicted on Table 1 of Appendix D, USB originated a good volume of CD loans. This dollar volume represents 6% of the bank's Tier 1 capital that is attributed to the MSA. We did not identify examples of complex, innovative, or leadership characteristics. Examples include:

- Providing a \$1,217,955 loan for the construction of a 64-unit housing complex in a moderate-income tract of the MSA. Twelve percent of the units are targeted to residents earning 50% or less than the MFI, 72% less than 40% of the MFI, and 16% less than 35% of the MFI.
- Providing a \$680,000 construction loan to a local apartment complex to provide 15-units of affordable housing to the MSA. The term loan was structured in such a manner that it improved the cash flow of the general partner.
- Lending \$235,000 for the construction and restoration of a historic theatre located in a moderate-income tract of the MSA. This project anchors future development and revitalizes the aging downtown area of the City of Fargo.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions for the Fargo-Moorhead Multi-state Metropolitan Area. USB offers flexible mortgage-related lending programs that serve LMI borrowers that include the "Home Advantage" and "Home Partners" loan programs. These programs provide flexible loan underwriting features that feature downpayment and/or closing assistance, higher loan-to-value ratios, or a waiver of private mortgage insurance requirements. During the evaluation period, USB provided approximately 21 loans totaling nearly \$1.5 million through these programs to borrowers in its Fargo-Moorhead Multi-state MSA.

INVESTMENT TEST

The bank's performance under the Investment Test is rated "Needs to Improve." Based on a full-scope review, USB's performance in the Fargo-Moorhead, ND-MN Multi-state MSA is poor.

Refer to Table 12 in the Multi-state Metropolitan Area(s) section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, USB made 10 investments totaling \$116,700 in the MSA. This volume of investments is low relative to the moderate volume of opportunities presented in the MSA. In terms of dollars, half of the bank's grants within the MSA went to organizations that provide community services to LMI individuals and half went toward organizations that focus on economic development. We did not consider any of these to be innovative, complex, or exemplary of a leadership role.

The following is a discussion of USB's investments in the Fargo-Moorhead MSA:

- USB provided two grants totaling \$50,000 to the Fargo-Cass County Economic Development Corporation. The primary purpose of the Corporation is to support small business, including facilitating Small Business Association loans and technical assistance and training for women-owned businesses.
- USB provided a grant of \$25,000 to Workforce Development Grant, a new organization, which has a goal of increasing the pool of skilled workers needed by local businesses and industry and to reduce underemployment.
- Other Grants - USB provided seven other grants totaling \$41,700 to nonprofit organizations for various projects and CD initiatives throughout the Fargo - Moorhead MSA.

SERVICE TEST

The bank's performance under the Service Test in the Fargo-Moorhead, ND-MN Multi-state MSA is rated "Low Satisfactory."

Retail Banking Services

Refer to Table 13 in the Multi-state Metropolitan Areas 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.

USB's delivery systems are accessible to geographies and individuals of different income levels within the assessment area. Accessibility in the low-income

geographies is adequate although none of the bank's six branches is located in low-income areas. Note that only 2% of the population reside in those areas. The distribution of branches in moderate-income areas (3) is excellent, as the percent of branches in those areas significantly exceeds the demographic figure. Branch openings and closings during the evaluation period had no impact on the bank's provision of services to LMI areas. During the period under review, USB did not open or close any branches in the assessment area.

USB's office hours at branches located in LMI areas are adequate. One of the three branches in moderate-income areas has Saturday hours, consistent with those hours at branches in middle- and upper-income areas. The other two branches located in moderate-income areas do not have Saturday hours. None of the branches in the assessment area has extended hours on any weeknight.

As an alternative delivery method in the assessment area, USB supplements its branch distribution with a network of 12 deposit-taking ATMs. The distribution of ATMs is similar to the branch distribution with no ATMs in low-income areas and the percent of ATMs in moderate-income areas significantly exceeding the demographic areas. In addition to the deposit-taking ATMs in the assessment area, the bank also has 15 ATMs that only dispense cash.

USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security direct deposit. USB also offers credit lines starting at \$1,000.

Community Development Services

USB's performance in providing CD services in the assessment area is adequate. Reasonable opportunities to provide CD services exist in the MSA.

During the evaluation period, USB reported 31 contacts with 15 different organizations. We considered these all to be routine types of services as they focused on affordable-housing seminars, small business/farm seminars, provision of social services to LMI individuals, and providing financial education to its community.

CRA Rating for the Grand Forks, ND-MN Multi-state MSA #2985¹: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- < USB has demonstrated good responsiveness to the credit needs of the area primarily through a significantly high volume of community development loans and an overall adequate borrower distribution of consumer and small loans to businesses.
- < USB's investments have demonstrated excellent responsiveness to community development needs following the devastating destruction caused by the 1997 flood and fire.
- < USB's offices and delivery systems provide reasonable access of financial products and services to geographies and individuals of different income levels. USB employees provide an adequate level of community development services.

Description of Institution's Operations in the Grand Forks, ND-MN Multi-state MSA

Refer to the Market Profile for the Grand Forks, ND-MN Multi-state MSA in Appendix C for detailed demographics and other performance context information.

LENDING TEST

This evaluation included a review of the bank's HMDA-reportable, small business, small farm, consumer and CD lending. In accordance with OCC policy, the HMDA-reportable, small business, small farm, consumer lending, and CD lending was evaluated for the calendar years 1998 and 1999.

¹ This rating reflects performance within the multi-state metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multi-state metropolitan area.

Lending Activity

Refer to Table 1 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in the Grand Forks Multi-state MSA reflects good responsiveness to the credit needs in the assessment area. In the Grand Forks Multi-state MSA, USB originated 429 loans (home mortgage, small loans to business and farms) during the evaluation period. Of this, 253 loans were for home mortgage, 161 loans for small business and 12 loans for small farms. This volume by itself is not significant, but was supplemented by an additional 2,200 consumer loans (types offered for consideration by the bank were for purposes of automobile, personal secured and personal unsecured). The bank requested that we include consumer loans in our analysis for the Lending Test.

For the evaluation period, approximately 59% of USB's loans originated or purchased were home mortgage loans with small loans to businesses essentially comprising the remainder. Among home mortgage loans, home purchase approximated 18%, home improvement 25%, and home refinance 57%. The bank's volume of small loans to farms was insignificant at 3% of the total volume.

The bank ranks second in deposit market share (15%) according to June 30, 1999 FDIC Deposit Market Share Report data. In lending, the bank ranks fourth (10%) in small loans to businesses (based on 1998 CRA aggregate data). Based on 1998 HMDA aggregate data, USB ranks seventeenth in home purchase loans (1.2%), fourth in home improvement loans (9%), and tenth in home refinance loans (5%). As reflected earlier, USB is not a significant lender with small loans to farms. Market share information is not available for consumer loan data.

In analyzing USB's Lending Test performance in this Multi-state MSA, most weight was given to consumer lending based on the significant volume of loans originated. The Lending Test rating was also positively impacted by the very significant commitment shown to the assessment area through a large volume of CD lending. We did not draw conclusions on small business and home mortgage lending because there were too few loans to render meaningful conclusions and because the market share information was not meaningful. The volume of loans to small farms was not significant enough to perform a meaningful analysis.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 in the Multi-state Metropolitan Areas section of

Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The bank's home mortgage lending volume was insignificant during the evaluation period, particularly with home purchase and home improvement loans, with 46 and 63 loans, respectively. And, while 144 home refinance loans were originated/purchased during the evaluation period, there were not enough lenders providing any significant lending activity in the assessment area to foster any meaningful market share analyses. Accordingly, no conclusions are rendered for the home mortgage lending component.

Small Loans to Businesses

Refer to Table 5 in the Multi-state Metropolitan Areas 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.

During the evaluation period, the bank's lending activity with small loans to businesses consisted of 161 loans, not a significant level. Accordingly, we did not render any conclusions in this regard.

Small Loans to Farms

Refer to Table 6 in the Multi-state Metropolitan Areas 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.

The bank's level of small loans to farms was insignificant consisting of only twelve loans during the evaluation period. Accordingly, no conclusions are rendered for this component.

Consumer Loans

Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured, and personal unsecured loans reflects poor dispersion.

In moderate-income geographies, the portion of the bank's loans portion of loans

made there was approximately half the portion of the population residing there.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the Multi-state Metropolitan Areas 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.

It is noted that the bank's home mortgage lending volume was insignificant during the evaluation period, particularly with home purchase and home improvement loans. Accordingly, no conclusions are rendered for the home mortgage lending component.

Small Loans to Businesses

Refer to Table 10 in the Multi-state Metropolitan Areas 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 businesses.

As previously noted in the Geographic Distribution section, there were not enough loans to warrant a meaningful analysis. Therefore no conclusions were reached.

Small Loans to Farms

Refer to Table 11 in the Multi-state Metropolitan Areas 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.

As stated previously, the bank's level of small loans to farms was insignificant, consisting of only twelve loans during the evaluation period.

Consumer Loans

Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured, and personal unsecured loans reflects good dispersion in the Grand Forks Multi-state MSA.

The portion of the bank's consumer loans made to low-income households was half the portion of households defined as such. A large percentage of the households in the MSA (15%) live below poverty. Households with incomes below the poverty level typically have a more difficult time qualifying for credit. When considering the high portion of households living below the poverty level, the portion of USB's loans to low-income borrowers exceeded the demographics of the area.

The portion of consumer loans made to moderate-income households significantly exceeded the portion of households defined as moderate-income.

Community Development Lending

Refer to Table 1 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

USB's CD lending efforts during the evaluation period had a positive influence on our overall rating. This level of CD lending was a major influence on our assignment of the overall Lending Test rating. As depicted on Table 1 of Appendix D, USB originated a good dollar volume of CD loans. This dollar volume represents 30% of the bank's Tier 1 capital that is attributed to the MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- Providing a \$5,000,000 working capital loan to expand a local aircraft manufacturing company with facilities in both Grand Forks and Duluth, MN. This expansion resulted in the creation of 85 new jobs between the two locations, of which, 95% were filled by LMI workers.
- Extending a \$750,000 line of credit to finance construction of homes to replace housing stock destroyed in the flood of 1997. These homes are affordable to families with incomes below 80% of the median income. Down payment assistance for these homes is available through local, state, and federal programs.

In addition to the CD loans, USB also renewed a \$4,119,616 Letter of Credit to a local homebuilder that has community development characteristics. This Letter of Credit does not meet the technical definition of a CD loan and is not included in Table 1, but it does demonstrate a significant ongoing commitment to the community. This Letter of Credit supported a bond issue to finance construction of single family housing that replaced homes destroyed in the April 1997 floods. The majority of the homes are affordable to LMI families.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. Bank-wide, USB offers flexible mortgage-related lending programs serving LMI borrowers including the "Home Advantage" and "Home Partners." During the evaluation period, USB did not originate any of these types of loans in this MSA.

INVESTMENT TEST

The bank's performance under the Investment Test is rated "Outstanding." Based on a full-scope review, USB's performance in the Grand Forks, ND-MN Multi-state MSA is excellent.

Refer to Table 12 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, USB made six investments totaling \$1,477,000 in the Grand Forks-East Grand Forks MSA. We considered this to be a high volume of investments. The investments were also highly responsive to the MSA's most significant need and resulting numerous opportunities. Those needs and opportunities centered around the rebuilding of the downtown area after the devastating flood and fire of 1997 (refer to the Market Profile in Appendix C).

The following is a discussion of USB's investments in the Grand Forks - East Grand Forks area:

- USB demolished two of its buildings that had been damaged in the flood and subsequently sold the vacant lots to the cities of Grand Forks and East Grand Forks at deeply discounted prices. The market values of the lots donated plus the demolition costs borne by the bank total \$800 thousand. The lots are in

moderate-income, downtown areas and are part of the cities' redevelopment plans.

- USB invested \$565 thousand in bonds that were issued as part of a comprehensive redevelopment project to rebuild the downtown area. These bonds financed the new county office building, one of seven projects planned to serve as a catalyst for additional development in the downtown area.
- Other Grants - USB provided four grants totaling \$112 thousand to local organizations, primarily for flood-related assistance for LMI individuals.

SERVICE TEST

The bank's performance under the Service Test in the Grand Forks, ND-MN Multi-state MSA is rated "Low Satisfactory."

Retail Banking Services

Refer to Table 13 in the Multi-state Metropolitan Areas 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.

USB's delivery systems are accessible to geographies and individuals of different income levels within the assessment area. Accessibility in the moderate-income geographies is good, with one branch located in a moderate-income area. There are no low-income geographies located in the assessment area. Branch openings and closings during the evaluation period had no impact on the bank's provision of services to LMI areas. During the period under review, USB opened one and closed one branch, both in middle-income areas.

USB's office hours at the branch located in the moderate-income area are adequate. This branch has traditional weekday hours with no extended weekday or weekend hours. The bank's two other branches have Saturday morning hours.

As an alternative delivery method in the assessment area, USB supplements its branch distribution with a network of eleven deposit-taking ATMs. Distribution of the ATMs is adequate with one of the ATMs located in a moderate-income area, which results in a percentage significantly below the demographic figure. In addition to the deposit-taking ATMs in the assessment area, the bank also has 15 ATMs that only dispense cash.

USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking

with the election of paycheck or social security direct deposit. USB also offers credit lines starting at \$1,000.

Community Development Services

USB's performance in providing CD services in the assessment area is adequate. Given the small size and generally rural nature of the assessment area, opportunities are somewhat limited; however, the devastating floods of 1997 offered a considerable increase in opportunities.

During the evaluation period, USB reported seven qualifying CD services in the assessment area. USB has focused its CD activities on providing basic banking education to its community (4 items) and providing small business-related education (2). In addition, a bank employee serves on a committee of the local Habitat for Humanity chapter.

CRA Rating for the Minneapolis-St. Paul, MN-WI Multi-state MSA #5120¹: Satisfactory

The Lending Test is rated: Outstanding

The Investment Test is rated: High Satisfactory

The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- < USB has demonstrated excellent responsiveness to the credit needs of the area primarily through a significant volume of community development loans. USB has an excellent distribution of home mortgage and consumer lending to borrowers of different income levels. In addition, USB has an excellent distribution of home mortgage lending within LMI geographies. USB also has a good distribution of small business lending by income level of geography.
- < USB has a good level of investments, the vast majority of which address affordable housing needs within the MSA.
- < USB's offices and delivery systems are reasonably accessible to geographies and individuals of different income levels. Hours of service within the LMI geographies are not as convenient as those offered in the middle- and upper-income geographies. USB employees provide a good level of community development related services within the MSA.

Description of Institution's Operations in the Minneapolis-St. Paul, MN-WI Multi-state MSA

Refer to the Market Profile for the Minneapolis-St. Paul, MN-WI Multi-state MSA in Appendix C for detailed demographics and other performance context information.

LENDING TEST

This evaluation included a review of the bank's HMDA-reportable, small business, small farm, consumer and CD lending. In accordance with OCC policy, the HMDA-reportable, small business, small farm, consumer lending, and CD lending was evaluated for the calendar years 1998 and 1999.

¹ This rating reflects performance within the multi-state metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multi-state metropolitan area.

Lending Activity

Refer to Table 1 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Minneapolis-St. Paul Multi-state MSA represents excellent responsiveness to the credit needs of its assessment area, primarily through its small business lending and high level of CD lending. In 1998, among similarly situated commercial banks in the assessment area, USB reported the highest volume of small business lending. Of the bank's total CRA-reportable loans in Minneapolis-St. Paul Multi-state MSA, 48% of the number were small business CRA reportable and 52% of the number were residential HMDA reportable.

USB's home purchase loans accounted for 40% of the number of home mortgage loans it originated in the Minneapolis-St. Paul Multi-state MSA. USB's home improvement loans accounted for 28% and home mortgage loans for refinance purposes accounted for 32% of the number of all home mortgage loans.

In the Minneapolis-St. Paul Multi-state MSA, USB's deposits rank the bank first with a market share of 31%. In this MSA, the bank is the number one lender for small business purposes with a market share of 27%. The bank's residential lending in the MSA was ranked in the top ten. Its home purchase lending ranked seventh in the MSA. Further, its refinance lending ranked 12th. USB showed strength in its home improvement lending in the MSA, ranking it second among all reporters in the area.

Lending competition in USB's assessment area is intense, with 163 CRA reporters in the MSA. In addition, 691 local and national HMDA reporters were identified in the assessment area.

USB's small farm lending was not material in the Minneapolis-St. Paul Multi-state MSA. Accordingly, the bank's small farm lending was not analyzed.

In addition, USB requested that we evaluate its performance for consumer loans. USB generated 128,534 consumer loans in this MSA during the evaluation period. Market share information is not available on consumer data.

In analyzing USB's Lending Test performance in the Minneapolis-St. Paul Multi-state MSA, equal weight was given to the bank's small business lending and home mortgage lending because of the significance of the components. These products were identified as credit needs by community groups. We did, however, give greater weight to the consumer products because of the significant volume of originations and because retail, or consumer lending, is a strategic business line for

the bank. The large volume of CD lending done within this assessment area also positively impacted the Lending Test rating.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The overall geographic distribution of USB's home mortgage lending is excellent in the Minneapolis-St. Paul MSA.

Home Purchase Loans

USB's distribution of home purchase loans is excellent.

USB's distribution of lending in the low-income areas of the Minneapolis-St. Paul MSA exceeded the owner-occupied demographics of the areas. In addition, the bank's market share in these areas significantly exceeded its overall market share for the MSA.

USB's distribution of lending in the moderate-income areas of the Minneapolis-St. Paul MSA exceeded the owner-occupied demographics of the areas. In addition, the bank's market share in these areas exceeded its overall market share for the MSA.

Home Improvement Loans

Overall, USB's geographic distribution of home improvement loans is excellent.

USB's distribution of lending in the low-income areas of the Minneapolis-St. Paul MSA exceeded the owner-occupied demographics of the areas. In addition, the bank's market share in these areas significantly exceeded its overall market share for the MSA.

USB's distribution of lending in the moderate-income areas of the Minneapolis-St. Paul MSA was near to the owner-occupied demographics of the areas. In addition, the bank's market share in these areas substantially met its overall market share for the MSA.

Refinance Loans

Overall, USB's distribution of home refinance loans is excellent.

USB's distribution of lending in the low-income areas of the Minneapolis-St. Paul MSA exceeded the owner-occupied demographics of the areas. In addition, the bank's market share in these areas significantly exceeded its overall market share for the MSA.

USB's distribution of lending in the moderate-income areas of the Minneapolis-St. Paul MSA was near to the owner-occupied demographics of the areas. Moreover, the bank's market share in these areas exceeded its overall market share for the MSA.

Small Loans to Businesses

Refer to Table 5 in the Multi-state Metropolitan Areas 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.

USB's geographic distribution of small loans to businesses reflects a good dispersion throughout its assessment area.

USB's distribution of lending in the low-income areas of the Minneapolis-St. Paul MSA was near to the business demographics of the areas. In addition, USB's market share of small business lending in the MSA's low-income areas significantly exceeded its overall market share.

USB's distribution of lending in the moderate-income areas of the Minneapolis-St. Paul MSA was below the business demographics of the areas. However, the bank's market share of small business lending in the MSA's moderate-income areas essentially matched its overall market share.

Small Loans to Farms

Refer to Table 6 in the Multi-state Metropolitan Areas 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. As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending accounted for less than 1% of its total lending in the Minneapolis-St. Paul Multi-state MSA.

Consumer Loans

Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured and personal unsecured loans reflects a poor dispersion.

USB's distribution of lending in the low-income areas of the Minneapolis-St. Paul MSA was well below the population demographics of the areas.

USB's distribution of lending in the moderate-income areas of the Minneapolis-St. Paul MSA was also well below the population demographics of the areas.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

The inside/outside ratio was performed at the state level. The analysis included originations and purchased loans directly attributed to USB. During the review period USB originated or purchased 98% of its Minnesota loans in its assessment areas. This shows an excellent response to the credit need of the bank's Minnesota assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of USB's home mortgage lending is excellent in the Minneapolis-St. Paul MSA.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is excellent.

USB's distribution of lending to low-income borrowers in the Minneapolis-St. Paul MSA was below the family income demographics of the area even when considering the area's level of families that live below the poverty level. In addition, the bank's market share of these borrowers nearly matched its overall market share for the MSA.

USB's distribution of lending to moderate-income borrowers in the Minneapolis-St. Paul MSA substantially exceeded the family income demographics of the area. In addition, the bank's market share of these borrowers nearly matched its overall market share for the MSA.

Home Improvement Loans

Overall, USB's distribution of home improvement loans to borrowers of different income levels is good.

USB's distribution of lending to low-income borrowers in the Minneapolis-St. Paul MSA was below the family income demographics of the area even when considering the area's level of families that live below the poverty level. However, the bank's market share of these borrowers substantially meets its overall market share for the MSA.

USB's distribution of lending to moderate-income borrowers in the Minneapolis-St. Paul MSA exceeded the family income demographics of the area. In addition, the bank's market share of these borrowers substantially meets its overall market share for the MSA.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different income levels in its assessment area is excellent.

USB's distribution of lending to low-income borrowers in the Minneapolis-St. Paul MSA was below the family income demographics of the area. However, when considering the area's level of families that live below the poverty level, the distribution nearly matches the portion of families with income at that level. The

bank's market share of these borrowers substantially exceeded its overall market share for the MSA.

USB's distribution of lending to moderate-income borrowers in the Minneapolis-St. Paul MSA greatly exceeded the area's family income demographics. In addition, the bank's market share of these borrowers substantially exceeded its overall market share for the MSA.

Small Loans to Businesses

Refer to Table 10 in the Multi-state Metropolitan Areas 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 businesses.

USB's distribution of small business loans reflects a poor responsiveness to the credit needs of smaller businesses in the MSA. The bank's distribution to smaller business borrowers was well below the small business demographics of the area. However, it should be noted that USB did not collect revenue information on 47% of its small business loans. Of those loans made with revenue information collected, 73% were to businesses with revenues of \$1 million or less. The bank's market share of lending to businesses with annual revenues of \$1 million or less was also poor. However, almost 90% of the bank's small business loans were for less than \$100,000. Generally, the size of a loan correlates to the size of a business which would give some assurances that the needs of smaller businesses are addressed.

Small Loans to Farms

Refer to Table 11 in the Multi-state Metropolitan Areas 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.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending was a nominal portion of its total lending.

Consumer Loans

Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured and personal unsecured loans reflects an excellent dispersion in the Minneapolis-St. Paul MSA.

USB's distribution of lending to low-income borrowers of the Minneapolis-St. Paul MSA substantially meets the low-income household demographics of the area.

USB's distribution of lending to moderate-income borrowers of the Minneapolis-St. Paul MSA substantially exceeded the moderate-income household demographics of the assessment area.

Community Development Lending

Refer to Table 1 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

USB originated an excellent volume of CD loans. This level of CD lending had a significant impact on the overall rating we assigned to the Lending Test. In relation to the competition, USB is a leader in terms of CD lending in the MSA. For example, the bank's nearest competitor generated approximately \$30 million of CD loans over almost a three-year period. As depicted in Table 1 of Appendix D, USB originated 39 CD loans totaling \$74,553,181, which represents 5.0% of Tier 1 capital attributed to the MSA. We considered several of USB CD loans to be complex due to the number of participants in the loans. The largest examples of USB's CD lending efforts in the MSA include:

- Providing a \$20 million term loan for the purchase of land, demolition of old buildings and construction of a new building located on the south end of Nicollet Mall in downtown Minneapolis. This project will consist of a 150,000 square foot retail store, 900 stall parking ramp located beneath the store, and 19,000 square feet of other retail space. This project is intended to revitalize a dilapidated section of downtown and serve as a catalyst for further economic development in the area. The development of this area has been a development priority of the City of Minneapolis since the adoption of the Nicollet Mall Development District Plan in 1983. We considered this to be a complex project given the length of time it has taken to bring this to fruition and the combination of public/private involvement in the project.
- Providing a \$2,553,229 loan for the renovation of a vacant commercial building into 100 affordable housing units. Of these, half will qualify for Section 42 Low-Income Housing Tax Credits.
- Granting two loans totaling \$6,310,000 to expand a local company located in an Empowerment Community of North Minneapolis. The expansion will help

revitalization efforts and foster needed employment. The company is committed to hiring LMI employees for the jobs created as a result of this expansion. The employees will come from the surrounding LMI area of North Minneapolis. This company is a strong advocate for other companies in the area to do the same.

In addition to the above, USB also issued the following Letter of Credit. This does not meet the technical definition of a CD loan, and is therefore not included in Table 1. It does, however, represent a significant community development commitment. It also had a positive impact on our conclusions regarding community development lending.

- Issuing a \$21,899,060 Letter of Credit to Presbyterian Homes of Arden Hills, Inc. to support a tax-exempt bond issue to be used for refinancing existing debt on seven buildings. These buildings provide housing and social services for its predominately LMI residents.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions for the Minneapolis-St. Paul Multi-state MSA. USB has two flexible home mortgage loan programs called Home Advantage and Home Partners. As previously discussed, these programs provide flexible underwriting for LMI borrowers. In the Minneapolis-St. Paul Multi-state MSA the bank used these programs to originate 200 home purchase loans totaling \$16 million and 18 home refinance loans totaling \$1.4 million.

INVESTMENT TEST

The bank's performance under the Investment Test in the Minneapolis - St. Paul, MN - WI Multi-state MSA is rated "High Satisfactory."

Refer to Table 12 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, USB made 103 investments totaling \$33,492,784 in the Minneapolis - St. Paul MSA. In addition, USB has four investments totaling \$5,651,316 that were made prior to this evaluation period and are still outstanding. These prior period investments continue to meet identified needs in the area for low-income housing and to provide needed jobs in the inner city for LMI residents. The volume of investments originated during this evaluation period is significant even when considering the abundance of CD opportunities in the MSA (refer to the

Market Profile in Appendix C). For comparative purposes, USB's main competitor originated \$24 million of qualifying investments over a four-year period with an additional \$35 million in prior period investments. In addition, the impact on the community is good. The vast majority of these investments were oriented toward providing affordable housing in the MSA, which has been identified as a significant need in the MSA. USB has taken the initiative to develop opportunities for investment by sponsoring a Community Development Corporation (CDC) in the MSA and seeking investments outside of the MSA that benefit the MSA. Although we recognize the good volume of investments made by USB, most do not evidence innovative, complex, or leadership characteristics.

The following are examples of USB's investments in the Minneapolis - St. Paul MSA:

- USB, in conjunction with other organizations, combined resources to form Siyeza, a southern-style frozen food manufacturer dedicated to providing jobs in the inner city. To assist in forming Siyeza, USB bought \$1.2 million in preferred stock in the company. The purpose of the venture was to put a vacant food manufacturing plant back in business and employ local, inner-city residents. We considered this to be a complex investment given the number of organizations involved in the formation of this entity.
- USB participated in the organization of Milestone Growth Fund, a non-profit tax-exempt venture capital fund. Milestone's mission is to provide long-term, high risk financing to minority owned businesses. Since its inception in 1990, Milestone has invested \$8 million in 40 minority-owned and managed companies, with almost \$2 million per year invested over the past two years. As of the end of 1998, these companies had sales in excess of \$143 million, employed a workforce of over 1,300, created over 180 new jobs, and paid state and federal taxes of over \$5.3 million. Milestone is a 501(c)(3) venture capital fund and is licensed to operate as a Specialized Small Business Investment Company. It is also a spin-off of the Metropolitan Economic Development Association. USB made an equity investment of \$500,000 in Milestone and also provided a \$35,000 grant for general operations during the evaluation period.
- USB purchased Low-Income Housing Tax Credits associated with seven projects for a total of \$16,232,153 during the evaluation period. In addition, the bank has one Low-Income Housing Tax Credit outstanding from a prior period that totals \$2,963,390. These projects provided an additional 383 housing units to LMI residents of the MSA.
- During the evaluation period, USB purchased \$1,293,000 in mortgage-backed securities and \$12,558,018 in mortgage-backed bonds which all provided affordable housing for LMI people within the MSA. Combined, these bonds are collateralized by 159 housing units located in LMI areas of the MSA.
- USB provided a \$100,000 equity investment in Development Corporation for

Children, a local non-profit agency whose mission is to improve communities and support self-sufficiency efforts of LMI families through the development of high quality childcare facilities, programs and businesses. This group accomplishes its mission in part through First Children's Finance, a revolving loan program providing financing for childcare facility start-up and expansion, and technical assistance for applicants. USB's contribution increased the size of the loan pool to meet the current demand and accommodate future loan growth for childcare located in LMI areas and/or which produce or retain permanent jobs. USB also provided a \$24,500 grant to this organization.

- USB made a \$50,000 equity investment in Anoka-Sherburne County Capital Fund, a local CDFI. This organization has made investments to 25 technology based start-up companies in Anoka and Sherburne counties, creating approximately 150 jobs.
- USB made a \$1,437,926 equity investment in Agio Capital Partnership, a local Small Business Investment Corporation (SBIC) that provides financial assistance to small businesses and small farms.
- Other Grants - USB provided 84 grants totaling \$2,024,613 to local nonprofit organizations for various projects and CD initiatives throughout the Minneapolis - St. Paul MSA.

SERVICE TEST

The bank's performance under the Service Test in the Minneapolis-St. Paul, MN-WI Multi-state MSA is rated "Low Satisfactory."

Retail Banking Services

Refer to Table 13 in the Multi-state Metropolitan Areas 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.

USB's delivery systems are reasonably accessible to geographies and individuals of different income levels within the assessment area. Accessibility in the low-income geographies is adequate, as the percent of the bank's 69 branches in these areas is slightly below the percent of the population living in low-income geographies. The distribution of branches in moderate-income areas is also adequate even though percent of branches in these geographies is well below the percentage of the population living in moderate-income geographies. Branch openings and closings during the evaluation period had no impact on the bank's provision of services to LMI areas. During the period under review, USB opened four and closed four branches, all located in middle- and upper-income geographies.

USB's office hours at branches located in LMI areas are poor. Only two of the bank's five branches in moderate-income areas have extended office hours of any kind. And, this only includes hours of 9:00 AM to 12:00 noon on Saturdays. None of the three branches located in low-income geographies has extended hours. This compares to several branch locations in middle- and upper-income areas that have extended hours on Friday evenings, Saturday hours of 9:00 AM to 6:00 PM, and Sunday hours of 11:00 AM to 4:00 PM. These extended hours are found in 11 branch locations in an upscale grocery store chain that does not have stores located in LMI areas.

As an alternative delivery method in the assessment area, USB supplements its branch distribution with a network of 188 deposit-taking ATMs. The distribution of ATMs in low-income geographies is excellent as the percent of ATMs significantly exceeds the demographic figure. The distribution of ATMs in moderate-income geographies, however, is adequate as the percent of ATMs in these geographies is below the percent of population living in these areas. In addition to the deposit-taking ATMs in the assessment area, the bank also has 165 ATMs that only dispense cash.

USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security direct deposit. USB also offers credit lines starting at \$1,000.

Community Development Services

USB's performance in providing CD services in the assessment area is good. Numerous opportunities to provide CD services exist in the MSA.

During the evaluation period, USB reported in excess of 250 CD services to organizations located within the assessment area. USB has focused its CD activities on the development of affordable housing units and assisting LMI individuals in obtaining housing. Community group contacts confirmed this as a significant need in the community. USB's CD activity also included small business development and social services targeted at LMI individuals. Examples of the CD services the bank provided during the evaluation period include:

- **Midtown Community Works Partnership:** USB was one of the initial partners in this organization that started in 1998. The mission of the Partnership is to transform the Midtown Greenway into a mixed-use commercial, residential, and open space from a depressed, crime-ridden neighborhood and provide an impetus for additional redevelopment in the area. A vice-chairman of the bank serves as the co-chair of the partnership.

- Metropolitan Economic Development Association: USB provides leadership and guidance to the Board of Directors of this organization whose focus is on providing economic development to LMI areas, microbusiness lending, and technical assistance for minority entrepreneurs. Several high-ranking officers of USB are active members with the Association, including serving as Members of the Board of Directors.
- Phillips Partnership: this organization was formed to promote the creation and/or retention of jobs and job training programs, affordable housing and infrastructure in the Phillips neighborhood of Minneapolis. This is one of the poorest neighborhoods in the city of Minneapolis and the effects are visible in the housing conditions, unemployment rate, and lack of business and employment opportunities. USB has taken an active role on the Board of Directors of the Partnership and is actively involved in other committees.
- U.S. Bancorp Piper Jaffray, an affiliate of USB, provides bond-underwriting services to local municipalities. These bond issues are typically used to fund development and redevelopment projects within the local municipalities, including the development of affordable housing.
- USB provides numerous home-buying seminars throughout the assessment area to assist LMI homebuyers.

**CRA Rating for
the Omaha, NE-IA Multi-state MSA #5920¹: Outstanding**
The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- < USB has demonstrated excellent responsiveness to the credit needs of the area through excellent dispersion of its home mortgage products to borrowers of different income levels and within LMI geographies. USB also has excellent distribution of consumer loans to borrowers of different income levels and a good volume of community development lending.
- < USB has made an excellent level of investments that showed strong support for affordable housing needs and provided necessary services to LMI people.
- < USB's offices and delivery systems are reasonably accessible to geographies and individuals of different income levels. USB employees provide a good level of community development related services.

Description of Institution's Operations in the Omaha, NE-IA Multi-state MSA

Refer to the Market Profile for the Omaha, NE-IA Multi-state MSA in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Lending Activity

Refer to Table 1 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record is excellent in the Omaha Multi-state MSA and is responsive to the credit needs of the assessment area. In the Omaha Multi-state MSA, approximately 55% of the bank's nearly 6,000 CRA-reportable loans originated

¹ This rating reflects performance within the multi-state metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multi-state metropolitan area.

during the evaluation period were home mortgage loans, 44% small loans to businesses, and 5% small loans to farms.

In addition to this, USB generated a large volume of consumer loans and requested that we include this information in our analysis. USB generated nearly 30,000 in consumer loans (automobile, personal secured and personal unsecured). Market share information is not available on consumer data.

The composition of home mortgage loan originations was generally equal among home purchase, home improvement, and home refinance loan categories.

The bank ranks third in deposit market share (14%). Based on 1998 CRA aggregate data, USB ranks second in small loans to businesses. USB is also the tenth largest originator/purchaser of loans for home purchase, first for home improvement, and ninth for home refinance according to 1998 HMDA aggregate data.

In analyzing USB's Lending Test performance in this Multi-state MSA, greatest weight was given to the consumer loan products because of the significant volume of loans generated. Although not specifically mentioned by community groups as a credit need, consumer, or retail credit, is a strategic business focus for USB. Secondary consideration was given to the home mortgage products followed by small business loans based primarily on the volume of originations. No conclusions were drawn on small farm lending because of the minimal number of loans generated. CD lending had a positive impact on the overall Lending Test conclusions for this assessment area.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The overall geographic distribution of home mortgage loans is excellent.

Home Purchase Loans

Home purchase loan distribution is excellent.

The portion of home purchase loans made in either low-income or moderate-income geographies significantly exceeded the portion of owner-occupied housing units

there. In addition, the market share for loans made in either LMI geographies exceeded the bank's overall market share.

Home Improvement Loans

Home improvement loan distribution is likewise excellent.

The portion of home improvement loans made in either low- or moderate-income geographies exceeded the portion of owner-occupied housing units there. In addition, the bank's market share of loans made in both low- and moderate-income geographies exceeded its overall market share.

Refinance Loans

Home refinance loan distribution is excellent.

The portion of home refinance loans made in low-income geographies matched the portion of owner-occupied housing units there. In addition, the bank's market share of loans made in low- income geographies significantly exceeded its overall market share.

The portion of home refinance loans made in moderate-income geographies exceeded the portion of owner-occupied housing there. In addition, the bank's market share of loans made in moderate-income geographies significantly exceeded its overall market share.

Small Loans to Businesses

Refer to Table 5 in the Multi-state Metropolitan Areas 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 geographic distribution of small loans to businesses is adequate. The portion of small loans to businesses made in low-income geographies was below the portion of businesses within those geographies. The market share for such loans are moderately below the bank's overall market share.

The portion of small loans to businesses in moderate-income geographies was below the portion of businesses within those geographies. The market share was also below the overall market share.

Small Loans to Farms

Refer to Table 6 in the Multi-state Metropolitan Areas 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.

The bank originated/purchased only 32 small loans to farms during the two-year evaluation period. This nominal level precludes any meaningful analysis and thus, no conclusions are rendered.

Consumer Loans

Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured, and personal unsecured loans reflects adequate dispersion.

The bank's portion of consumer loans made in low-income geographies was below the portion of the population residing there.

The portion of loans made in moderate-income areas was moderately below the portion of the population residing there.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall distribution of home mortgage loans to borrowers of different income levels is excellent.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is excellent.

The portion of home purchase loans made to low-income borrowers was close to the portion of families defined as such. In addition, the market shares for loans made to low-income families exceeded the bank's overall market share.

The portion of home purchase loans made to moderate-income borrowers significantly exceeded the portion of families defined as such. The market shares for loans made to moderate-income families also exceeded the bank's overall market share.

Comparable performances are reflected in the bank's borrower distribution of home improvement and home mortgage refinance loans, and as such, are considered excellent.

Small Loans to Businesses

Refer to Table 10 in the Multi-state Metropolitan Areas 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 businesses.

USB's distribution of small loans to businesses reflects adequate responsiveness to the credit needs of smaller businesses within the MSA.

The bank's portion of loans to small businesses (businesses with annual revenues of \$1 million or less) was below the portion of businesses defined as such. Note, however, that USB did not obtain revenue information on 39% of its small business loans. Of those loans made with revenue information, 71% were to businesses with revenues of \$1 million or less. This exceeded the demographic comparator. In addition, the bank's market share for such loans was below its overall market share.

Small Loans to Farms

Refer to Table 11 in the Multi-state Metropolitan Areas 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. No conclusions are rendered with this component given the insignificant amount of lending activity by the bank.

Consumer Loans

Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's distribution of consumer auto, personal secured and personal unsecured loans reflects excellent dispersion.

The bank's portion of loans made to low-income households was significantly above the portion of households defined as such.

A similar profile was reflected with the bank's lending to moderate-income households.

Community Development Lending

Refer to Table 1 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated a good volume of CD loans. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix D. The dollar volume represents 9% of the bank's Tier 1 capital that is attributed to the MSA. We did not identify instances of innovative, complex, or leadership characteristics. Examples include:

- Providing a \$2,628,000 loan used to finance the rehabilitation of a vacant warehouse. This revitalization was a catalyst for economic development in this Enterprise Zone, which is surrounded by 15 low-income census tracts.
- Lending \$1,750,000 for the construction of new dorms, offices, and schoolrooms to upgrade current facilities and provide more space for increasing the population at Uta Halee Girls Village. This organization houses, educates, and provides social services to girls under the age of 19. Approximately 90% of the residents are wards of the state.
- Providing a \$2,060,000 loan for the construction of a housing project with 100% of units affordable to people earning 55% of the MFI. This project also

resulted in the rehabilitation of commercial office space, creating jobs in a federal Enterprise and Tax Increment Financial Zone that is located in a blighted area of the MSA.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. Bank-wide, USB offers flexible mortgage-related lending programs serving LMI borrowers including the “Home Advantage” and “Home Partners.” In the Omaha MSA the bank used these programs to originate 39 home purchase loans totaling \$2.6 million and one home refinance loan for \$73 thousand.

INVESTMENT TEST

The bank’s performance under the Investment Test is rated “Outstanding.” Based on a full-scope review, USB’s performance in the Omaha, NE-IA Multi-state MSA is excellent.

Refer to Table 12 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

During the evaluation period, USB made 59 investments totaling \$8,273,468 in the Omaha MSA. The volume of investments is high, even when considering the numerous CD opportunities in the assessment area (refer to the Market Profile in Appendix C). USB has provided strong support toward the provision of both affordable housing and community services for LMI people. We only considered a few of these to be innovative, complex, or exemplary of a leadership role.

The following are examples of USB’s investments in the Omaha MSA:

- During the evaluation period, USB made \$75 thousand in grants to Omaha 100, Inc., a local Community Development Financial Institution. The grant went toward the Institution’s mortgage loan pool, which supports LMI people and the revitalization of blighted neighborhoods.
- USB made investments in two Low-Income Housing Tax Credit projects totaling \$7.2 million. The projects are the Bull Durham Limited Partnership and the 901 35th Street Limited Partnership. These affordable housing projects qualify for Low-Income Housing Tax Credits and provided a total of 195 housing units to the MSA.
- Other Grants - USB provided 52 other grants totaling \$394 thousand to local

nonprofit organizations for various CD efforts within the Omaha MSA. Many of the grants went toward providing community services, such as mentoring, job training, and social services, to LMI youth.

SERVICE TEST

The bank's performance under the Service Test in the Omaha, NE-IA Multi-state MSA is rated "Low Satisfactory."

Retail Banking Services

Refer to Table 13 in the Multi-state Metropolitan Areas 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.

USB's delivery systems are reasonably accessible to geographies and individuals of different income levels within the assessment area. Accessibility in the low-income geographies is adequate, as the percent of the bank's 33 branches in these areas (one branch) is slightly below the percent of the population living in low-income geographies. The bank also provides reasonable access to moderate-income geographies with four branches. Branch openings and closings during the evaluation period had no impact on the bank's provision of services to LMI areas. During the period under review, USB opened two and closed one branch, all located in middle- and upper-income geographies.

USB's office hours at branches located in LMI areas are good. All four of the bank's branches in moderate-income areas have Saturday office hours, with one being open from 9:00 AM to 5:00 PM. This same branch is also open from 12:00 noon until 5:00 PM Sunday. The lone branch in a low-income area does not have Saturday or Sunday hours. Hours in LMI areas are comparable to those noted in middle- and upper-income areas where hours are typically 9:00 AM to 5:00 PM, Monday through Friday, and 9:00 AM to noon on Saturday. Eleven of the 28 branches in middle- and upper-income areas have Saturday and Sunday hours, identical to those discussed above in the moderate-income branch.

As an alternative delivery method in the assessment area, USB supplements its branch distribution with a network of 52 deposit-taking ATMs. The distribution of ATMs in low-income geographies is adequate, as the percent of ATMs is somewhat below the corresponding demographic figure. The distribution of ATMs in moderate-income geographies, however, is good, as the percent of ATMs in these geographies is significantly greater than the percent of population living in these areas. In addition to the deposit-taking ATMs in the assessment area, the bank also has 33 ATMs that only dispense cash.

USB's standard loan and deposit products area offered at all locations. USB's

products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security direct deposit. USB also offers credit lines starting at \$1,000.

Community Development Services

USB's performance in providing CD services in the assessment area is good. Numerous opportunities to provide CD services exist in the MSA.

During the evaluation period, USB reported in excess of 50 CD services to organizations located within the assessment area. USB has focused its CD activities on the development of affordable housing units and assisting LMI individuals in obtaining housing. Community group contacts confirmed this as a significant need in the community. USB's CD activity also included small business development and social services targeted at LMI individuals. Examples of the CD services the bank provided during the evaluation period include:

- Omaha 100: USB assisted this organization in acquiring its status as a Community Development Financial Institution (CDFI). In this capacity, Omaha 100 serves as a leader in community revitalization by channeling a variety of private and public loan funds into the LMI areas of North and South Omaha. Omaha 100 serves as a centralized fund-raiser for seven affordable housing nonprofits in the inner city ranging from rehabilitation groups to minority owned homebuilders. Omaha 100 has also partnered with Family Housing Advisory Services to provide a comprehensive range of homebuyer, advocacy, data collection and homeless social services for the LMI people of this neighborhood. Bank personnel serve Omaha 100 in various capacities, including serving as Board members.
- Omaha Small Business Network: USB was instrumental in assisting this organization in obtaining private funding following the decision of the organization's main financier to discontinue providing this service. USB assisted in the development of a strategic plan, a fund raising strategy, and a set of training courses for small business incubation. This organization serves as the only business incubator in North Omaha.
- USB is actively involved with New Community Development Corporation. This corporation was instrumental in the introduction of Individual Development Accounts (IDAs) in the assessment area. The IDAs provide a self-sufficiency incentive for saving for a house, small business, or education loan by providing a \$1 to \$3 match and a higher than normal interest rate to the account. The requirement for matching includes attendance at eight economic literacy classes to help the individual understand the basics of banking, small business, and home ownership.
- Several employees of USB serve Equity Fund of Nebraska in various capacities (serving as Board members, providing technical assistance, etc). Equity Fund of

Nebraska provides tax equity for affordable housing developments for LMI people in LMI areas of the assessment area. The Equity Fund of Nebraska also provides numerous home-buying seminars throughout the assessment area to assist LMI homebuyers.

**CRA Rating for
the Portland-Vancouver, OR-WA Multi-state MSA #6440¹: Outstanding**
The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- < USB has demonstrated excellent responsiveness to the credit needs of the area primarily through a high volume of community development loans, an excellent distribution of home mortgage and small business lending by income level of the geography, and by a good distribution of home mortgage lending to borrowers of different income levels.
- < USB has made an excellent level of investments which has had a positive impact on the community. The majority of the investments focused on identified affordable housing needs and for economic development.
- < USB's offices are readily accessible to geographies and individuals of different income levels. Hours of service are adequate in the LMI geographies compared to middle- and upper-income geographies. USB employees have provided a good level of community development services primarily focused on the development of affordable housing.

Description of Institution's Operations in the Portland-Vancouver, OR-WA Multi-state MSA

Refer to the Market Profile for the Portland-Vancouver, OR-WA Multi-state MSA in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Lending Activity

Refer to Table 1 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Portland-Vancouver Multi-state MSA represents an

¹ This rating reflects performance within the multi-state metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multi-state metropolitan area.

excellent responsiveness to the credit needs of its assessment area, primarily through its small business lending. In 1998, among similarly situated commercial banks in the assessment area, USB reported the highest volume of small business lending. Of the bank's total CRA-reportable loans in Portland-Vancouver Multi-state MSA, a significant portion (68%) was small business.

In the Portland-Vancouver Multi-state MSA, USB's deposits rank the bank first in size with a market share of 34%. Deposits generated within the Portland-Vancouver MSA represent 12% of the bank's total deposits. This is the third largest concentration of deposits in the USB system which makes this one of the primary markets for USB. As a result, this assessment area was considered to be one of the more significant markets when arriving at the bank's overall rating. In this MSA, the bank is the number one lender for small business purposes with a market share of 28%. Its home purchase and refinance lending market shares were not meaningful for this evaluation. However, USB showed strength in its home improvement lending in the MSA, ranking it second among all reporters in the area.

USB's home purchase loans accounted for 19% of the number of home mortgage loans it originated in the Portland-Vancouver Multi-state MSA. USB's home improvement loans accounted for 47% and home mortgage loans for refinance purposes accounted for 34% of the number of the home mortgage loans it originated in the MSA.

Lending competition in USB's assessment area is intense, with 97 CRA reporters in the Multi-state MSA. In addition, 561 local and national HMDA reporters were identified in the assessment area.

USB's small farm lending was not material in Portland-Vancouver Multi-state MSA. Accordingly, the bank's small farm lending was not analyzed.

In addition, USB requested that we evaluate its performance for consumer loans. USB generated 39,826 consumer loans in this assessment area during the evaluation period. Market share information is not available for consumer data.

In analyzing USB's Lending Test performance in Portland-Vancouver Multi-state MSA, greater weight was given to its consumer lending based on the large volume of loans generated and the fact that retail lending is a strategic focus of USB. The number of consumer loan originations was three times greater than small business originations. We gave secondary consideration to small business lending versus home mortgage lending.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The overall geographic distribution of USB's home mortgage lending is excellent in the Portland-Vancouver Multi-state MSA.

Home Purchase Loans

USB's distribution of home purchase loans is excellent.

USB's distribution of lending in the low-income areas of the Portland-Vancouver MSA exceeded the owner-occupied demographics of the areas. In addition, the bank's market share in these areas significantly exceeded its overall market share for the MSA.

USB's distribution of lending in the moderate-income areas of the Portland-Vancouver MSA exceeded the owner-occupied demographics of the areas. In addition, the bank's market share in these areas exceeded its overall market share for the MSA.

Home Improvement Loans

Overall, USB's geographic distribution of home improvement loans is excellent.

USB's distribution of lending in the low-income areas of the Portland-Vancouver MSA exceeded the owner-occupied demographics of the areas. However, the bank's market share in these areas was below its overall market share for the MSA.

USB's distribution of lending in the moderate-income areas of the Portland-Vancouver MSA significantly exceeded the owner-occupied demographics of the areas. In addition, the bank's market share in these areas essentially matched its overall market share for the MSA.

Refinance Loans

Overall, USB's distribution of home refinance loans is good.

USB's distribution of lending in the low-income areas of the Portland-Vancouver MSA was below the owner-occupied demographics of the areas. An analysis of the bank's nominal market share is not meaningful to this evaluation.

USB's distribution of lending in the moderate-income areas of the Portland-Vancouver MSA exceeded the owner-occupied demographics of the areas. An analysis of the bank's nominal market share is not meaningful to this evaluation.

Small Loans to Businesses

Refer to Table 5 in the Multi-state Metropolitan Areas 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.

USB's geographic distribution of small loans to businesses reflects an excellent dispersion throughout its assessment area. These loans accounted for 68% of the number of reportable loans originated by USB in Portland-Vancouver Multi-state MSA.

USB's distribution of lending in the low-income areas of the Portland-Vancouver MSA slightly exceeded the business demographics of the areas. In addition, USB's market share in these low-income areas was above its overall market share.

USB's distribution of lending in the moderate-income areas of the Portland-Vancouver MSA essentially matched the business demographics of the areas. Further, the bank's market share in the MSA's moderate-income areas substantially met its overall market share.

Small Loans to Farms

Refer to Table 6 in the Multi-state Metropolitan Areas 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.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending accounted for less than 1% of its lending in the MSA.

Consumer Loans

Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured and personal

unsecured loans reflects an excellent dispersion.

USB's distribution of lending in the low-income areas of the Portland-Vancouver MSA exceeded the population demographics of the areas.

USB's distribution of lending in the moderate-income areas of the Portland-Vancouver MSA also exceeded the population demographics of the areas.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment area. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

The inside/outside ratio was performed at the state level. The analysis included originations and purchased loans directly attributed to USB. During the review period USB originated or purchased 98% of its Oregon loans in its assessment areas. This shows an excellent response to the credit need of the bank's Oregon assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of USB's home mortgage lending is excellent in the Portland-Vancouver MSA.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is excellent.

USB's distribution of lending to low-income borrowers in the Portland-Vancouver MSA was below the family income demographics of the area. Even when considering the area's level of families that live below the poverty level, the bank's distribution of home purchase loans to low-income borrowers remained below demographics. However, the bank's market share of these borrowers exceeded its overall market share for the MSA.

USB's distribution of lending to moderate-income borrowers in the Portland-Vancouver MSA substantially exceeded the family income demographics of the area. In addition, the bank's market share of these borrowers exceeded its overall market share for the MSA.

Home Improvement Loans

Overall, USB's distribution of home improvement loans to borrowers of different income levels is adequate.

USB's distribution of lending to low-income borrowers in the Portland-Vancouver MSA was well below the family income demographics of the area, even when considering the area's level of families that live below the poverty level. In addition, the bank's market share of these borrowers was well below its overall market share for the MSA.

USB's distribution of lending to moderate-income borrowers in the Portland-Vancouver MSA was well below the family income demographics of the area. In addition, the bank's market share of these borrowers was below its overall market share for the MSA.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different income levels in the MSA is excellent.

USB's distribution of lending to low-income borrowers in the Portland-Vancouver MSA was below the family income demographics of the area, even when considering the area's level of families that live below the poverty level. However, the bank's market share of these borrowers substantially exceeded its overall market share for the MSA.

USB's distribution of lending to moderate-income borrowers in the Portland-Vancouver MSA exceeded the area's family income demographics. In addition, the bank's market share of these borrowers exceeded its overall market share for the MSA.

Small Loans to Businesses

Refer to Table 10 in the Multi-state Metropolitan Areas 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 businesses.

USB's distribution of small business loans reflects an adequate responsiveness to the credit needs of smaller businesses in the assessment area. The bank's loan distribution to small business borrowers was below the small business demographics of the area. Although the portion of USB's loans to businesses with revenues of \$1 million or less was well below the demographics, we need to consider the fact that USB did not obtain revenue information on 30% of its small business loans. Of loans made with revenue information collected, 84% were to businesses with revenues of \$1 million or less. The bank's market share of lending to businesses with annual revenues of \$1 million or less is good. The market share to these borrowers was below its overall market share. Eighty-nine percent of the bank's small business loans were for less than \$100,000.

Small Loans to Farms

Refer to Table 11 in the Multi-state Metropolitan Areas 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.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending was a nominal portion of its total lending in Portland-Vancouver Multi-state MSA.

Consumer Loans

Refer to Table 14 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured and personal unsecured loans reflects an excellent dispersion in the Portland-Vancouver MSA.

USB's distribution of lending to low-income borrowers of the Portland-Vancouver MSA substantially met the low-income household demographics of the assessment area.

USB's distribution of lending to moderate-income borrowers of the Portland-Vancouver MSA substantially exceeded the moderate-income household demographics of the area.

Community Development Lending

Refer to Table 1 in the Multi-state Metropolitan Areas section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated an excellent volume of CD loans. This level of CD lending had a significant impact on the overall rating we assigned to the Lending Test. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix D. The dollar volume represents 14% of the bank's Tier 1 capital that is attributed to the MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- Providing a \$11,758,343 loan to Union Station, which is a major revitalization project in Portland's urban renewal district. This project is supported by the City of Portland, Portland Development Commission, and Fannie Mae. The project includes the construction of 321 housing units, with 50% of the units targeted to LMI families. We considered this to be complex due to the number of organizations involved in the project.
- Lending \$8,000,000 to the Portland Development Commission's Private Lender's Participation Agreement (PLPA). The City of Portland used this loan to provide below market loans to LMI families to purchase homes in the MSA.
- Providing \$18,300,000 to Network for Oregon Affordable Housing (NOAH), which is a consortium of local banks that provide permanent financing to affordable housing projects in the MSA. USB is the agent bank for NOAH and has the largest line of credit of the participating banks.
- Lending \$21,000,000 for the construction of Quantanama Crossing, a 711-unit low-income apartment project, of which 80% of the units are reserved for LMI individuals.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions for the Portland-Vancouver Multi-state MSA. USB has two flexible home mortgage loan programs called Home Advantage and Home Partners. As previously discussed, these programs provide flexible underwriting for LMI borrowers. In the Portland-Vancouver Multi-state MSA, the bank used these programs to originate 51 home purchase loans totaling \$5.5 million.

INVESTMENT TEST

The bank's performance under the Investment Test is rated "Outstanding." Based on a full-scope review, USB's performance in the Portland-Vancouver, OR-WA Multi-state MSA is excellent.

Refer to Table 12 in the Multi-state Metropolitan Area(s) section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, USB made 116 investments totaling \$19,421,975 in the Portland - Vancouver MSA. The volume of investments is high, even in relation to the high volume of CD opportunities available (refer to the Market Profile section of Appendix C). In addition, USB made three investments totaling \$38,295,564 that remain outstanding but were purchased in a prior period. These investments continue to have a positive impact on the community since the original investments provided needed affordable housing through Low-Income Housing Tax Credits (LIHTC) and injected capital into a Small Business Investment Corporation (SBIC). The impact on the community provided by both the current and prior period investments is good. These investments mainly centered on the provision of affordable housing and economic development within the MSA, both of which are identified needs of the MSA. We only considered a few of these investments to be innovative, complex, or exemplary of a leadership role, with two examples listed below.

The following are examples of USB's investments in the Portland - Vancouver MSA:

- USB purchased \$23,156,823 in LIHTCs in the MSA. The four associated projects provided 876 housing units to LMI individuals. The volume of LIHTCs purchased is exemplary of a leadership position.
- USB purchased \$636,000 in mortgage-backed securities. These securities are collateralized by nine housing units designated for LMI people located in LMI areas of the MSA.

- USB made a \$31,573,689 investment in Shaw Ventures Partners, a SBIC. This SBIC provides financing of small businesses and small farms. USB is the only bank investor in the SBIC, which demonstrates a leadership position.
- Other Grants - USB provided over 100 grants totaling \$2,351,027 to organizations serving various CD purposes throughout the MSA.

SERVICE TEST

The bank's performance under the Service Test in the Portland-Vancouver, OR-WA Multi-state MSA is rated "High Satisfactory."

Retail Banking Services

Refer to Table 13 in the Multi-state Metropolitan Areas 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.

USB's delivery systems are readily accessible to geographies and individuals of different income levels within the assessment area. The distribution of branches in low-income areas is good as the percent of branches located in low-income areas is only slightly below the demographic figure. Please note, however, that USB only has one branch located in a low-income area. The distribution of branches in moderate-income areas is excellent as a result of the percentage of branches in these areas significantly exceeding the demographic figure. Branch openings and closings during the evaluation period had minimal impact on the bank's provision of services to LMI areas. During the period under review, USB opened 19 and closed 10 branches. Of these, two of the closings and one opening were in moderate-income areas.

USB's office hours at branches located in LMI areas are adequate. The sole branch in a low-income area, located in Emanuel Hospital, only has office hours of 10:00 AM to 5:00 PM Monday, Wednesday, and Friday. Office hours in the moderate-income branches are comparable to those noted at branches located in middle- and upper-income areas. Office hours are typically from 10:00 AM to 5:00 PM Monday through Thursday and 10:00 AM to 6:00 PM on Fridays. Several locations are also open on Saturdays from 10:00 AM to 2:00 PM. In addition, three of the 26 branches in moderate-income areas are located in retail stores and have extended hours on Saturdays and Sundays.

As an alternative delivery method in the assessment area, USB supplements its branch distribution with a network of 180 deposit-taking ATMs. The distribution of ATMs is consistent with that of the branches noted above. The percent of ATMs

in low-income areas is slightly below the percent of population living in those areas, while the percent of ATMs in moderate-income geographies significantly exceeds the percent of the population living in those areas. In addition to the deposit-taking ATMs in the assessment area, the bank also has 120 ATMs that only dispense cash.

USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security direct deposit. USB also offers credit lines starting at \$1,000.

Community Development Services

USB's performance in providing CD services in the assessment area is good. Numerous opportunities to provide CD services exist in the MSA.

During the evaluation period, USB reported in excess of 100 CD services to organizations located within the assessment area. USB has focused its CD activities on the development of affordable housing units and assisting LMI individuals in obtaining housing. USB's CD activity also included small business development and social services targeted at LMI individuals. Examples of the CD services the bank provided during the evaluation period include:

- Network for Oregon's Affordable Housing (NOAH): a USB Senior Vice President served as Chairman of the Board of this 18-bank consortium community development corporation. NOAH provides economical permanent financing and technical assistance for the development of affordable multi-family properties for LMI families.
- Oregon Association of Minority Entrepreneurs (OAME): This non-profit organization's mission is to promote and develop entrepreneurship and economic development for ethnic minorities in the State of Oregon. OAME is a partnership between minority entrepreneurs, educators, the community, and established businesses. In 1998, OAME developed the Minority Entrepreneurship Program. This program addresses a wide range of problems relating to both skill development and technical assistance for start-up small businesses. USB assisted this organization with the development of a micro-loan fund for the start-up businesses. USB employees provided technical assistance with the development of lending criteria and serve on the Board of Directors of this organization.
- Portland Housing Center (PHC): The Portland Housing Center is an information clearinghouse and counseling center for home ownership and other housing-related issues. The goals of PHC are to promote neighborhood stability by fostering home ownership and encouraging the continued investment in improving and maintaining properties; increase the number of LMI homebuyers

in Portland, particularly first time buyers; heighten awareness and increase the accessibility of affordable rental and home ownership programs; and, establish new public-private partnerships for affordable housing options. USB helped organize the PHC by serving as a leading participant in the city of Portland task force that created the PHC. USB is also strongly represented on the Board of Directors of PHC, and several operating committees of the PHC.

- Host Development - Peninsula Village: USB works in conjunction with HOST (Home Ownership One Street at a Time) and the Oregon Housing & Community Services Department to develop and subsidize an equity program known as HOUSE (Home Ownership Using Subsidized Equity). This program is available to first-time homebuyers and offers an interest buydown of up to 2% during the first year of ownership. USB employees serve on the Board of Directors. USB also provided construction financing for Peninsula Village which is a 20-unit affordable housing subdivision.

State Rating

CRA Rating for California:	<u>Satisfactory</u>
The Lending Test is rated:	<u>High Satisfactory</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>Low Satisfactory</u>

The major factors that support this rating include:

- < USB has demonstrated good responsiveness to the credit needs primarily because of an excellent level of community development lending in conjunction with good distribution of small business loans to borrowers with different revenue sizes and within all geographies, and good distribution of home mortgage loans to borrowers of different incomes.
- < USB has made an excellent level of investment in the full-scope assessment areas with most dollars directed toward affordable housing issues.
- < USB's offices and delivery systems provide reasonable access to financial services and products in geographies of different income levels and to individuals of all incomes. Accessibility is considered good in the Sacramento MSA and adequate in the East Bay Assessment Area. Hours and services are comparable regardless of the income level of the location.

Description of Institution's Operations in California

USB has fourteen assessment areas within the northern portion of the State of California. During late 1999, USB acquired holdings in Southern California but an analysis of these areas would not be relevant because they are too recent an acquisition to have generated meaningful data. The areas that we included in our review are a mixture of four nonmetropolitan areas and ten MSAs. They are Chico (MSA #1620), East Bay (MSA #5775), Milpitas (portions of MSA #7400), Modesto (MSA #5170), Motherlode (nonmetropolitan), Nevada (nonmetropolitan), North Coast (nonmetropolitan), Redding (MSA #6690), Sacramento (MSA #6920), Solano (MSA #8720), Tracy (portions of MSA #8120), Valley (nonmetropolitan), Yolo (MSA #9270), and Yuba (MSA #9340).

USB has 85 offices and 103 ATMs in the State of California.

Refer to the Market Profiles for the State of California in Appendix C for detailed demographics and other performance context information for the two assessment areas that received full-scope reviews.

Scope of Evaluation in California

We selected the East Bay Assessment Area and the Sacramento Assessment Area for full-scope reviews. These two areas contain 31% and 29%, respectively, of USB's \$2.8 billion in deposits within the northern portion of the state. Total deposits within the State of California represent just under six percent of total U.S. Bank, NA deposits. All other assessment areas had a limited-scope review. Refer to the Scope of the Evaluation table in Appendix A for more information on the names of the counties included in each assessment area.

The overall performance of the bank in California was weighted by the percent of deposits generated in each assessment area. Therefore, the bank's performance in the East Bay Assessment Area weighed slightly more toward the bank's state rating where it generated 31% of its deposits. The Lending Activity discussion below explains how the weighting was determined for the various loan products.

During this examination, we considered information from community organizations and various members of the communities that were subject to full-scope reviews. Information obtained from these contacts is included in the Market Profile section of Appendix C.

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 Sacramento MSA is excellent and in the East Bay Assessment Area is good.

Lending Activity

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

USB's lending record in California represents a good responsiveness to the credit needs of its assessment areas, primarily through its small business and community development lending. In 1998, among similarly situated commercial banks in the combined assessment areas, USB reported among the highest volumes of small business lending. Of the assessment areas that received a full scope review, the bank was ranked fifth in both of the assessment areas. Of the bank's total reportable loans in California a significant portion (70% of the number) were CRA

reportable (small business or small farm).

USB has a record of lending activity in its assessment areas that is commensurate overall with its collection of deposits in those areas. In the East Bay Assessment Area and Sacramento MSA, USB generated almost 60% of its California deposits, ranking the bank ninth and fifth in size, with a market share of 3% and 6% in the respective markets. In these assessment areas, the bank is the number five-ranked lender for small business purposes with a market share of 5% and 10%, respectively. The bank's residential lending in these assessment areas was nominal compared to lenders of similar size.

USB's home purchase loans accounted for 24% of the number of home mortgage loans it originated in California. USB's home improvement loans accounted for 32% and home mortgage loans for refinance purposes accounted for 44% of the home mortgage loans it originated in California.

Lending competition in USB's assessment areas is intense, ranging from more than 589 HMDA reporters in the Sacramento MSA to 636 reporters in the East Bay Assessment Area. In addition, 98 and 133 CRA reporters were identified in the assessment areas, respectively.

USB's small farm lending was not material in either of the full scope assessment areas. Accordingly, small farm lending was not analyzed.

In addition, USB generated a large volume of consumer loans and requested that we evaluate the bank's performance for this product. In the East Bay Assessment Area, USB generated 13,058 consumer loans. In the Sacramento MSA, USB generated 10,067 consumer loans. Market share information is not available for consumer data.

In analyzing USB's Lending Test performance in California, greater weight was given to its small business lending versus home mortgage and small farm lending. Given that loans to small businesses are an identified need stated by community contacts, we gave primary consideration to this product in arriving at the Lending Test rating for the state. However, because of the volume of consumer loans greatly exceeds the volume of small business loans and because retail credit is also a strategic focus for USB, we determined that the consumer products should have equal weighting to small business in the Lending Test rating. CD lending had a positive impact on the Lending Test and was a factor in determining the overall rating for the Lending Test in the state.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 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.

The overall geographic distribution of USB's home mortgage lending is good in the Sacramento MSA and poor in the East Bay Assessment Area

Home Purchase Loans

Overall, USB's distribution of home purchase loans is adequate. The bank exhibited an excellent distribution in the Sacramento MSA, and poor distribution in the East Bay Assessment Area.

USB's distribution of lending in the low-income areas of the Sacramento MSA exceeded the owner-occupied demographics of the areas. USB's distribution of lending in the low-income areas of the East Bay Assessment Area was significantly below the owner-occupied demographics of the areas. USB's home purchase lending market share within low-income geographies was nominal in the full-scope assessment areas and was not meaningful to this analysis.

USB's distribution of lending in the moderate-income areas of the Sacramento MSA nearly equaled the owner-occupied demographics of the areas. USB's distribution of lending in the moderate-income areas of the East Bay Assessment Area was below the area demographics. The market share in both assessment areas was also nominal in the moderate-income geographies and was not meaningful to this analysis.

Home Improvement Loans

Overall, USB's geographic distribution of home improvement loans is poor. The bank exhibited a poor distribution in the Sacramento MSA and East Bay Assessment Area.

USB's distribution of lending in the low-income areas of the Sacramento MSA and East Bay Assessment Area was well below the owner-occupied demographics of the areas. However, the bank's market share in the low-income areas of the Sacramento MSA exceeded its overall market share, while its market share of the low-income areas of the East Bay Assessment Area was well below its overall market share.

USB's distribution of lending in the moderate-income areas of the Sacramento MSA and East Bay Assessment Area was significantly below each area's demographics.

However, the bank's market share in the Sacramento MSA's moderate-income areas just slightly exceeded its overall market share. In the East Bay Assessment

Area its market share was well below its overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans is adequate. The bank exhibited an adequate distribution in the Sacramento MSA, and poor distribution in the East Bay Assessment Area.

USB's distribution of lending in the low-income areas of the Sacramento MSA was just below the owner-occupied demographics of the areas. In addition, USB's market share in low-income areas exceeded its overall market share. The bank's distribution of lending in the low-income areas of the East Bay Assessment Area was well below the owner-occupied demographics of the areas. USB's market share in this assessment area was nominal and not meaningful to this analysis.

USB's distribution of lending in the moderate-income areas of the East Bay Assessment Area was below the area's demographics. The bank's market share was nominal and not meaningful to this analysis. USB's distribution of lending in the moderate-income areas of the Sacramento MSA was well below the owner-occupied demographics of the areas. However, USB's market share in Sacramento's moderate-income areas was near to its overall market share.

Small Loans to Businesses

Refer to Table 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 origination/purchase of small loans to businesses.

USB's geographic distribution of small loans to businesses reflects a good dispersion throughout its assessment areas. The bank exhibited an excellent distribution in the Sacramento MSA and an adequate distribution in the East Bay Assessment Area.

USB's distribution of lending in the low-income areas of the Sacramento MSA slightly exceeded the business demographics of the areas. In addition, USB's market share in these low-income areas was slightly below its overall market share. However, the bank's distribution of lending in the low-income areas of the East Bay Assessment Area was well below the business demographics of the area. Moreover, USB's market share in these low-income areas was well below its overall market share.

USB's distribution of lending in the moderate-income areas of the Sacramento MSA and East Bay Assessment Area were just below each area's demographics.

Further, the bank's market share in these moderate-income areas exceeded and was just below its overall market share in the respective assessment areas.

Small Loans to Farms

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 farms.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending accounted for only 1% of its total lending in California.

Consumer Loans

Refer to Table 14 in the State of California section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured and personal unsecured loans reflects a poor dispersion in both full-scope assessment areas.

USB's distribution of lending in the low-income areas of the Sacramento MSA and East Bay Assessment Area was well below the population demographics of the areas.

USB's distribution of lending in the moderate-income areas of the Sacramento MSA and East Bay Assessment Area was well below each area's population demographics.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's full-scope assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence.

Inside/Outside Ratio

The inside/outside ratio was performed at the state level. The analysis included originations and purchased loans directly attributed to USB. During the review period USB originated or purchased 88% of its California loans in its assessment areas. This shows a good response to the credit need of its California assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the State of California section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of USB's home mortgage lending is adequate in both the East Bay Assessment Area and in the Sacramento MSA.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is good. The bank exhibited an excellent distribution in the Sacramento MSA and an adequate distribution in the East Bay Assessment Area. USB's home purchase lending market share was nominal in the full-scope assessment areas and was not meaningful to this analysis.

USB's distribution of lending to low-income borrowers in the Sacramento MSA was below the family income demographics of the areas. While the bank's distribution of lending to low-income borrowers in the East Bay Assessment Area was well below the family income demographics of the areas even when considering the area's level of families that live below the poverty level.

USB's distribution of lending to moderate-income borrowers in the Sacramento MSA significantly exceeded the family income demographics of the areas. While the bank's distribution of lending to moderate-income borrowers in the East Bay Assessment Area was below the family income demographics of the areas.

Home Improvement Loans

USB's distribution of home improvement loans in both full-scope assessment areas is poor.

USB's distribution of lending to low-income borrowers in the Sacramento MSA and East Bay Assessment Area was substantially below the family income demographics of the areas even when considering the area's level of families that live below the poverty level. In addition, USB's market share of low-income borrowers was well below its overall market share in the respective assessment areas.

USB's distribution of lending to moderate-income borrowers in the Sacramento MSA was well below the area's family income demographics. The bank's distribution of lending to moderate-income borrowers in the East Bay Assessment Area was below the area's family income demographics. The bank's market share to these borrowers was below its overall market share in the respective areas.

Refinance Loans

USB's distribution of home refinance loans to borrowers of different income levels in both full-scope assessment areas is good. USB's refinance lending market share was nominal in the full-scope areas and was not meaningful to this analysis.

USB's distribution of lending to low-income borrowers in both full-scope assessment areas was well below the family income demographics of the respective areas even when considering the area's level of families that live below the poverty level.

USB's distribution of lending to moderate-income borrowers in both full-scope assessment areas nearly matched family income demographics of the respective areas.

Small Loans to Businesses

Refer to Table 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 origination and purchase of small loans to businesses.

USB's distribution of small business loans reflects a good responsiveness to the credit needs of smaller businesses in both of its full-scope assessment areas. The bank's loan distribution to small business borrowers was below the small business demographics in both of these assessment areas. However, it should be noted that USB did not obtain revenue information on a large portion of its business borrowers in either assessment area. Of loans with revenue information collected, USB made 83% and 82% of its loans to businesses with revenues of \$1 million or less in the East Bay Assessment Area and the Sacramento MSA, respectively. Another indicator that USB effectively provided small business loans was based on the

original dollar of the loan. Most loans made had original amounts of \$100,000 or less. USB's market share of loans to these borrowers was also just below its overall market share in the respective assessment areas.

Small Loans to Farms

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/purchase of small loans to farms.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending accounted for only 1% of its total lending in California.

Consumer Loans

Refer to Table 14 in the State of California section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured and personal unsecured loans reflects an excellent dispersion in both full-scope assessment areas.

USB's distribution of lending to low-income borrowers of the Sacramento MSA and East Bay Assessment Area was just below or greatly exceeded the low-income household demographics of the assessment areas, respectively.

USB's distribution of lending to moderate-income borrowers of the Sacramento MSA and East Bay Assessment Area substantially exceeded the moderate-income household demographics of each assessment area.

Community Development Lending

Refer to Table 1 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.

The bank's CD lending efforts during the evaluation period had a positive influence on the overall Lending Test rating for the state. During the evaluation period, USB originated an excellent volume of CD loans. This level of CD lending had a significant impact on the overall rating we assigned to the Lending Test. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C.

The dollar volume represents 37% of the bank's Tier 1 capital that is attributed to the East Bay Assessment Area and 34% of capital attributed to the Sacramento MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- USB provided a \$7,275,000 loan to acquire and rehabilitate a 132-unit apartment complex located in the East Bay Assessment Area. A local non-profit provides on-site social service programs in conjunction with this project. All units are reserved for LMI families.
- Providing a \$15,000,000 rehabilitation loan for a historic building located in a low-income census tract within the East Bay Assessment Area. This project serves as a catalyst for additional development in this depressed area.
- Providing a \$3,625,000 loan for the acquisition and rehabilitation of a housing project in the Sacramento MSA. This multi-family housing project provides 116 housing units to the local community with all units restricted to LMI families.
- Extending a \$6,000,000 loan to a local investment group to provide LMI housing in West Sacramento. Purpose of the loan was acquisition and rehabilitation of the project. All of the housing units are designated for occupancy by LMI individuals and/or families. The City of West Sacramento is also providing funding for this project.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions for this state. USB has two flexible home mortgage loan programs called Home Advantage and Home Partners. As previously discussed, these programs provide flexible underwriting for LMI borrowers. In the California assessment areas the bank used these programs to originate 49 home purchase loans totaling \$4.1 million and one home refinance loan for \$70 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Chico, Milpitas, Nevada, Redding, and Solano Assessment Areas are not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test for California. These assessment areas account for 11% of the bank's deposits.

In the North Coast and Yolo County Assessment Areas, USB's performance is stronger than its state performance. The bank's stronger performance was based

on its good geographic and borrower distribution. The stronger performance in these areas does not have a material impact on the state rating. These assessment areas account for 14% of the bank's deposits.

USB's performance is weaker than its overall rating in the following assessment areas: Modesto, Motherlode, Tracy, Valley, and Yuba. The bank's performance in these assessment areas was not balanced between geographic and borrower distributions. Further, in all but the Tracy Assessment Area, the weaker performance was attributed to the bank's borrower distribution. In the Tracy Assessment Area, the bank's weaker performance was attributed to its geographic distribution. The bank's weaker performance in these assessment areas does not have a material impact on the state rating. These assessment areas account for 15% of the bank's deposits.

Refer to the Tables 1 through 11 and Table 14 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

The bank's performance under the Investment Test in California is rated "Outstanding." Based on full-scope reviews, the bank's performance in both the East Bay Assessment Area and Sacramento MSA is excellent.

Refer to Table 12 in the State of California section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

East Bay Assessment Area

During the evaluation period, USB made 19 investments totaling \$7,712,500 in the East Bay Assessment Area. This volume of investments is high in relation to the good level of CD opportunities that are presented in the MSA. In addition, the bank's investments have had a good impact on the community. Almost all of the bank's investments (99%) are targeted toward the provision of affordable housing. This is a very pressing need in the MSA. Although the volume is high, we did not identify many investments with innovative, complex, or leadership characteristics.

The following are examples of USB's investments in the East Bay Assessment Area:

- USB invested \$7,000,000 in Low-Income Housing Tax Credits in the MSA. The specific project provided 296 units of affordable housing to the MSA.

- USB purchased \$592,000 of mortgage-backed securities that are secured by five housing units designated for LMI people located in LMI areas of the MSA.
- Other Grants - USB provided 16 grants totaling \$120,500 to various organizations, most of which focus on providing community services to LMI individuals.

Sacramento MSA

During the evaluation period, USB made 61 investments totaling \$15,166,034 in the Sacramento MSA. This volume of investments is high in relation to the good volume of CD opportunities that are presented in the MSA. In addition, the bank's investments have had a good impact on the community. Virtually all of the bank's investments (99%) are targeted toward the provision of affordable housing in the MSA, which is a significant need of the community. Although the volume is high, we did not identify an abundance of investments with innovative, complex, or leadership characteristics.

The following are examples of USB's investments in the Sacramento MSA:

- USB purchased Low-Income Housing Tax Credits associated with eight projects in the MSA. These investments total \$14,639,534 and represent 97 percent of the bank's CD investments within the MSA. Combined, they provided 442 affordable housing units in the MSA.
- USB provided a grant of \$25,000 to Low Income Housing Fund/NCRC that administers an affordable housing loan pool for LMI individuals. The bank helped this organization by identifying the need for a predevelopment loan pool to supplement the organization's existing loan pool. In addition to identifying the need for this kind of loan pool, USB is the lead lender for the pool and one of the two investors in it.
- Other Grants - USB provided over 50 other grants totaling \$334,500 to various other organizations that focus on CD issues. USB's grants went largely toward supporting both affordable housing and community services for LMI individuals.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Milpitas, Nevada, Solano, Valley, Yolo, and Yuba Assessment Areas is not inconsistent with the bank's overall "Outstanding" performance under the Investment Test in California. In the Chico, Modesto, Motherlode, Redding, and Tracy Assessment Area, the bank's performance is weaker than the bank's overall performance in the state. This weaker performance is based on the comparatively low volume of investments within these assessment areas as compared with the level noted in the full-scope areas. The performance did not, however, have a

significant impact on the overall Investment Test rating for the state, because the assessment areas were the source of less than one quarter of the bank's deposit base within the state. Refer to the Table 12 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 "Low Satisfactory." Based on full-scope reviews, the bank's performance is good in the Sacramento MSA and adequate in the East Bay Assessment Area. All other assessment areas in California are limited scope.

Retail Banking Services

Refer to Table 13 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.

USB's delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. Accessibility is good in the Sacramento MSA and adequate in the East Bay Assessment Area. For the Sacramento MSA, USB's distribution of offices located in LMI geographies is near the distribution of the population living in such geographies. USB did not open or close branches in the Sacramento MSA. For the East Bay Assessment Area, the distribution of USB's offices in LMI geographies is less than the distribution of the population living in such geographies. Community contacts in the Oakland area commented that a lack of offices in the downtown area makes it difficult for small business owners to develop a banking relationship. USB does not have any offices in Oakland or immediately accessible to LMI geographies in the greater Oakland area. See the Market Profiles section for additional details.

Branch closures and openings resulted in a net reduction of four offices in the East Bay Assessment Area. The branch closures did not, however, affect the accessibility of retail delivery systems to LMI individual and geographies.

USB's hours and services offered in the Sacramento MSA and East Bay Assessment Area are good. Office hours and services are comparable among all locations regardless of the income level of the geography. Hours are extended at all offices on Fridays. Saturday hours are offered at the majority of offices in each of these assessment areas. However, Saturday hours are less common in LMI geographies. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee

checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers a reasonable alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. ATM accessibility is excellent in the Sacramento MSA and adequate in the East Bay Assessment Area. USB's distribution of ATMs located in LMI geographies exceeds the distribution of the population living in such geographies in the Sacramento MSA. For the East Bay Assessment Area, USB's distribution of ATMs located in LMI geographies is less than the distribution of the population living in such geographies. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is good in its California full-scope assessment areas. USB's performance is good in the Sacramento MSA and adequate in the East Bay Assessment Area. CD opportunities are available for financial institutions in both assessment areas.

In the Sacramento MSA, USB has focused its CD activities on affordable housing and the housing needs of LMI individuals and small business development. This meets an identified community development need. CD service examples from this evaluation period include:

- Sacramento Housing and Redevelopment Agency (SHRA) - Boarded Housing Project: SHRA sponsors a rehab program for abandoned housing that have been boarded-up. USB was a leader in originally developing this program through its grant sponsorship. USB supports the program by identifying and prequalifying homebuyers for SHRA during the rehab phase. This service facilitates the program by alleviating contractor concerns regarding viable take-outs for completed projects.
- Western Avenue Project: A group of blighted duplexes were converted into 13 single-family homes that are considered affordable for LMI people. The project was innovative in that it allowed the homebuyers to put "sweat equity" into their future homes. A USB employee worked with a government-housing agency to identify and counsel potential homebuyers. USB was involved in many facets of this project starting with the original property acquisition.
- California Capital Small Business Development Center: A USB employee is a Board member for this organization that provides loan guarantees to small business owners that otherwise would not qualify under standard loan underwriting criteria.

- Sacramento Urban League: A bank employee serves as the treasurer of this organization. In addition to financial support, USB was the lead lender in a particular project for the Urban League's construction of its new training facility. As the lead lender, USB provided its environment review team during the predevelopment phase at no cost to the Urban League. The Urban League is a nonprofit organization that includes as one of its primary missions the economic self-sufficiency of African-Americans. Its strategy includes the development of good jobs and entrepreneurship through job training programs and career development as well as homeownership.
- Surreal Estates Artist Live/Work Limited Equity Co.: USB sponsored the application to the Federal Home Loan Bank of Des Moines for this Affordable Housing Program loan. This was a collaborative housing project between several local, state, and public and private organizations to provide low-income artists with suitable housing. This is a combination rent-to-own project with the residents providing sweat-equity.
- U.S. Bancorp Piper Jaffray, an affiliate of USB, provides bond-underwriting services to local municipalities. These bond issues provided funding for multi-family housing developments that benefited LMI people.
- USB conducted 18 first-time homebuyer seminars and six basic banking or credit seminars.
- Five USB employees provide financial expertise to six organizations that promote affordable housing. The bank employees serve as Board members or on other committees for these organizations.

In the East Bay Assessment Area, USB has spread its CD activities across events and entities that promote affordable housing, small business development, and social services targeted at LMI individuals. These are in line with identified needs discussed by community groups. The CD service highlights from this evaluation period include:

- Shelter, Inc.: Shelter's mission is to provide emergency, transitional, and permanent affordable housing for LMI individuals living in the Bay Area. A USB employee serves this organization as a board member. In 1999, Shelter recognized USB as its "Partner of the Year."
- A USB employee serves a small business development corporation (Bay Area SBDC) by serving on a loan review committee. The organization provides state sponsored guarantees on business loans that would not otherwise qualify for financing.
- USB employees have provided numerous basic banking seminars.
- A USB employee serves on the site selection committee for Habitat for Humanity-East Bay.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in Milpitas, Motherlode, and Nevada Assessment Areas are not inconsistent with the bank's overall "Low Satisfactory" performance under the Service Test in California. In the Tracy, Yolo, and Yuba Assessment Areas the bank's performance is weaker than the bank's overall performance in the state. The distribution of USB's offices in LMI geographies for these three assessment areas is less than the distribution of the population living in such geographies. In the Chico, Modesto, North Coast, Redding, Solano, and Valley Assessment Areas, the bank's performance is stronger than the bank's overall performance in the state. The distribution of USB's offices in LMI geographies for these six assessment areas exceeds the distribution of the population living in such geographies. Refer to Table 13 in the State of California section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Colorado:	<u>Outstanding</u>
The Lending Test is rated:	<u>Outstanding</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>High Satisfactory</u>

The major factors that support this rating include:

- < USB has demonstrated excellent responsiveness to the credit needs of the area through \$34 million of community development loans supplemented by a good distribution of home mortgage, small loans to businesses, and consumer loans to borrowers of different income levels and within LMI geographies.
- < USB has made an excellent level of investments in the area that have been highly responsive to the needs of the community. Most investments have focused toward the provision of affordable housing.
- < USB's offices and delivery systems are reasonably accessible to all geographies and individuals of different income levels. Hours and services offered provide excellent convenience to all locations. USB employees have provided an excellent level of community development related services with most activities focused on the housing needs of LMI people.

Description of Institution's Operations in Colorado

USB has ten assessment areas within the State of Colorado. These include seven MSAs and three nonmetropolitan areas. They are Boulder (MSA #1125), Canon City (nonmetropolitan), Colorado Springs (MSA #1720), Denver (MSA #2080), Fort Collins (MSA #2670), Grand Junction (MSA #2995), Greeley (MSA #3060), La Junta (nonmetropolitan), Pueblo (MSA #6560), and Roaring Fork Valley (nonmetropolitan).

USB has 84 offices and 450 ATMs within the State of Colorado

Refer to the Market Profiles for the State of Colorado in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Colorado

We selected the Denver Assessment Area for a full-scope review. This assessment area contains 77% of USB's \$5.1 billion in deposits within the state. All other assessment areas received a limited-scope review. Refer to the Scope of the

Evaluation table in Appendix A for more information on the names of the counties included in each assessment area.

Our conclusions for the State of Colorado are based on performance in the Denver MSA because this assessment area generated the largest portion (77%) of the deposits within this state and has the greatest share of USB's loans (65%) in the state. The Lending Activity section below describes which loan products carried the most weight in arriving at the Lending Test rating for the state.

During this examination, we considered information from community organizations and various members of the communities that were subject to full-scope reviews. Information from these contacts is included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Colorado is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Denver MSA is excellent.

Lending Activity

Refer to Table 1 in the State of Colorado section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Based on our review of the full-scope assessment area, USB's lending record in Colorado represents excellent responsiveness to the credit needs of the assessment area. In the Denver MSA, approximately one-third of the bank's nearly 18,000 CRA-reportable loans originated/purchased during the evaluation period were home mortgage loans. The bank activity with small loans to farms was insignificant in volume.

The composition of home mortgage loan originations/purchases was generally divided among the home purchase, home improvement, and home refinance loan type categories.

USB ranks second in deposit market share (16%) within the Denver Assessment Area. Based on 1998 CRA aggregate data, USB ranks first in small loans to businesses and second in small loans to farms, although only 19 small loans to

farms were made. Based on 1998 HMDA aggregate data, USB is the 34th largest originator/purchaser of loans for home purchase, second for home improvement, and 36th for home refinance.

In addition to this, USB generated a significant number of consumer loans and requested that we include these loans in our analysis. In the Denver MSA, USB made approximately 82,000 consumer loans. Market share information is not available on consumer data.

In arriving at our conclusions for the Lending Test performance in Colorado, greater weight was given to the consumer loan category based on the significant volume of loans generated. We gave next greatest weight to small business then to the home mortgage products, again based on volume of originations. Although contacts with community groups focused on real estate and small business loans as credit needs, we gave consumer loans the most weight because the volume of consumer loans far exceeded the volume of loans of all other types combined. Consumer lending is also a strategic business focus for USB. CD lending also was a major consideration in arriving at the overall Lending Test rating for the state.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 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.

The overall geographic distribution of home mortgage loans is excellent.

Home Purchase Loans

Home purchase loan distribution is good. In the Denver MSA, the portion of home purchase loans made in either low- or moderate-income geographies was moderately close to the respective portions of owner-occupied housing units there. The market share for loans in low-income geographies was slightly below the bank's overall market share. For moderate-income geographies, the bank's market share exceeded the overall market share.

Home Improvement Loans

Home improvement loan geographic distribution is excellent. In the Denver MSA, the portion of home improvement loans made in either low- or moderate-income geographies significantly exceeded the portion of owner-occupied housing units

there. In addition, the market share for loans made in both low- and moderate-income geographies significantly exceeded the bank's overall market share.

Refinance Loans

Home refinance loan geographic distribution is likewise excellent. In the Denver MSA, the portion of home refinance loans made in either low- or moderate-income geographies significantly exceeded the portion of owner-occupied housing units there. In addition, the market share for loans made in both low- and moderate-income geographies significantly exceeded the bank's overall market share.

Small Loans to Businesses

Refer to Table 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 origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is good. In the Denver MSA, the portion of small loans to businesses made in low-income geographies was below the portion of businesses within those geographies. The market share for such loans was near to the bank's overall market share.

The portion of small loans to businesses made in moderate-income areas was near to the portion of businesses within those geographies. Also, the market share for such loans was near to the bank's overall market share.

Small Loans to Farms

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 farms.

In the Denver MSA, USB made 19 small loans to farms during the evaluation period which is an insufficient volume to render any meaningful analysis.

Consumer Loans

Refer to Table 14 in the State of Colorado section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The geographic distribution of consumer loans is adequate. In the Denver MSA, the bank's portion of consumer loans made in low-income geographies was below

the portion of the population residing there. The portion of loans made in moderate-income areas was moderately below the portion of the population residing there.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

A substantial majority of the bank's loans were originated within its assessment areas. During the evaluation period, 98% of the bank's lending (home mortgage, small loans to businesses/farms, and consumer loans) originated within its assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 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.

The overall borrower distribution of home mortgage lending is good.

Home Purchase Loans

The borrower distribution of home purchase loans is good. In the Denver MSA, the portion of home purchase loans made to low-income borrowers was below the portion of families defined as such even when considering the area's families living below the poverty level. The respective market share of loans to such borrowers exceeded the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers exceeded the portion of borrowers defined as such. In addition, the market share for loans made to moderate-income families was near to the bank's overall market share.

Home Improvement Loans

The borrower distribution of home improvement loans is good. In the Denver MSA, the portion of home improvement loans made to low-income borrowers was well below the portion of families defined as such even when considering the area's families living below the poverty level. However, the respective market share of loans to such borrowers was moderately close to the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers exceeded the portion of borrowers defined as such. In addition, the market share for loans made to moderate-income families exceeded the bank's overall market share.

Refinance Loans

The borrower distribution of home refinance loans is excellent. In the Denver MSA, the portion of home refinance loans made to low-income borrowers was below the portion of families defined as such. When the portion of families living below poverty was considered, the bank's portion of loans was near to the demographics. The respective market share of loans to such borrowers was well above the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers significantly exceeded the portion of borrowers defined as such. In addition, the market share for loans made to moderate-income families exceeded the bank's overall market share.

Small Loans to Businesses

Refer to Table 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 origination and purchase of small loans to businesses.

Distribution of small loans to businesses is good. In the Denver MSA, the bank's portion of loans made to small businesses (businesses with annual revenues of \$1 million or less) was close to the portion of businesses defined as such. Note that USB did not obtain revenue information on 24% of its small business loans. Of those loans made with revenue information, 82% were to businesses with revenues of \$1 million or less. This greatly exceeded demographics. In addition, the bank's market share of such loans is near to the bank's overall market share.

Small Loans to Farms

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/purchase of small loans to farms.

Given the nominal volume (19 loans) of small loans to farms, analysis is not meaningful.

Consumer Loans

Refer to Table 14 in the State of Colorado section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The borrower distribution of consumer loans is excellent. In the Denver MSA, the bank's portion of loans made to low-income borrowers was just below the portion of households defined as such. Note that 10% of the households in this MSA are designated as living below poverty. If this is considered, the bank's portion of loans greatly exceeds the demographic comparator. The bank's portion of loans significantly exceeded the portion of households defined as moderate-income.

Community Development Lending

Refer to Table 1 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.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated an excellent volume of CD loans in light of the strong competition within the MSA. This level of CD lending had a positive impact on the overall rating we assigned to the Lending Test. The number and dollar volume of CD loans are indicated on Table 1 of Appendix D. The dollar volume represents 8% of the bank's Tier 1 capital that is attributed to the Denver MSA. For comparative purposes, USB's primary competitor only originated 13 CD loans totaling \$3.5 million over a three-year evaluation period. We noted some instances of loans with complex, innovative, or leadership characteristics. The largest CD loans include:

- USB provided a \$4,393,000 construction loan associated with a Denver tax credit apartment project that provides 80 units of LMI housing in Denver. All of the apartment units are restricted to LMI families. We considered this project complex due to the number of groups involved in the financing package. This project was completed with funding provided by USB, Federal Home Loan Bank, Community Development Block Grant funds, and a non-profit foundation. The

Foundation, comprised of three nonprofit developers, did not have previous experience in obtaining this type of complex financing.

- Lending \$1,025,000 for the redevelopment of commercial real estate located in an LMI area of the MSA. By working with various local government entities, this project became eligible for Enterprise Zone Tax Credits and other entitlement programs for the City of Aurora and Arapahoe County. As a result, we deemed this project to be complex. This redevelopment will help create jobs for people living in the adjacent LMI areas.
- Providing a \$4,200,000 loan for the purchase and rehabilitation of a 141-unit multi-family housing project located in Denver. All of the units are restricted to LMI occupants.
- Providing a \$7,500,000 revolving line of credit for the construction of 144 condominium units in 18 8-unit buildings located in an LMI area of Aurora. All of the units are restricted to purchase by LMI families.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. Bank-wide, USB offers flexible mortgage-related lending programs serving LMI borrowers including the “Home Advantage” and “Home Partners.” In the Colorado assessment areas the bank used these programs to originate 46 home purchase loans totaling \$4.4 million and three home refinance loans for \$227 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Lending Test in the Boulder, Canon City, Fort Collins, Grand Junction, Greeley, La Junta, Pueblo, and Roaring Fork Valley Assessment Areas is not inconsistent with the bank’s overall “Outstanding” performance under the Lending Test in Colorado. In the Colorado Springs Assessment Area, the bank’s performance is weaker than the bank’s overall performance in the state. This weaker performance is centered in the borrower distribution of both home purchase and home improvement loans. However, the weaker performance in only one assessment area was not material enough to result in an adjustment to the bank’s rating under the Lending Test for Colorado.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Colorado is rated "Outstanding." Based on a full-scope review, the bank's performance in the Denver MSA is excellent.

Refer to Table 12 in the State of Colorado section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

USB made 166 qualifying investments totaling \$23,430,783 in the Denver MSA. Two of these investments totaling \$5.6 million were made in prior to this evaluation period but remain outstanding at this time and continue to address much needed affordable housing issues. This volume of investments is high, even when compared to the abundance of CD investment opportunities in the MSA (refer to the Market Profile in Appendix C). In addition, the impact of the investments on the community is good. The vast majority of the investments are focused on providing affordable housing in the MSA. This is one of the most frequently discussed credit needs in the MSA. Although the volume of qualifying investments is high, few of the investments demonstrate innovative, complex, and leadership characteristics.

For comparative purposes, USB's main competitor made 109 investments totaling \$12.7 million over a three-year period.

The following is a discussion of USB's investments in the Denver MSA:

- USB provided a \$200,000 equity equivalent investment to the Colorado Enterprise Fund (CEF) to support their loan fund expansion. CEF provides access to loan capital for low-income entrepreneurs and early stage businesses. To meet the critical need for access to capital for the start-up and expansion of childcare facilities, CEF has provide loans and technical assistance to build the capacity of childcare providers. In addition, they are expanding to provide financing to people with disabilities to help them become self-sufficient through self-employment and business ownership. In addition to the equity investment, USB also provides annual grants of \$25,000 to support the operation of the revolving loan fund.
- USB purchased Low-Income Housing Tax Credits on six projects totaling \$18,994,968 located in the Denver MSA. Combined, these projects provided 675 units of low-income housing units in the MSA.
- USB purchased mortgage-backed securities totaling \$563,000 which are secured by RE mortgages to LMI people on seven properties located in LMI areas of the MSA.
- Other Grants - USB provided over 150 grants totaling \$1,303,797 to local nonprofit organizations for various projects and CD initiatives in the Denver MSA.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Canon City, Fort Collins, and Grand Junction Assessment Areas is not inconsistent with the bank's overall "Outstanding" rating under the Investment Test in Colorado. In the Boulder, Colorado Springs, Greeley, La Junta, Pueblo, and Roaring Fork Valley Assessment Areas, the bank's investment test performance is weaker than the bank's overall performance in the state based upon the volume of investments made within each assessment area. However, these areas did not have a significant impact on our overall conclusion due to relative insignificance that these markets represent to the state as a whole (21% of total deposits in the state). Refer to the Table 12 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 Denver MSA is good. All other assessment areas in Colorado are limited scope.

Retail Banking Services

Refer to Table 13 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.

USB's delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the full-scope assessment area. Accessibility is adequate in the Denver MSA because the distribution of offices located in LMI geographies is less than the distribution of the population living in such geographies. There were no branch closures. Branch openings, eight total, were in middle- and upper-income geographies and did not affect the accessibility of retail delivery systems in LMI geographies of the Denver MSA.

USB's hours and services offered in the Denver MSA are excellent. Office hours and services are comparable among all locations regardless of the income level of the geography. Saturday hours are offered at the vast majority of offices serving the MSA including all 12 of USB's offices located in LMI geographies. USB's

standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers an effective alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. USB's distribution of ATMs located in LMI geographies exceeds the distribution of the population living in such geographies in the Denver MSA. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is excellent in the Denver MSA. CD opportunities are available for financial institutions located in the Denver MSA.

In the Denver MSA, USB has focused its CD activities on affordable housing and the housing needs of LMI individuals. Contacts with community groups indicated that this is consistent with existing community development needs. USB's CD activities also included small business development and social services target at LMI individuals. The CD service highlights from this evaluation period include:

- Denver Neighborhood Housing Fund: USB has taken a leadership role in developing and supporting this organization. USB worked for over a year with government and nonprofit entities to establish a fund for the creation of affordable housing in the Denver MSA. The initial capitalization of the fund was \$6.25 million with USB as the only private investor. USB continues to assist the organization in obtaining funds. Two USB employees serve the organization, one as chairman and one on a loan committee.
- Community Enterprise Lending Initiative: USB created this micro-enterprise program several years ago and continues to support it through annual grants and by providing employees to serve on the Boards or various committees to provide technical, financial assistance and counseling. Organizations that have subsequently benefited from this relationship include the Small Business Development Center of Denver, Mi Casa Resource Center for Women and the Del Norte Neighborhood Development Corporation. The Mi Casa Resource Center provides loans, technical assistance, and business counseling to women on welfare or living in poverty so that they can attain self-sufficiency through entrepreneurship. A USB employee also serves on the steering committee of Del Norte Development Corporation which is an organization that provides technical assistance to start-up micro-businesses, primarily owned by LMI families. The organization also provides homeownership counseling and general

economic development assistance.

- Colorado Women’s Employment and Education: A bank employee is a Board member of the organization and provides financial advice to the organization. The organization provides job-skills training to single parent families and prepares its graduates to transition from welfare to work. This bank employee assists the graduates by providing technical assistance and placement into living wage work within the bank or at other locations.
- HUD Next Door Kiosk: USB provided space to HUD in one of its low-income branches for an electronic information kiosk. The kiosk provides access to information on buying homes, finding affordable rental housing, obtaining job training, and other miscellaneous information that benefits local LMI residents.
- Women’s Bean Project: This organization’s mission is to provide transitional employment to women who have been living in poverty. A bank employee serves on the Board and provides technical assistance.
- Christmas in April: This organization paints and rehabs homes to keep low-income senior citizens in their homes. In 1999, a USB employee played a leadership role in founding this program in Denver and currently serves the organization as the chairman of the board.
- U.S. Bancorp Piper Jaffray: An affiliate of USB provided bond-underwriting services to the Colorado Housing and Finance Authority for four multi-family housing projects which are affordable to LMI individuals.
- USB participated in monthly homebuyer training seminars in conjunction with three affordable housing organizations. In addition, USB employees have provided numerous basic banking seminars to LMI individuals
- Nine USB employees serve ten different affordable housing organizations in a board or committee membership role.
- USB employees provide CD services to numerous other organizations promoting small business development and social services targeted at LMI individuals. In addition, several bank employees serve as members of the board of several Chambers of Commerce groups in the greater Denver area. The Chamber of Commerce provides advice, training, and leadership opportunities to small business owners.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Service Test in the Boulder, Colorado Springs, Fort Collins, La Junta, and Roaring Fork Assessment Areas is not inconsistent with the bank’s overall “High Satisfactory” performance under the Service Test in Colorado. In the Canon City assessment area, the bank’s performance is stronger than the bank’s overall performance in the state because the distribution of offices located in LMI geographies exceeds the distribution of the population living in such geographies. In the Pueblo, Grand Junction, and Greeley MSAs the bank’s performance is weaker than the bank’s overall performance in the

state. The distribution of USB's offices located in LMI geographies in these three assessment areas was less than the distribution of the population living in such geographies. Refer to Table 13 in the State of Colorado section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Idaho:	<u>Outstanding</u>
The Lending Test is rated:	<u>Outstanding</u>
The Investment Test is rated:	<u>High Satisfactory</u>
The Service Test is rated:	<u>Outstanding</u>

The major factors that support this rating include:

- < USB has demonstrated excellent responsiveness to credit needs. USB has excellent distribution of home mortgage loans in LMI geographies. Its small farm lending showed excellent distribution of loans in geographies of different income levels and to farms with revenues under \$1 million. USB has an excellent distribution of consumer loans to LMI areas and individuals. It also has a very strong record of making community development loans.
- < USB has made a good level of investments, the vast majority of which address affordable housing needs.
- < USB's offices and delivery systems are readily accessible to all geographies and individuals of different income levels. The bank has an especially favorable presence in low-income geographies compared to the population living there. USB employees provide an adequate level of community development services.

Description of Institution's Operations in Idaho

USB has seven assessment areas within the State of Idaho. These include a combination of MSA and nonmetropolitan areas. They are Bannock (MSA #6340), Boise (MSA #1080), Central (nonmetropolitan), East (nonmetropolitan), North (nonmetropolitan), Southwest (nonmetropolitan), and West (nonmetropolitan).

USB has 97 offices and 136 ATMs within the State of Idaho.

Refer to the Market Profiles for the State of Idaho in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Idaho

We selected the Boise Assessment Area for a full-scope review. Boise contains 47% of USB's \$2.3 billion in deposits within the state. All other areas received limited-scope reviews. Refer to the Scope of the Evaluation table in Appendix A for more information for the names of the counties included within each assessment

area.

The overall performance of the bank in Idaho was weighted by the percent of deposits generated in each assessment area. Therefore, the bank's performance in the Boise MSA weighed more toward the bank's state rating where it generated 47% of its deposits. The Lending Activity section below describes how the various loan products were weighted to determine the Lending Test rating for the full-scope assessment area.

During the examination, we considered information from community organizations and members of the communities that were subject to full-scope reviews. Information from these contacts is included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

USB's performance under the Lending Test in Idaho is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Boise MSA is excellent.

Lending Activity

Refer to Table 1 in the State of Idaho section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Idaho represents an excellent responsiveness to the credit needs of its assessment areas, primarily through its small business and home mortgage lending. In 1998, among similarly situated commercial banks in the combined assessment areas, USB reported among the highest volumes of small business lending. Of the bank's total CRA-reportable loans in Idaho, a significant portion (46% of the number) were small business and HMDA reportable (39% of the number were home purchase, home improvement and refinance). This lending pattern was also reflected in the Boise MSA.

In the Boise MSA, USB generated almost 47% of its Idaho deposits, ranking the bank first in size with a market share of 32%. In this MSA, the bank is the number one lender for small business and small farm purposes with a market share of 34% and 32%, respectively. The bank's residential lending in the MSA was ranked in the top ten. Its home purchase lending ranked 17th in the MSA. Further, its refinance lending ranked tenth. USB showed strength in its home improvement lending in the full-scope MSA, ranking it first among all reporters in the area.

USB's home purchase loans accounted for 16% of the number of home mortgage loans it originated in Idaho. USB's home improvement loans accounted for 30% and home mortgage loans for refinance purposes accounted for 54% of the home mortgage loans it originated in Idaho.

In addition, USB generated 11,104 consumer loans and requested that we evaluate these loans as part of the Lending Test. Market share information is not available for consumer data.

Lending competition in USB's assessment areas is intense, with 331 HMDA reporters in the Boise MSA. In addition, 44 local and national CRA reporters were identified in the assessment area.

In analyzing USB's Lending Test performance in Idaho, greater weight was given to its small business lending versus home mortgage and small farm lending because of the greater volume of originations. However, because of the greater volume of consumer loan originations together with the fact that retail lending is a strategic focus for USB, we gave slightly greater emphasis to the consumer products in arriving at the Lending Test rating. The Lending Test rating was also positively impacted by the very large volume of CD loans in the Boise MSA.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 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.

The overall geographic distribution of USB's home mortgage lending is excellent in the Boise MSA.

Home Purchase Loans

USB's distribution of home purchase loans is excellent.

USB's distribution of lending in the low-income areas of the Boise MSA exceeded the owner-occupied demographics of the areas. In addition, USB's market share in these low-income areas greatly exceeded its overall market share.

USB's distribution of lending in the moderate-income areas of the Boise MSA was below the owner-occupied demographics of the areas. However, USB's market share in these moderate-income areas slightly exceeded its overall market share.

Home Improvement Loans

Overall, USB's geographic distribution of home improvement loans is excellent.

USB's distribution of lending in the low-income areas of the Boise MSA was below the owner-occupied demographics of the areas. In addition, USB's market share in these low-income areas was well below its overall market share. However, in 1998, the market for home improvement loans in this MSA's low-income areas was extremely small as all reporters originated only 20 loans.

USB's distribution of lending in the moderate-income areas of the Boise MSA matched the owner-occupied demographics of the areas. In addition, USB's market share in these moderate-income areas nearly matched its overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans is excellent.

USB's distribution of lending in the low-income areas of the Boise MSA exceeded the owner-occupied demographics of the areas. Further, the bank's market share of loans made in the low-income areas of this MSA substantially meets its overall market share.

USB's distribution of lending in the moderate-income areas of the Boise MSA was below the area's demographics. In addition, the bank's market share in Boise's moderate-income areas exceeded its overall market share.

Small Loans to Businesses

Refer to Table 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 origination/purchase of small loans to businesses.

USB's geographic distribution of small loans to businesses reflects a good dispersion throughout its assessment area.

USB's distribution of lending in the low-income areas of the Boise MSA was below the business demographics of the areas. In addition, USB's market share in these low-income areas was well below its overall market share.

USB's distribution of lending in the moderate-income areas of the Boise MSA nearly matched the business demographics of the area. Further, the bank's market share

in the Boise MSA's moderate-income areas nearly matched its overall market share.

Small Loans to Farms

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 farms.

USB's geographic distribution of small loans to farms reflects an excellent dispersion throughout its assessment area.

USB's distribution of lending in the low-income areas of the Boise MSA exceeded the farm demographics of the areas. In addition, USB's market share in these low-income areas significantly exceeded its overall market share.

USB's distribution of lending in the moderate-income areas of the Boise MSA significantly exceeded the farm demographics of the areas. Further, the bank's market share in the Boise MSA's moderate-income areas slightly exceeded its overall market share.

Consumer Loans

Refer to Table 14 in the State of Idaho section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured and personal unsecured loans reflects an excellent dispersion.

USB's distribution of lending in the low-income areas of the Boise MSA nearly matched the population demographics of the areas.

USB's distribution of lending in the moderate-income areas of the Boise MSA exceeded the population demographics of the areas.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's full-scope assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

The inside/outside ratio was performed at the state level. The analysis included originations and purchased loans directly attributed to USB. During the review period USB originated or purchased 99% of its Idaho loans in its assessment areas. This shows an excellent response to the credit need of the bank's Idaho assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 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.

The overall borrower distribution of USB's home mortgage lending is good in the Boise MSA.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is excellent.

USB's distribution of lending to low-income borrowers in the Boise MSA slightly exceeded the family income demographics of the area. Further, the bank's market share of loans to low-income borrowers substantially exceeded its overall market share.

USB's distribution of lending to moderate-income borrowers in the Boise MSA substantially exceeded the family income demographics of the area. The bank's market share of lending to moderate-income borrowers in the Boise MSA exceeded its overall market share.

Home Improvement Loans

Overall, USB's distribution of home improvement loans to borrowers of different income levels is adequate. USB had the number one rank of all lenders for the home improvement product in the Boise MSA.

USB's distribution of lending to low-income borrowers in the Boise MSA was well below the family income demographics of the area even when considering the area's level of families that live below the poverty level. USB's market share of low-income borrowers in the MSA was also below its overall market share.

USB's distribution of lending to moderate-income borrowers in the Boise MSA was below the family income demographics of the area. In addition, USB's market share of moderate-income borrowers in the Boise MSA was below its overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different income levels in the full-scope assessment area is excellent.

USB's distribution of lending to low-income borrowers in the Boise MSA was below the family income demographics of the area. If we consider the portion of families that live below the poverty level and are therefore less likely to qualify under standard underwriting criteria, USB's portion of loans to low-income borrowers is near to the portion of families with income at that level. The bank's market share of low-income borrowers substantially exceeded the bank's overall market share in the MSA.

USB's distribution of lending to moderate-income borrowers in the Boise MSA exceeded the area's family income demographics. In addition, the bank's market share of moderate-income borrowers exceeded the bank's overall market share in the MSA.

Small Loans to Businesses

Refer to Table 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 origination and purchase of small loans to businesses.

USB's distribution of small business loans reflects a good responsiveness to the credit needs of smaller businesses in the full-scope assessment area. The bank's loan distribution to small business borrowers was just below the small business demographics of the area. Note that USB did not obtain revenue information on 25% of its small business borrowers. Of the loans made with revenue information collected, 85% were to businesses with revenues of \$1 million or less. This substantially exceeds the small business demographics of the area. The bank's market share of lending to businesses with annual revenues of \$1 million or less is excellent. USB's market share of loans to these borrowers substantially met its overall market share of business lending in the Boise MSA. In addition, over 85% of the bank's small business loans were for less than \$100,000.

Small Loans to Farms

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/purchase of small loans to farms.

USB's distribution of small farm loans reflects good responsiveness to the credit needs of smaller farms in the full-scope assessment area. The bank's market share of lending to farms with annual revenues of \$1 million or less is also good. In addition, 70% of the bank's small farm loans were for less than \$100,000.

The bank exhibited good distribution of lending to smaller farms in the Boise MSA as the bank's loan distribution to small farm borrowers was near to the small farm demographics of the area. Further USB's market share of loans to these borrowers nearly matched its overall market share of farm lending in the Boise MSA.

Consumer Loans

Refer to Table 14 in the State of Idaho section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured and personal unsecured loans reflects an excellent dispersion in the Boise MSA.

USB's distribution of lending to low-income borrowers of the Boise MSA exceeded the low-income household demographics of the assessment area.

USB's distribution of lending to moderate-income borrowers of the Boise MSA substantially exceeded the moderate-income household demographics of the area.

Community Development Lending

Refer to Table 1 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.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated an excellent volume of CD loans in the Boise MSA. This level of CD lending had a significant impact on the overall rating we assigned to the Lending Test. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 20% of the bank's Tier 1 capital that is attributed to the Boise

MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- Providing a \$3,500,000 credit line to assist a local developer in the construction phase of affordable housing projects in the MSA. Projects typically range from between 36 and 120 housing units and involve tax credit and HOME funds as a source of equity. All projects involve the use of tax credits and will have rent restrictions for LMI families.
- Renewing a \$13,212,000 revolving line of credit to the Idaho Community Reinvestment Corporation. This corporation is a consortium of banks that utilize the revolving loan funds to finance permanent loans for multi-family housing projects targeting households earning between 50 and 80% of the MFI.
- Extending a construction loan of \$3,000,000 to the YMCA of Boise for renovation of the organization's facility that is located in a low-income area that is designated as a HUB Zone.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test in the State of Idaho. USB has two flexible home mortgage loan programs called Home Advantage and Home Partners. As previously discussed, these programs provide flexible underwriting for low- or moderate-income borrowers. In the Idaho assessment areas, the bank used these programs to originate 118 home purchase loans totaling \$8.3 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the North and Southwest Assessment Areas is weaker than the bank's overall "Outstanding" performance under the Lending Test in Idaho only in that the state's overall rating was elevated because of the significant volume of CD lending found in the full-scope, Boise MSA. The lending performance of the North and Southwest Assessment Areas were not inconsistent with the other aspects of the Boise MSA's lending performance. The North and Southwest Assessment Areas account for 24% of the bank's deposits.

USB's performance is weaker than its overall rating in the Bannock, Central, East, and West Assessment Areas. The bank's performance in these assessment areas was not balanced between geographic and borrower distributions. Further, in all of these assessment areas, the weaker performance was attributed to the bank's

geographic distribution. However, it should be noted that in the Central, East, and West Assessment Areas, USB's lending was supported by its small loans to farms. These rural assessment areas have a greater need for farm lending. The bank's weaker performance in these assessment areas did not have a material impact on the state rating. These assessment areas account for 29% of the bank's deposits.

Refer to the Tables 1 through 11 and Table 14 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

The bank's performance under the Investment Test in Idaho is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Boise MSA is good.

Refer to Table 12 in the State of Idaho section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, USB made 46 investments totaling \$3,205,214 in the Boise MSA. The volume of investments is good, even in light of the relatively high volume of CD opportunities in the MSA (refer to the Market Profile in Appendix C). In addition, the impact of the investments on the community is good. The vast majority of the bank's investments are focused on providing affordable housing in the MSA, which is an identified need of the community. The remainder is focused on community services. Although we recognize the good volume of investments, very few are considered to have innovative, complex, or leadership characteristics.

Examples of the bank's investments in the Boise MSA include:

- USB purchased \$2,081,457 in Low-Income Housing Tax Credits associated with Mallard Pointe Limited Partnership. This project resulted in an additional 158 LMI housing units in the assessment area.
- USB purchased \$468,000 of mortgage-backed securities that are secured by six properties located in LMI areas of the MSA. The underlying loans were all made to LMI people living in these areas.
- Other Grants - USB provided 43 grants totaling \$455,757 to various community groups and organizations within the MSA. The vast majority of these were directed towards organizations whose primary purpose is the provision of affordable housing.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance in the Central and Southwest Assessment Areas is stronger than the overall performance under the Investment Test in the State of Idaho. The performance in the East, North, and West Assessment Areas, however, is weaker than the overall performance. Performance in the Bannock Assessment Area is not inconsistent with the state's overall Investment Test rating. Our evaluation of the bank's performance in the limited-scope areas was based on the volume of qualifying investments in each area. The performance in the limited-scope areas did not have a material impact on our overall rating for the state because the stronger performance in some areas was offset by weaker performance in other areas. Refer to the Table 12 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 is excellent.

Retail Banking Services

Refer to Table 13 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.

USB's delivery systems are readily accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. Accessibility is excellent in the Boise MSA, especially in low-income areas. The distribution of USB's offices in low-income geographies significantly exceeds the distribution of the population living in such geographies. The distribution of offices in moderate-income areas is somewhat below the population living in geographies of that income level. USB closed some offices in LMI geographies during February 1998; however, all three offices were closed as a result of consolidation related to the USB merger with West One Bank. The branches that were closed were in geographies where the two banks had previously overlapping offices. One branch was located in a low-income income geography and two were in moderate-income geographies. Although the offices were closed, it did not have a detrimental impact on the bank's ability to provide banking services in these geographies.

USB's hours and services offered throughout the Boise MSA are good. Office hours and services are comparable among all locations regardless of the income level of the geography. Most of USB's offices in the MSA offer extended hours on Fridays. Saturday hours are offered at all in-store offices and Sunday hours are offered at ten of USB's twelve in-store offices. This helps to provide convenience and more access to consumers of all income levels. One of these in-store offices with Saturday hours is located in a moderate-income geography. One other USB office located in a low-income geography offers Saturday hours. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no fee checking or no-minimum, no fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers an effective alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. The distribution of USB's ATMs in LMI geographies exceeds the distribution of the population living in such geographies. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is adequate in the Boise MSA. There are reasonable CD opportunities available for financial institutions in the Boise MSA.

In the Boise MSA, USB has spread its CD activities across a wide spectrum working to meet local needs for affordable housing, small business financing, and social services. Community contacts indicated a need for small business start-up loans and gap financing for existing CD programs as well as construction of affordable housing in the Boise MSA. Examples of CD service include:

- USB was a participant at two education events targeted at small businesses. The events were the Hispanic Business Conference and the Women's Entrepreneurial Business Conference. In addition, USB employees conducted three other small business training sessions in the Boise MSA.
- USB employees held various positions on the Boards or committees of six affordable housing organizations. Some of these organizations helped to develop affordable housing units while others provided permanent financing for the housing projects. In one case, the USB employee assisted the committee to obtain \$270,000 in financing from HUD. USB employees participated in seven homebuyer training workshops. In addition, USB provided four basic banking

- seminars to LMI people.
- A USB employee is on an agricultural advisory Board that assists small farmers to improve farming and ranching techniques thereby improving their cash flow and ability to obtain financing.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Bannock, North, East, Central and Southwest Assessment Areas is not inconsistent with the bank's overall "Outstanding" performance under the Service Test in Idaho. In the West Assessment Area the bank's performance is weaker than the bank's overall performance in the state. Performance under the Service Test was considered weaker in the West Assessment Area because the distribution of USB's offices in LMI geographies is less than the distribution of the population living in such geographies. Significant weight was not placed on USB's performance in the West assessment area because it accounts for only five percent of the bank's Idaho deposits. Refer to Table 13 in the State of Idaho section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Illinois:	<u>Satisfactory</u>
The Lending Test is rated:	<u>Outstanding</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>Needs to Improve</u>

The major factors that support this rating include:

- < USB has demonstrated excellent responsiveness to credit needs with an excellent distribution of home mortgage loans to LMI geographies. We also noted an excellent distribution of consumer loans by the income level of the borrower. The distribution of loans to small businesses is also excellent, both in terms of size of the business and by geography. USB also has a high volume of community development loans in this assessment area.
- < USB has made an excellent dollar volume of investments in relation to the bank's limited presence in this highly competitive market. USB took a leadership role in one housing related initiative.
- < USB's accessibility to individuals of different income levels or to LMI geographies is poor because of the limited number of branches serving this large, urban assessment area. USB does not have any branches in the low-income geographies and has only one branch located in a moderate-income tract.

Description of Institution's Operations in Illinois

USB has one assessment area within the State of Illinois. This consists of two counties within the greater Chicago MSA #1600.

USB has seven offices and eighteen ATMs in the State of Illinois.

Refer to the Market Profiles for the State of Illinois in Appendix C for detailed demographics and other performance context information for this assessment area that received a full-scope review.

Scope of Evaluation in Illinois

Because this is the only assessment area within the State of Illinois, it received a full-scope review and formed the basis for the rating for the state. Refer to the Scope of the Evaluation table in Appendix A for the names of the counties in this assessment area.

We considered information from community organizations and various members of the community for this evaluation. Information obtained from these contacts is included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Illinois is rated "Outstanding." Based on full-scope review, the bank's performance in the Chicago MSA is excellent.

Lending Activity

Refer to Table 1 in the State of Illinois section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Illinois represents an excellent responsiveness to the credit needs of its assessment area, primarily through its small business lending. In 1998, among similarly situated commercial banks in the assessment area, USB reported among the highest volumes of small business lending. Of the bank's total reportable loans in Illinois, a significant portion were CRA reportable (86% of the number were small business).

In the Chicago MSA, USB's Illinois deposits rank the bank 39th in size with a market share of 0.4%. In this MSA, the bank is the number seven lender for small business purposes with a market share of 3%. The bank's residential lending ranking in the MSA is not meaningful.

Lending competition in USB's assessment area is intense, with 287 CRA reporters in the Chicago MSA. In addition, 974 local and national HMDA reporters were identified in the assessment area. USB's home purchase loans accounted for 57% of the number of home mortgage loans it originated in Illinois. USB's home improvement loans accounted for 18% and home mortgage loans for refinance purposes accounted for 24% of the home mortgage loans it originated in Illinois.

USB also made a significant number of consumer loans during the evaluation and requested that we include this data in our analysis. USB generated 37,442 consumer loans, which is significant in light of the strong competition in this assessment area from banks, finance companies, and other financial institutions that offer consumer loans. USB's ability to generate this volume of loans is also

favorable in light of a very limited physical presence in the assessment area. USB's small farm lending was not material in Illinois. Accordingly, the bank's small farm lending was not analyzed.

In analyzing USB's Lending Test performance in Illinois, most weight was given to consumer lending because of the significant volume of loans generated and because it is a strategic focus for the bank. We also gave secondary consideration to small business lending because the bank generated a large volume of loans of this type and because community groups indicated this is a credit need.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

The overall geographic distribution of USB's home mortgage lending is excellent in the Chicago MSA.

Home Purchase Loans

USB's distribution of home purchase loans is excellent. An analysis of the bank's nominal market share is not meaningful to this evaluation.

USB's distribution of lending in the low-income areas of the Chicago MSA significantly exceeded the owner-occupied demographics of the areas.

USB's distribution of lending in the moderate-income areas of the Chicago MSA significantly exceeded the owner-occupied demographics of the areas.

Home Improvement Loans

Overall, USB's geographic distribution of home improvement loans is excellent. An analysis of the bank's nominal market share is not meaningful to this evaluation.

USB's distribution of lending in the low-income areas of the Chicago MSA exceeded the owner-occupied demographics of the areas.

USB's distribution of lending in the moderate-income areas of the Chicago MSA slightly exceeded the owner-occupied demographics of the areas.

Refinance Loans

Overall, USB's distribution of home refinance loans is excellent. An analysis of the bank's nominal market share is not meaningful to this evaluation.

USB's distribution of lending in the low-income areas of the Chicago MSA exceeded the owner-occupied demographics of the areas.

USB's distribution of lending in the moderate-income areas of the Chicago MSA significantly exceeded the owner-occupied demographics of the areas.

Small Loans to Businesses

Refer to Table 5 in the State of Illinois 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.

USB's geographic distribution of small loans to businesses reflects an excellent dispersion throughout its assessment area.

USB's distribution of lending in the low-income areas of the Chicago MSA substantially meets the business demographics of the areas. In addition, USB's market share in these low-income areas exceeded its overall market share.

USB's distribution of lending in the moderate-income areas of the Chicago MSA exceeded the business demographics of the areas. In addition, the bank's market share in the MSA's moderate-income areas exceeded its overall market share.

Small Loans to Farms

Refer to Table 6 in the State of Illinois 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.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending accounted for less than 1% of its total lending in Illinois.

Consumer Loans

Refer to Table 14 in the State of Illinois section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan

originations and purchases. USB's geographic distribution of consumer auto, personal secured and personal unsecured loans reflects a poor dispersion. Market share information is not available on consumer data.

USB's distribution of lending in the low-income areas of the Chicago MSA was well below the population demographics of the areas.

USB's distribution of lending in the moderate-income areas of the Chicago MSA was well below the population demographics of the areas.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence.

Inside/Outside Ratio

The inside/outside ratio was performed at the state level. The analysis included originations and purchased loans directly attributed to USB. During the review period USB originated or purchased 89% of its Illinois loans in its assessment area. This shows a good response to the credit need of the bank's Illinois assessment area.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the State of Illinois section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of USB's home mortgage lending is excellent in the Chicago MSA.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is excellent. An analysis of the bank's nominal market share is not meaningful to

this evaluation.

USB's distribution of lending to low-income borrowers in the Chicago MSA was well below the family income demographics of the area even when considering the area's level of families that live below the poverty level.

USB's distribution of lending to moderate-income borrowers in the Chicago MSA substantially exceeded the family income demographics of the area.

Home Improvement Loans

Overall, USB's distribution of home improvement loans to borrowers of different income levels is adequate. An analysis of the bank's nominal market share is not meaningful to this evaluation.

USB's distribution of lending to low-income borrowers in the Chicago MSA was well below the family income demographics of the area even when considering the area's level of families that live below the poverty level.

USB's distribution of lending to moderate-income borrowers in the Chicago MSA was below the family income demographics of the area.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different income levels in the full-scope assessment area is excellent. An analysis of the bank's nominal market share is not meaningful to this evaluation.

USB's distribution of lending to low-income borrowers in the Chicago MSA was below the family income demographics of the area. When considering the area's level of families that live below the poverty level, the bank's distribution slightly exceeds the demographic comparator.

USB's distribution of lending to moderate-income borrowers in the Chicago MSA significantly exceeded the area's family income demographics.

Small Loans to Businesses

Refer to Table 10 in the State of Illinois 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.

USB's distribution of small business loans reflects good responsiveness to the

credit needs of smaller businesses in the full-scope assessment area. The bank's loan distribution to small business borrowers substantially meets the small business demographics of the area. Note that USB did not obtain revenue information on a significant portion (33%) of its small business loans. Of the loans made with revenue information collected, 70% were to businesses with revenues of \$1 million or less. The bank's market share of lending to businesses with annual revenues of \$1 million or less is excellent. USB's market share of loans to these borrowers nearly matched its overall market share of business lending in the MSA. In addition, over 96% of the bank's small business loans were for less than \$100,000.

Small Loans to Farms

Refer to Table 11 in the State of Illinois 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.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending was a nominal portion of its total lending in Illinois.

Consumer Loans

Refer to Table 14 in the State of Illinois section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured and personal unsecured loans reflects an excellent dispersion in the Chicago MSA.

USB's distribution of lending to low-income borrowers of the Chicago MSA substantially meets the low-income household demographics of the assessment area.

USB's distribution of lending to moderate-income borrowers of the Chicago MSA substantially exceeded the moderate-income household demographics of the assessment area.

Community Development Lending

Refer to Table 1 in the State of Illinois section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated an excellent volume of CD loans. This level of CD lending had a positive impact on the overall rating we assigned to the Lending Test. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 14% of the bank's Tier 1 capital that is attributed to this assessment area. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. Largest examples include:

- Providing a \$3,000,000 loan to Community Investment Corporation (CIC). Through the CIC's Resource Apartment Lending Program, CIC originates mortgage loans secured by multi-family rental properties in the Chicago MSA. The purpose of this program is to conserve and revitalize older neighborhoods and LMI housing in the MSA.
- Providing a \$1,300,000 revolving line of credit to a local construction company for the construction and rehabilitation of various real estate projects in the MSA that provide housing for LMI individuals.
- Advancing a \$3,000,000 loan to the Chicago Equity Limited Fund to provide necessary bridge financing to fund equity contributions to approved housing projects with tax credits.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test rating in the State of Illinois. USB has two flexible home mortgage loan programs called Home Advantage and Home Partners. As previously discussed, these programs provide flexible underwriting for LMI borrowers. In the Chicago Assessment Area, the bank used these programs to originate 34 home purchase loans totaling \$3.4 million and three home refinance loans totaling \$280 thousand.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Illinois is rated "Outstanding." Based on a full-scope review, the bank's performance in its only Illinois assessment area, the Chicago MSA, is excellent.

Refer to Table 12 in the State of Illinois section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, USB made 26 investments totaling \$8.9 million in the Chicago MSA. The volume of investments is very high relative to USB's size within the market. Opportunities for investment within the MSA are plentiful (refer to the Market Profile in Appendix C). The significant majority of USB's investments were housing-related. USB took a leadership role regarding two of its housing-related grants, one of which is described below.

The following is a discussion of USB's investments in the Chicago MSA:

- During the evaluation period, USB invested a very significant \$8.7 million in three different projects, each of which qualified for Low-Income Housing Tax Credits. Combined, these projects contributed over 685 LMI housing units in the MSA.
- USB took a leadership role in identifying the need for a clinic for prospective LMI homebuyers in the Humboldt Park and Logan Square communities. USB provided a grant of \$32,500 that was used to establish the clinic, which conducts workshops in Spanish specifically tailored to the Puerto Rican members of the community.
- Other Grants - USB provided 21 other grants totaling \$149 thousand to a variety of nonprofit and economic development organizations for various projects throughout the Chicago MSA.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Illinois is rated "Needs to Improve." Based on a full-scope review, the bank's performance in the Chicago MSA is poor. Chicago is USB's only assessment area in the State of Illinois.

Retail Banking Services

Refer to Table 13 in the State of Illinois 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.

USB's delivery systems are unreasonably inaccessible to geographies and individuals of different income levels. Accessibility is poor in the Chicago MSA, primarily because the bank has only seven offices in this heavily populated assessment area. The distribution of USB's offices in LMI geographies is less than the distribution of the population living in such geographies. USB currently does not have any offices in low-income geographies and only one in a moderate-income

geography. A change in store ownership caused the termination of a lease resulting in the 1998 closure of USB's only office located in a low-income geography.

Regarding the closure in the low-income geography, USB management attempted unsuccessfully to make arrangements with the new lessor to retain its rented space in the facility. Upon closure, the accounts at the closed office were consolidated at a nearby USB office located within approximately two-and-a-half miles.

USB's hours and services offered in the Chicago assessment area are good. Office hours and services are comparable among all locations regardless of the income level of the geography. Saturday hours are offered at most USB offices. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of pay/social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers a limited alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. The distribution of USB's ATMs in LMI geographies is less than the distribution of the population living in such geographies in the Chicago MSA. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies are impacted by these services.

Community Development Services

USB's performance in providing CD services is adequate in the Chicago MSA. While community development opportunities in the assessment area are formally structured and abundant, the environment for such opportunities is extremely competitive because of the city's stature as a national hub for commerce and the presence of numerous financial institutions.

In the Chicago MSA, USB has focused its CD activities on affordable housing and the housing needs of LMI individuals. This focus addresses community development needs that were expressed by community contacts. USB's CD development activities have occasionally stretched outside of housing needs. CD service highlights from this evaluation period include:

- Participation in twelve homebuyer training workshops.
- Board membership on one organization promoting affordable housing.
- Provided technical assistance to a community development organization in preparation for its possible expansion into the Chicago area.
- Provided technical assistance to two organizations that foster job training and

address employment issues for LMI people.

- Partnered with a women's group to sponsor a small business seminar targeted at women and minority owned businesses.

CRA Rating for Iowa¹:	<u>Needs to Improve</u>
The Lending Test is rated:	<u>Low Satisfactory</u>
The Investment Test is rated:	<u>Needs to Improve</u>
The Service Test is rated:	<u>Low Satisfactory</u>

The major factors that support this rating include:

- < USB has demonstrated adequate responsiveness to credit needs. Although USB had excellent distribution of home mortgage and consumer loans by income level of the borrower, this was offset by poor geographic distribution in all loan categories except home purchase.
- < USB has made a very low level of investment into the Des Moines MSA and made no investments in the Mason City or the limited-scope areas. This demonstrated poor responsiveness to the needs of the various areas.
- < USB's offices and delivery systems are reasonably accessible to geographies and individuals of different income levels and employees have had limited involvement in the form of community development services.

Description of Institution's Operations in Iowa

USB has six assessment areas within the State of Iowa. This includes a combination of MSA and nonmetropolitan areas. They are Davenport (MSA #1960), Des Moines (MSA #2120), Mason City (nonmetropolitan), Nevada (nonmetropolitan), Rock Valley (nonmetropolitan), and Southeast (nonmetropolitan). The Iowa portion of the Omaha, NE-IA Multi-state MSA was evaluated under a full-scope review elsewhere in this Performance Evaluation.

USB has seventeen branches and twenty ATMs within the State of Iowa.

Refer to the Market Profiles for the State of Iowa in Appendix C for detailed demographics and other performance context information for the two assessment areas that received full-scope reviews.

¹ For institutions 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 institution's performance in that area.

Scope of Evaluation in Iowa

We selected the two assessment areas with the state's highest volume of deposits for full-scope reviews. These are the Des Moines Assessment Area and the Mason City Assessment Area. These areas have 44% and 35%, respectively, of USB's \$315 million in deposits within the state. All other areas received limited-scope reviews. Refer to the Scope of the Evaluation table in Appendix A for information on the names of the counties included in each assessment area.

The performance of the bank for the state was weighted by the percent of deposits generated within each assessment area. Therefore, the bank's performance in the Des Moines Assessment Area weighed more toward the state rating. The Lending Activity section below describes the weighting applied to the various loan products for the Lending Test rating for the state.

During the examination, we considered information from community organizations and members of the communities that were subject to full-scope reviews. Information from these contacts is included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Iowa is rated "Low Satisfactory. Based on full-scope reviews, the bank's performances in the Des Moines MSA is adequate and good in Mason City.

Lending Activity

Refer to Table 1 in the State of Iowa section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Iowa represents an adequate responsiveness to the credit needs of its areas. In each full-scope assessment area, USB made a significant volume of consumer loans. In addition, a substantial majority of the bank's CRA-related, reportable loans originated during the evaluation period were home mortgage loans with the remainder small loans to businesses. Small loans to farms were insignificant in both full-scope assessment areas.

USB requested that we consider approximately 3,900 in consumer loans (automobile, secured and unsecured) for the Des Moines MSA, and nearly 1,300

consumer loans for the Mason City Assessment Area as a part of our analysis. Market share information is not available on consumer data. The composition of home mortgage loan originations/purchases was generally equal among the home purchase, home improvement, and home refinance loan type categories in both full-scope assessment areas.

USB's lending activity is adequate in the Des Moines MSA and Mason City Assessment Area. In the Des Moines MSA, the bank ranks 11th in deposit market share. Based on 1998 HMDA aggregate data, USB is the 30th largest originator/purchaser of loans for home purchase, 9th for home improvement, and 32nd for home refinance. Based on 1998 CRA aggregate data, USB ranks 9th in small loans to businesses and 18th in small loans to farms. In the Mason City Assessment Area, the bank ranks fourth in deposit market share. Based on 1998 HMDA aggregate data, USB is the 7th largest originator/purchaser of loans for home purchase, second for home improvement, and fourth for home refinance. Based on 1998 CRA aggregate data, USB ranks fifth in small loans to businesses but made no small loans to farms for that year.

In analyzing USB's Lending Test performance in Iowa, greater weight was given to the consumer lending and small business loans products because of the significant volumes of loans generated and because consumer/retail credit is a strategic business focus for USB. We placed less emphasis on the home mortgage product because of relatively small volume of loans. While analysis and discussion of the home mortgage lending is included in this document, the weight on this element is reduced. The volume of USB's small loans to farms was also not significant enough to perform a meaningful analysis. CD lending had a positive impact on the overall Lending Test rating for each full-scope assessment area.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

The overall geographic distribution of USB's home mortgage lending is adequate in the Des Moines MSA. Conclusions for the Mason City Assessment Area are not given because there are no LMI geographies.

Home Purchase Loans

Home purchase loan distribution is excellent. The portion of home purchase loans

made in either LMI geographies exceeded the portion of owner-occupied housing units there. In addition, the market share for loans made in either LMI geographies exceeded the bank's overall market share.

Home Improvement Loans

Home improvement loan distribution is poor. The portion of home improvement loans made in moderate-income geographies was well below the portion of owner-occupied housing units there. In addition, the market share for loans made in moderate-income geographies is well below the bank's overall market share. The bank made no such loans in low-income geographies.

Refinance Loans

Home refinance loan distribution is poor. The portion of home refinance loans made in moderate-income geographies was well below the portion of owner-occupied housing units there. In addition, the market share for loans made in moderate-income geographies was well below the bank's overall market share. The bank made only one such loan in low-income geographies.

Small Loans to Businesses

Refer to Table 5 in the State of Iowa 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 geographic distribution of small loans to businesses is poor in the Des Moines MSA. Again, no conclusions are given for the Mason City Assessment Area because there are no LMI geographies.

The portion of small loans to businesses made in low-income, as well as, moderate-income geographies was well below the portion of businesses within those geographies. The market shares for such loans were also well below the bank's overall market shares for both geographies.

Small Loans to Farms

Refer to Table 6 in the State of Iowa 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.

USB made only seven loans to small farms during the evaluation period and

analysis of this component is not meaningful.

Consumer Loans

Refer to Table 14 in the State of Iowa section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The geographic distribution of consumer loans is poor in the Des Moines MSA.

USB's portion of loans to low-income geographies was significantly below the portion of the population that resides there.

For moderate-income geographies, the bank's portion of loans made there was well below the portion of the population that resides there.

There are no LMI geographies in the Mason City Assessment Area and thus, conclusions are not rendered.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

A majority of the bank's loans were originated within its assessment areas. During the evaluation period, 67% of the bank's lending (home mortgage, small loans to businesses/farms, and consumer loans) originated within its assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the State of Iowa section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of home mortgage loans is excellent in the Des Moines MSA and good in the Mason City Assessment Area.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is excellent in the Des Moines MSA. In the Mason City Assessment Area, no conclusions are rendered as only 43 such loans were made.

In the Des Moines MSA, the portion of home purchase loans made to low-income borrowers was near to the portion of families defined as such. When the portion of families living below poverty were considered, the percentage of bank loans to low-income borrowers exceeded the resulting demographics. The portion of home purchase loans to moderate-income borrowers exceeded the portion of such families. In addition, the market share for loans made to either LMI borrowers exceeded the bank's overall market share.

Home Improvement Loans

USB's distribution of home improvement loans to borrowers of different income levels is excellent in the Des Moines MSA. No conclusions are rendered for the Mason City Assessment Area as the bank made only 56 such loans.

In the Des Moines MSA, the portion of home improvement loans made to low-income borrowers was moderately close to the portion of families defined as such. However, when the poverty levels were considered, the bank's portion of loans made to low-income borrowers exceeded demographics. The market share for loans made to low-income families was moderately close to the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers greatly exceeded the portion of such families. In addition, the market share for loans made to moderate-income borrowers nearly matched the bank's overall market share.

Refinance Loans

USB's distribution of home refinance loans made to borrowers of different income levels is excellent in the Des Moines MSA and good in the Mason City Assessment Area.

In the Des Moines MSA, the portion of home refinance loans made to low-income borrowers was moderately close to the portion of such families. In the Mason City

Assessment Area, the portion of home improvement loans made to low-income geographies was well below the portion of such families; however, the respective market share of such loans was moderately close to the bank's overall market share. Within each assessment area, if adjustments were made to consider the percentage living below the poverty level, the bank's portion of loans to low-income borrowers in Des Moines would exceed demographics and would be near to demographics in the Mason City Assessment Area.

With moderate-income borrowers in the Des Moines MSA, the bank's portion of loans significantly exceeded the portion of such families. In addition, the market shares for loans made to LMI borrowers exceeded the bank's overall market share. With moderate-income borrowers in the Mason City Assessment Area, the bank's portion of loans exceeded the portion of such families. In addition, the respective market share for loans made to moderate-income borrowers exceeded the bank's overall market share.

Small Loans to Businesses

Refer to Table 10 in the State of Iowa 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.

Distribution of small loans to businesses is excellent in the Des Moines MSA. In the Mason City Assessment Area, the bank made only 56 loans which is not meaningful to conclude upon. In the Des Moines MSA, the bank's portion of loans to small businesses (businesses with annual revenues of \$1 million or less) approximates the portion of businesses defined as such. In addition, the bank's market share of such loans was close to the bank's overall market share. Note that USB did not obtain revenue information on 31% of its small business loans. Of those loans made with revenue information, 73% were to businesses with revenues of \$1 million or less.

Small Loans to Farms

Refer to Table 11 in the State of Iowa 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.

USB made only seven small farm loans in the two full-scope assessment areas during the evaluation period. Analysis of this data is therefore not meaningful.

Consumer Loans

Refer to Table 14 in the State of Iowa section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The borrower distribution of consumer loans is excellent in the Des Moines MSA and excellent in the Mason City Assessment Area.

In the Des Moines MSA, the bank's portion of loans made to low-income households was just below the portion of households defined as such. In the Mason City Assessment Area, the bank's portion of loans made to low-income households was just slightly below the portion of households defined as such. In both assessment areas, if we would adjust for the percentage of households living below the poverty level, the portion of bank loans to low-income borrowers would greatly exceed the corresponding demographic comparator. People living below the poverty level typically have more difficulty qualifying for credit under standard underwriting criteria.

In the Des Moines MSA, the bank's portion of loans made to moderate-income households significantly exceeded the portion of households defined as such. In the Mason City Assessment Area, the bank's portion of loans made to moderate-income households significantly exceeded demographics.

Community Development Lending

Refer to Table 1 in the State of Iowa section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

The bank's CD lending efforts during the evaluation period had a limited impact on the overall lending test rating for the state despite the positive influence recognized in the Mason City Assessment Area. The dollar volume of CD loans originated in Mason City represents 13% of the bank's Tier 1 capital that is attributed to that assessment area. This is considered an excellent volume. USB extended a \$1,650,000 loan for the construction of a 60-unit apartment complex built exclusively for low-income tenants in Mason City. USB did not make any CD loans in the Des Moines MSA. This had a neutral impact on the lending test rating for Des Moines. Given the weighting applied to the Des Moines Assessment Area, the net effect of CD lending on the overall state rating was limited.

In addition to the above, USB provided a \$3,866,940 Letter of Credit used to purchase a skilled care facility for low-income and disabled residents in Ankeny, IA (part of the Des Moines MSA). Although this letter of Credit does not meet the definition of a CD loan, and is therefore not included in Table 1, it does have CD

loan characteristics. This reflects positively on USB's CD lending efforts as a whole.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. Bank-wide, USB offers flexible mortgage-related lending programs serving LMI borrowers including the "Home Advantage" and "Home Partners." In the Iowa assessment areas the bank used these programs to originate 46 home purchase loans totaling \$2.9 million and four home refinance loan for \$258 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Davenport, Nevada, Rock Valley, and Southeast Assessment Areas is weaker than the bank's overall "High Satisfactory" performance under the Lending Test in Iowa primarily because of the influence that CD Lending played for the full-scope areas. The lending performance in the limited-scope areas was not inconsistent with other aspects of the lending performance found in the full-scope areas. Refer to Tables 1-11 and Table 14 in the State of Iowa section of Appendix D for details.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Iowa is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in both the Des Moines MSA and Mason City Assessment Area is poor, as is its performance in the limited-scope areas of Davenport, Nevada, Rock Valley, and Southeast Assessment Areas.

Refer to Table 12 in the State of Iowa section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Des Moines MSA

During the evaluation period, USB made three investments totaling \$80,300 in the Des Moines MSA. This volume is low relative to the bank's size within the MSA coupled with a moderate level of CD opportunities. As described in more detail in the Market Profile in Appendix C, the MSA has a healthy business climate supported by local government and economic development organizations.

The following is a discussion of USB's investments in the Des Moines MSA:

- USB purchased a \$50,000 mortgage-backed security during the evaluation period. USB worked with a mortgage broker in order to have the security customized for the bank. The security is backed by one mortgage on property located in a moderate-income area of the MSA. The income level for the mortgagee also falls below 80% of median family income for the area.
- USB provided grants totaling \$30,000 to two nonprofit organizations that provide homebuyer counseling targeted to prospective LMI homebuyers.

Mason City Assessment Area

During the evaluation period, USB made no investments in the Mason City Assessment Area. The volume of investments is poor given the existence of some CD opportunities within the area (refer to the Market Profile in Appendix C).

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Davenport, Nevada, Rock Valley, and Southeast Assessment Areas is not inconsistent with the bank's overall "Needs to Improve" performance under the Investment Test in Iowa. No investments were made in these areas. As reflected on Table 12 in the State of Iowa section of Appendix D, the bank has no qualified investments for the four areas.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Iowa is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Des Moines MSA and Mason City Assessment Area is adequate.

Retail Banking Services

Refer to Table 13 in the State of Iowa 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.

USB's delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. USB does not have any offices located in moderate-income geographies in the Des Moines MSA

but its distribution of offices in low-income geographies does exceed the distribution of the population living in low-income geographies. The Mason City Assessment Area does not include any LMI geographies. Branch closures or openings have not occurred in the Des Moines MSA. In the Mason City Assessment Area, branching activity did not affect the accessibility of retail delivery systems.

USB's hours and services offered throughout the full scope assessment areas are adequate. Office hours and services are reasonably comparable among all locations regardless of the income level of the geography in the Des Moines MSA. Hours are extended at all offices on Friday but Saturday hours are generally not offered in the Des Moines MSA. Saturday hours are offered at two of USB's three offices located in the Mason City Assessment Area. The Mason City Assessment Area does not include any LMI geographies. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no fee checking or no-minimum, no fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers a reasonable alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals in the Des Moines MSA. The distribution of USB's ATMs in LMI geographies is less than the distribution of the population living in such geographies in the Des Moines MSA. USB does not have any ATMs located in moderate-income geographies in the Des Moines MSA but its distribution of ATMs in low-income geographies does exceed the distribution of the population living in low-income geographies. There are no LMI geographies in the Mason City Assessment Area. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is adequate in its full-scope assessment areas. USB's performance is poor in the Mason City Assessment Area but is adequate in the Des Moines MSA. CD opportunities are reasonably available for financial institutions in both assessment areas.

In the Mason City Assessment Area, USB did not provide any services that primarily met the community development purpose definition.

In the Des Moines MSA, USB focused its CD activities on affordable housing and the housing needs of LMI individuals and small business development. The CD service highlights from this evaluation period include:

- USB participated in a total of twelve homebuyer training seminars in 1998.
- One USB employee serves on the board and loan committee of Neighborhood Housing Services of Des Moines, a home-ownership counseling organization.
- U.S. Bancorp Piper Jaffray: A USB affiliate has provided bond-underwriting for three urban renewal bonds that provided for affordable multi-family housing.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Davenport, Nevada, Rock Valley, and Southeast Assessment Areas is not inconsistent with the bank's overall "Low Satisfactory" performance under the Service Test in Iowa. Refer to Table 13 in the State of Iowa section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Minnesota¹:	<u>Satisfactory</u>
The Lending Test is rated:	<u>High Satisfactory</u>
The Investment Test is rated:	<u>Low Satisfactory</u>
The Service Test is rated:	<u>High Satisfactory</u>

The major factors that support this rating include:

- < USB has demonstrated good responsiveness to credit needs primarily through its home mortgage lending and community development related lending. USB also had good distribution of small business loans within LMI geographies and good distribution of consumer loans to borrowers of different income levels.
- < USB has made an adequate level of investments. Although the level was considered excellent in the St. Cloud MSA, the volumes were substantially lower in the Duluth MSA. Investments in both MSAs generally address affordable housing needs.
- < USB's offices and delivery systems are accessible to geographies and individuals of different income levels. USB employees generally provided an adequate level of community development services in the two full-scope assessment areas.

Description of Institution's Operations in Minnesota

USB has ten assessment areas in the State of Minnesota. These ten include both MSA and nonmetropolitan areas. They are Duluth (MSA #2240), Lamberton (nonmetropolitan), North Central (nonmetropolitan), Northeast (nonmetropolitan), Northwest (nonmetropolitan), Rochester (MSA #6820), South Central (nonmetropolitan), Southeast (nonmetropolitan), St. Cloud (MSA #6980), and Willmar (nonmetropolitan). The Minneapolis-St. Paul, MN-WI Multi-state MSA was evaluated separately under a full-scope review as were the Minnesota portions of the Fargo-Moorhead, ND-MN Multi-state MSA #2520 and the Grand Forks, ND-MN Multi-state MSA #2985.

Within the ten Minnesota assessment areas, USB has 37 offices and 116 ATMs.

Refer to the Market Profiles for the State of Minnesota in Appendix C for detailed demographics and other performance context information for the two assessment

¹ For institutions 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 institution's performance in that area.

areas that received full-scope reviews.

Scope of Evaluation in Minnesota

We selected the Duluth Assessment Area and the St. Cloud Assessment Area for full-scope reviews because these two areas had the largest percentage of USB deposits within the state. These assessment areas had 25% and 16%, respectively, of USB's \$1.5 billion in deposits within the State of Minnesota. All other assessment areas received a limited-scope review. Refer to the Scope of Evaluation table in Appendix A for more information on the names of the counties included in each assessment area.

The overall performance of the bank in Minnesota was weighted by the percent of deposits generated in each assessment area. Therefore, the bank's performance in the Duluth MSA weighed more toward the bank's state rating where it generated 25% of its deposits. The Lending Activity section below describes how the various loan products were weighted in determining the Lending Test rating for the state.

During this examination, we considered information from community organizations and various members of the communities that were subject to full-scope reviews. Information obtained from these contacts is included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Minnesota is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Duluth and St. Cloud MSAs is good.

Lending Activity

Refer to Table 1 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Minnesota represents a good responsiveness to the credit needs of its assessment areas, primarily through its home mortgage and community development lending. In 1998, among similarly situated commercial banks in the combined assessment areas, USB reported among the highest volumes of small business lending. Of the bank's total reportable loans in Minnesota, a significant

portion (66% of the number) were HMDA reportable (home purchase, home improvement and refinance).

In the Duluth and St. Cloud MSAs, USB generated almost 41% of its Minnesota deposits (excluding the Minneapolis-St. Paul Multi-state MSA). This ranked the bank's deposits second and third in size, with a market share of 20% and 12%, in the respective markets. In these MSAs, the bank was ranked second and first for small business purposes, with a market share of 19% and 22%, respectively. The bank's residential lending is in the top ten ranking in both MSAs. Its home purchase lending ranked seventh and ninth in these MSAs, respectively. Further, its refinance lending ranked fourth and fifth, respectively. USB showed strength in its home improvement lending in the full-scope MSAs, ranking it second among all reporters in both areas.

USB's home purchase loans accounted for 24% of the number of home mortgage loans it originated in Minnesota. USB's home improvement loans accounted for 22% and home mortgage loans for refinance purposes accounted for 54% of the home mortgage loans it originated in Minnesota.

In addition, USB generated a large volume of consumer loans and requested that we include this in our analysis. In the Duluth MSA, USB generated 6,931 consumer loans. In the St. Cloud MSA, USB made 4,581 consumer loans. Market share information is not available for consumer data.

Lending competition in USB's assessment areas is intense, ranging from 270 HMDA reporters in the Duluth MSA to 267 reporters in the St. Cloud MSA. In addition, 33 and 54 CRA reporters were identified in the assessment areas, respectively.

USB's small farm lending was not material in either of the full scope assessment areas. Accordingly, the bank's small farm lending was not analyzed.

In analyzing USB's Lending Test performance in Minnesota, greater weight was given to its home mortgage lending versus small business and small farm lending because of the significance of the component in terms of loan volume and identified credit needs. We gave consumer loans equal weight to the real estate products because of the significant volume of consumer loans generated.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 in the State of Minnesota section of Appendix D for the

facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The overall geographic distribution of USB's home mortgage lending is excellent in the Duluth MSA and adequate in the St. Cloud MSA.

Home Purchase Loans

Overall, USB's distribution of home purchase loans is excellent. The bank exhibited an excellent distribution in the Duluth MSA, and adequate distribution in the St. Cloud MSA.

USB's distribution of lending in the low-income areas of the Duluth MSA exceeded the owner-occupied demographics of the areas. In addition, USB's market share in these low-income areas significantly exceeded its overall market share. During the review period, USB did not originate any home purchase loans in the low-income areas of the St. Cloud MSA. However, the low-income areas in this MSA account for only a nominal portion of the area's owner-occupied housing (11 owner-occupied homes). Therefore, the bank's home mortgage loan performance in this area is not meaningful to this analysis.

USB's distribution of lending in the moderate-income areas of the Duluth MSA significantly exceeded the owner-occupied demographics of the areas. In addition, USB's market share in these moderate-income areas exceeded its overall market share. USB's distribution of lending in the moderate-income areas of the St. Cloud MSA was below the area demographics. The MSA's total market lending in moderate-income areas is nominal (only 45 loans made by all reporters) and not meaningful to this analysis.

Home Improvement Loans

Overall, USB's geographic distribution of home improvement loans is good. The bank exhibited an excellent distribution of lending in the Duluth MSA and a poor distribution in the St. Cloud MSA.

USB's distribution of lending in the low-income areas of the Duluth MSA slightly exceeded the owner-occupied demographics of the areas. In addition, USB's market share in these low-income areas exceeded its overall market share. During the review period, USB originated one home improvement loan in the low-income areas of the St. Cloud MSA. However, the low-income areas in this MSA account for only a nominal portion of the area's owner-occupied housing (11 owner-occupied homes). Therefore, the bank's home mortgage loan performance in this area is not meaningful to this analysis.

USB's distribution of lending in the moderate-income areas of the Duluth MSA significantly exceeded the owner-occupied demographics of the areas. In addition, USB's market share in these moderate-income areas exceeded its overall market share. The Table in Appendix D indicates that USB did not make any loans of this type in the moderate-income areas of the St. Cloud MSA.

Refinance Loans

Overall, USB's distribution of home refinance loans is excellent. The bank exhibited an excellent distribution in both full-scope assessment areas.

USB's distribution of lending in the low-income areas of the Duluth MSA matched the owner-occupied demographics of the areas. Further, the bank's market share of loans made in the low-income areas of this MSA exceeded its overall market share. During the review period, USB did not originate any home refinance loans in the low-income areas of the St. Cloud MSA. However, the low-income areas in this MSA account for only a nominal portion of the area's owner-occupied housing (11 owner-occupied homes). Therefore, the bank's home mortgage loan performance in this area is not meaningful to this analysis.

USB's distribution of lending in the moderate-income areas of the Duluth MSA nearly matched the area's demographics. In addition, the bank's market share in Duluth's moderate-income areas exceeded its overall market share. USB's distribution of lending in the moderate-income areas of the St. Cloud MSA exceeded the owner-occupied demographics of the areas. The bank's market share in this MSA's moderate-income areas was below its overall market share.

Small Loans to Businesses

Refer to Table 5 in the State of Minnesota 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.

USB's geographic distribution of small loans to businesses reflects a good dispersion throughout its assessment areas. The bank exhibited a good distribution in both the Duluth and St. Cloud MSAs.

USB's distribution of lending in the low-income areas of the Duluth and St. Cloud MSAs exceeded the business demographics of the areas. In addition, USB's market share in these low-income areas exceeded its overall market share.

USB's distribution of lending in the moderate-income areas of the Duluth MSA was below the business demographics of the areas. Further, the bank's market share in

the Duluth MSA's moderate-income areas were below its overall market share. The bank's distribution of lending in the moderate-income areas of the St. Cloud MSA was well below the business demographics of the areas. The bank's market share in the St. Cloud MSA's moderate-income areas was also well below its overall market share.

Small Loans to Farms

Refer to Table 6 in the State of Minnesota 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.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending accounted for less than 1% of its total lending in Minnesota.

Consumer Loans

Refer to Table 14 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured and personal unsecured loans reflects an adequate dispersion. The bank reflected an adequate performance in the Duluth MSA and a poor performance in the St. Cloud MSA.

USB's distribution of lending in the low-income areas of the Duluth MSA was just below the population demographics of the areas. The bank's distribution of lending in the low-income areas of the St. Cloud MSA was below the population demographics of the area.

USB's distribution of lending in the moderate-income areas of the Duluth MSA was below the population demographics of the areas. The bank's distribution of lending in the low-income areas of the St. Cloud MSA was well below the population demographics of the area.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's full-scope

assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

The inside/outside ratio was performed at the state level. The analysis included originations and purchased loans directly attributed to USB. During the review period USB originated or purchased 98% of its Minnesota loans in its assessment areas. This shows an excellent response to the credit need of the bank's Minnesota assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8 and 9 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of USB's home mortgage lending is excellent based on excellent performance in the Duluth MSA and good performance in the St. Cloud MSA.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is excellent. The bank exhibited an excellent distribution in the Duluth MSA and a good distribution in the St. Cloud MSA.

USB's distribution of lending to low-income borrowers in the Duluth MSA was slightly below the family income demographics of the areas. However, if the portion of families living below the poverty level was considered, the bank's portion of loans to low-income families significantly exceeded the demographics. Further, the bank's market share of loans to low-income borrowers exceeded its overall market share. USB's distribution of lending to low-income borrowers in the St. Cloud MSA was well below the family income demographics of the areas. The St. Cloud area also has a large portion of families living below the poverty level. Considering this, the bank's share of loans to low-income families exceeded the demographics of the area. The bank's market share of loans to low-income borrowers was just below its overall market share.

USB's distribution of lending to moderate-income borrowers in the Duluth MSA

substantially exceeded the family income demographics of the area. The bank's distribution of lending to moderate-income borrowers in the St. Cloud MSA exceeded the family income demographics of the areas. The bank's market share of lending to moderate-income borrowers in the Duluth MSA exceeded its overall market share. The bank's market share of lending to moderate-income borrowers in the St. Cloud MSA was slightly below its overall market share.

Home Improvement Loans

Overall, USB's distribution of home improvement loans to borrowers of different income levels is good. The bank exhibited a good distribution in the Duluth MSA and an adequate distribution in the St. Cloud MSA.

USB's distribution of lending to low-income borrowers in the Duluth MSA was below the family income demographics of the areas. When considering the area's level of families that live below the poverty level, the bank's portion of loans exceeded demographics. USB's market share of low-income borrowers in the Duluth MSA exceeded its overall market share. USB's distribution of lending to low-income borrowers in the St. Cloud MSA was well below the family income demographics of the areas. When considering the area's level of families that live below the poverty level, the bank's portion of loans to low-income borrowers is only slightly below demographics. Further, USB's market share of low-income borrowers in the St. Cloud MSA was well below its overall market share.

USB's distribution of lending to moderate-income borrowers in the Duluth MSA nearly matched the family income demographics of the areas. In addition, USB's market share of moderate-income borrowers in the Duluth MSA nearly matched its overall market share. USB's distribution of lending to moderate-income borrowers in the St. Cloud MSA was just below the family income demographics of the areas. Further USB's market share of moderate-income borrowers in the St. Cloud MSA was just below its overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different income levels in both full-scope assessment areas is excellent.

USB's distribution of lending to low-income borrowers in both the Duluth and St. Cloud assessment areas was well below the family income demographics of the respective areas. However, the bank's market share of low-income borrowers was just below or nearly matched the bank's overall market share in the MSAs, respectively. Also, if the portion of families living below poverty in each assessment area was considered, the bank's portion of loans in each assessment area exceeded demographics.

USB's distribution of lending to moderate-income borrowers in the Duluth and St. Cloud MSAs exceeded the area's family income demographics. The bank's market share of moderate-income borrowers exceeded or nearly matched the bank's overall market share in the MSAs, respectively.

Small Loans to Businesses

Refer to Table 10 in the State of Minnesota 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.

We were not able to draw a reliable conclusion on this performance element because USB did not underwrite a significant portion of its loans using revenue information. By looking solely at the numbers provided, USB's distribution of small business loans reflects a poor response to the credit needs of smaller businesses in both of its full-scope assessment areas. However, as noted, USB did not obtain revenue information on over half of the loans made to small businesses. In each of the full-scope assessment areas, for loans in which revenue information was obtained, the portion of loans made to businesses with revenues of \$1 million or less was close to the demographics of the respective areas. The bank's market share of lending to businesses with annual revenues of \$1 million or less is adequate. USB's market share of loans to these borrowers substantially met its overall market share in the St. Cloud MSA and was well below its overall market share in the Duluth MSA. In addition, over 87% of the bank's small business loans, in both markets, were for less than \$100,000.

Small Loans to Farms

Refer to Table 11 in the State of Minnesota 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.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending was a nominal portion of its total lending in Minnesota.

Consumer Loans

Refer to Table 14 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured and personal

unsecured loans reflects a good dispersion in both the Duluth and St. Cloud MSAs.

USB's distribution of lending to low-income borrowers of the Duluth and St. Cloud MSAs was well below the low-income household demographics of the assessment area.

USB's distribution of lending to moderate-income borrowers of the Duluth and St. Cloud MSAs substantially exceeded the moderate-income household demographics of each assessment area.

Community Development Lending

Refer to Table 1 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall Lending Test rating for the state. During the evaluation period, USB originated a good volume of CD loans. The number and dollar volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 14% of the bank's Tier 1 capital that is attributed to the Duluth MSA and 7% in the St. Cloud MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. CD loans made in the full-scope assessment areas include:

- USB provided a \$1,800,000 loan to local development corporation for the construction and renovation of a 48-unit assisted living project for LMI people in Duluth.
- Providing a \$3,064,000 working capital loan to expand a local aircraft manufacturing company with facilities in both Grand Forks and Duluth, MN. This expansion resulted in the creation of 85 new jobs between the two locations, of which 95% were filled by LMI workers.
- USB provided permanent financing of \$539,700 for a 24-unit townhouse project in St. Cloud, MN. All of these units are restricted to people with incomes at or below 50% of the median family income.
- Providing a \$500,000 loan to The City of Melrose Development Authority. This loan provided initial capitalization for the Authority's revolving loan fund. This loan fund provides financial assistance for small businesses and small farms.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. USB has two flexible home mortgage loan programs called Home Advantage and Home Partners. As previously discussed, these programs provide

flexible underwriting for LMI borrowers. In the Minnesota assessment areas, the bank used these programs to originate 125 home purchase loans totaling \$8.3 million and six home refinance loans totaling \$407 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Rochester and Southeast Assessment Areas is not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test in Minnesota. These assessment areas account for 25% of the bank's deposits.

USB's performance is weaker than its overall rating in the following assessment areas: Northeast, North Central, Northwest, South Central, and Wilmar. The bank's performance in these assessment areas was not balanced between geographic and borrower distributions. In the Northeast and South Central Assessment Areas the weaker performance was attributed to the bank's geographic distribution. In the Northwest, North Central, and Willmar Assessment Areas, the weaker performance was attributed to the bank's borrower distribution.

The bank's weaker performance in these assessment areas did not have a material impact on the state rating. These assessment area account for 33% of the bank's deposits.

USB's nominal level of lending in the Lamberton Assessment Area was not sufficient in all lending categories to assess performance. Accordingly, no analysis was performed. This assessment area accounts for less than one percent of the bank's deposits in the state.

Refer to the Tables 1 through 11 and Table 14 in the State of Minnesota section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Minnesota is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the St. Cloud MSA is excellent, while it is adequate in the Duluth MSA.

Refer to Table 12 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

St. Cloud MSA

During the evaluation period, USB made 17 investments totaling \$3,281,905 in the St. Cloud MSA. The volume of investments is excellent given the moderate level of opportunities presented in the MSA. In addition, the impact on the community is good. Virtually all of the investments addressed the identified need of affordable housing. Although we recognize the volume of investments, there are little complex, innovative, or leadership characteristics associated with the investments.

Examples of USB's investments in the MSA include:

- USB purchased tax credits totaling \$2,964,205 on projects located in the MSA. These projects added 62 units of affordable housing in the MSA.
- USB purchased \$267,050 in mortgage-backed securities that are collateralized by three properties to LMI people located in LMI areas of the assessment area.
- Other Grants - USB provided 14 grants totaling \$50,650 in the MSA during the evaluation period.

Duluth MSA

During the evaluation period, USB made 27 investments totaling \$592,650 in the Duluth MSA. The volume of investments is adequate, given the moderate level of CD opportunities in the MSA (refer to the Market Profile in Appendix C). In addition, the impact of the investments on the community is good. USB's investments centered on affordable housing and providing community service. The investments made by USB have little complex, innovative, or leadership characteristics associated with them.

Examples of USB's investments in the Duluth MSA include:

- USB purchased a \$250,000 bond that provided financing of a law enforcement building and was part of a city designated revitalization project in a moderate-income tract.
- USB purchased \$143,550 of mortgage-backed securities that are collateralized by two properties to LMI people located in moderate-income areas of the MSA.
- Other Grants - USB provided 25 grants totaling \$191,100 to various organizations in the MSA during this evaluation period.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Lamberton, North Central, Northeast, Northwest, Rochester, South Central, Southeast, and Willmar Assessment Areas is not inconsistent with the overall Investment Test rating of "Low Satisfactory" for the State of Minnesota. This is based solely on the volume of qualifying investments made in each one of these

assessment areas. Because 56% of the bank's deposits in Minnesota originated within the limited- scope areas, the performance in these areas did have a material impact on the overall rating for the Investment Test that we assigned to the State of Minnesota.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Minnesota is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Duluth MSA is excellent and St. Cloud MSA is adequate.

Retail Banking Services

Refer to Table 13 in the State of Minnesota 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.

USB's delivery systems are accessible to geographies and individuals of different income levels. Accessibility is excellent in the Duluth MSA and good within the St. Cloud MSA. For the Duluth MSA, the distribution of USB's offices in both the low-income and the moderate-income geographies significantly exceeds the distribution of the population living in such geographies. Three of the bank's nine offices are located in low-income tracts and two offices are located in moderate-income tracts.

Accessibility within the St. Cloud MSA needs to be evaluated in light of performance context issues. USB does not have an office in the one moderate-income census tract in the St. Cloud MSA, but USB does have an office in the MSA's only low-income census tract. This tract is located in the downtown central business district. It should be noted that because of the primarily commercial nature of the area, it has an extremely small population base. The central location of this branch and the relatively small geography covered in the MSA provides convenient access to banking for all segments of the population, including LMI. Therefore, this component of the service test rating should be considered good.

Branch closures or openings have not occurred in the Duluth MSA. In the St. Cloud MSA branching activity did not affect the accessibility of delivery systems within LMI geographies. In St. Cloud, USB opened three branches in middle- or upper-income geographies.

USB's hours and services offered throughout the full scope assessment areas are

adequate. Office hours and services are comparable among all locations regardless of the income level of the geography. Saturday hours are not offered at any of the offices serving the Duluth MSA. In the St. Cloud MSA the majority of USB's offices (three of five) have Saturday hours but none of these offices are located in either the low- or the moderate-income geography. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no fee checking or no-minimum, no fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers an effective alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. The distribution of USB's ATMs located in either LMI geographies exceeds the distribution of the population living in corresponding geographies in the Duluth MSA. USB does not have any ATMs in moderate-income geographies in the St. Cloud MSA. Two of the ten full-service ATMs for the St. Cloud MSA are located in the low-income census tract. But the analysis is not meaningful in light of the small population living in that tract and the small number of full-service ATMs in the area. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies are impacted by these services.

Community Development Services

USB's performance in providing CD services is adequate in its full-scope assessment areas. USB's performance is good in the Duluth MSA and poor in the St. Cloud MSA. There were reasonable CD opportunities available for financial institutions in both MSAs.

In the St. Cloud MSA, USB provided only one CD service. USB presented a consumer seminar in conjunction with a local employment center serving LMI individuals.

In the Duluth MSA, USB has focused its CD activities on affordable housing and the housing needs of LMI individuals. USB's CD development activities have also occasionally addressed small business development and social services targeted at LMI individuals. The CD service highlights from this evaluation period include:

- USB hosted meetings and helped garner the resources necessary to assist in bringing a new CD organization to Duluth. The organization, Local Initiative Support Coalition, provides support to developing CD entities.
- A bank employee is on the Board of the Workforce Council which provides job training for LMI people.
- A bank employee is on the Board of the Iron Range Resources and Rehabilitation Board which actively seeks economic development for the Iron Range of

northern Minnesota.

- U.S. Bancorp Piper Jaffray: This is an affiliate of USB that provided bond-underwriting assistance that allowed the sale of bonds that funded an affordable housing project for the Duluth Economic Development Authority.
- Participation in 18 homebuyer training workshops.
- Bank employees conducted three small business seminars. USB also provided a speaker for several classes sponsored by a CD organization providing technical assistance to small businesses in the Hibbing portion of the Duluth MSA.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Southeast and South Central Assessment Areas is stronger than the bank's overall "High Satisfactory" performance under the Service Test in Minnesota. This is because the bank's distribution of branches in these two areas exceeded the demographics in moderate-income geographies. There were no low-income geographies. In the Lamberton, North Central, and Willmar Assessment Areas, the bank's performance is not inconsistent with the Minnesota Service Test rating. In the Northeast, Northwest, and Rochester Assessment Areas the bank's performance is weaker than the bank's overall performance in the state. Performance under the Service Test was considered weaker in these assessment areas because the distribution of USB's offices in the LMI geographies is less than the distribution of the population living in such geographies. Refer to Table 13 in the State of Minnesota section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Nebraska¹:	<u>Outstanding</u>
The Lending Test is rated:	<u>Outstanding</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>Low Satisfactory</u>

The major factors that support this rating include:

- < USB has demonstrated excellent responsiveness to credit needs through an excellent distribution of consumer and home mortgage loans to borrowers of all income levels. It also has excellent distribution of home mortgage and small business loans within LMI geographies. This performance was supplemented by a good volume of community development loans.
- < USB has made an excellent volume of investment in the MSA that addressed identified needs such as affordable housing.
- < USB's offices and delivery systems are unreasonably inaccessible to geographies and individuals of different income levels. USB does not have any offices in LMI census tracts. USB employees provide a good level of community development services.

Description of Institution's Operations in Nebraska

Besides the Omaha, NE-IA Multi-state MSA, which was evaluated separately under a full-scope review, the State of Nebraska has six assessment areas. These six include one MSA and five nonmetropolitan areas. They are Beatrice (nonmetropolitan), Central (nonmetropolitan), Lincoln (MSA #4360), North East (nonmetropolitan), North Platte (nonmetropolitan), and Scottsbluff (nonmetropolitan).

USB has 41 offices and 69 ATMs within these six assessment areas.

Refer to the Market Profiles for the State of Nebraska in Appendix C for detailed demographics and other performance context information for the one assessment area that received a full-scope review.

Scope of Evaluation in Nebraska

¹ For institutions with branches in two or more states in a multi-state metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multi-state metropolitan area. Refer to the multi-state metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

We selected the Lincoln Assessment Area for a full-scope review because this assessment area contained more than half of USB's deposits within the State of Nebraska. The Lincoln MSA had 51% of USB's \$946 million in deposits. All other assessment areas received a limited-scope review. Refer to the Scope of Evaluation table in Appendix A for more information on the names of the counties included in each assessment area.

The overall performance of the bank in Nebraska was weighted by the percent of deposits generated in each assessment area. Therefore, the bank's performance in the Lincoln MSA weighed more toward the bank's state rating where it generated most of its deposits. The Lending Activity section below describes how the various loan products were weighted in determining the Lending Test rating for the state.

During this examination, we considered information from community organizations and various members of the communities that were subject to full-scope reviews. This information is included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Nebraska is rated "Outstanding." Based on a full-scope review, the bank's performance in the Lincoln MSA is excellent.

Lending Activity

Refer to Table 1 in the State of Nebraska section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in the State of Nebraska represents an excellent responsiveness to the credit needs of its assessment areas. In the Lincoln MSA, the bank's nearly 1,800 loans originated/purchased during the evaluation period were nearly divided between home mortgage loans and small loans to businesses. These were equally weighted in arriving at the Lending Test rating for the State of Nebraska but were secondary to the large volume of consumer loans generated during the same period. USB originated 11,304 consumer loans in the Lincoln MSA and requested that we include them in our analysis. Although community groups focused on a need for various types of real estate loans and small business credit, the large volume of consumer loans warrants the additional weighting. Retail/consumer lending is also a strategic business focus for the bank. The bank's activity with small loans to farms was insignificant in volume.

The composition of home mortgage loan originations/purchases was 31% home purchase, 25% home improvement, and 44% home refinance

The bank ranks second in deposit market share (16%). Based on 1998 HMDA aggregate data, USB is the 14th largest originator/purchaser of loans for home purchase, second for home improvement, and 14th for home refinance. Based on 1998 CRA aggregate data, USB ranks fourth in small loans to businesses. The bank's activity with small loans to farms is not significant and thus, no meaningful conclusions can be rendered for this component. Market share information is not available for consumer data.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

The overall geographic distribution of home mortgage loans is excellent.

Home Purchase Loans

Home purchase loan distribution is excellent.

In the Lincoln MSA, the portion of home purchase loans significantly exceeded demographics in low-income geographies. In moderate-income geographies, the bank's portion of loans also significantly exceeded the respective portions of owner-occupied housing units there. The market share for loans in LMI geographies was well above the bank's overall market share.

Home Improvement Loans

Home improvement loan geographic distribution is excellent.

The portion of home improvement loans slightly exceeded demographics in low-income geographies. But in the moderate-income geographies in the Lincoln MSA, the bank's portion of loans significantly exceeded the portion of owner-occupied housing units there. In addition, the market share for loans made in the LMI geographies significantly exceeded the bank's overall market share.

Refinance Loans

Home refinance loan geographic distribution is likewise excellent.

The portion of home refinance loans made in either LMI geographies significantly exceeded the portion of owner-occupied housing units there. In addition, the market share for loans made in low-income geographies matched the bank's overall market share and significantly exceeded for moderate-income areas.

Small Loans to Businesses

Refer to Table 5 in the State of Nebraska 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 geographic distribution of small loans to businesses is excellent.

In the Lincoln MSA, the portion of small loans to businesses made in low-income geographies exceeded the portion of businesses within those geographies. The market share for such loans was also well above the bank's overall market share.

The portion of small loans to businesses made in moderate-income areas also exceeded the portion of businesses within those geographies. Also, the market share for such loans exceeded the bank's overall market share.

Small Loans to Farms

Refer to Table 6 in the State of Nebraska 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.

As indicated earlier, no conclusions are rendered for this component given the insignificant volume of such lending.

Consumer Loans

Refer to Table 14 in the State of Nebraska section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The geographic distribution of consumer loans is adequate in the Lincoln MSA.

The bank's portion of loans made to low-income households was below the portion of households defined as such and was moderately close for moderate-income households.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment area. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

A substantial majority of the bank's loans were originated within its assessment areas. During the evaluation period, 95% of the bank's lending (home mortgage, small loans to businesses/farms, and consumer loans) originated within its assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the State of Nebraska section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of USB's home mortgage loans is excellent in the Lincoln MSA.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is excellent.

In the Lincoln MSA, the portion of home purchase loans made to low-income borrowers significantly exceeded the portion of families defined as such and the respective market share of loans to such borrowers is well above the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers also significantly exceeded the portion of borrowers defined as such. In addition, the market share

for loans made to moderate-income families significantly exceeded the bank's overall market share.

Home Improvement Loans

USB's distribution of home improvement loans to borrowers of different income levels is excellent.

The portion of home improvement loans made to low-income borrowers was well above the portion of families defined as such and the respective market share of loans to such borrowers was also well above the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers also exceeded the portion of borrowers defined as such. In addition, the market share for loans made to moderate-income families exceeded the bank's overall market share.

Refinance Loans

USB's distribution of home refinance loans to borrowers of different income levels is excellent.

In the Lincoln MSA, the portion of home refinance loans made to low-income borrowers was near the portion of families defined as such and the respective market share of loans to such borrowers was well above the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers significantly exceeded the portion of borrowers defined as such. In addition, the market share for loans made to moderate-income families significantly exceeded the bank's overall market share.

Small Loans to Businesses

Refer to Table 10 in the State of Nebraska 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.

Distribution of small loans to businesses is good. In the Lincoln MSA, the bank's portion of loans made to small businesses (businesses with annual revenues of \$1 million or less) was moderately below the portion of businesses defined as such. The bank's market share of such loans was approximately one-half of the bank's overall market share. Note that USB did not obtain revenue information on 33% of its small business loans. Of loans made with revenue information collected, 72% were to businesses with revenues of \$1 million or less.

Small Loans to Farms

Refer to Table 11 in the State of Nebraska 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.

No conclusions are rendered because there was an insignificant volume of lending with this product to allow for any meaningful conclusions.

Consumer Loans

Refer to Table 14 in the State of Nebraska section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The borrower distribution of consumer loans reflects an excellent dispersion in the Lincoln MSA. The bank's portion of consumer loans made to low-income households essentially matched the portion of households defined as such. If the portion of households living below the poverty level was considered, the bank's performance significantly exceeded demographics. The portion of loans made to moderate-income households was significantly above the portion of households defined as such.

Community Development Lending

Refer to Table 1 in the State of Nebraska section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated a good volume of CD loans in the Lincoln MSA. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 7% of the bank's Tier 1 capital that is attributed to the Lincoln MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- Providing a \$343,333 loan to the YMCA Housing Partnership of Nebraska for the construction of a rental housing project targeted at LMI individuals in the MSA. This project is also funded by the Nebraska Investment Finance Authority, and two other banks.
- Loaning \$2,242,000 to a local construction company for the rehabilitation of

137 affordable housing units in three separate apartment complexes in LMI areas of the MSA.

- USB provided a \$150,000 operating loan to Lincoln Action Program (LAP). LAP provides employment skills development, basic and emergency needs, homeless shelter, micro lending, and family support services to low-income people in the MSA.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. Bank-wide, USB offers flexible mortgage-related lending programs serving LMI borrowers including the “Home Advantage” and “Home Partners.” In the Nebraska assessment areas the bank used these programs to originate 51 home purchase loans totaling \$3.2 million and three home refinance loans for \$188 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Lending Test in the Beatrice, Central, and the North Platte Assessment Areas is not inconsistent with the bank’s overall “Outstanding” performance under the Lending Test in Nebraska. In the Scottsbluff and the Northeast Assessment Areas, the bank’s performance is weaker than the bank’s overall performance in the state. In the Scottsbluff Assessment Area, this is due to the weaker geographic and borrower distribution of its small loans to businesses. In the Northeast Assessment Area, this is due to the weaker geographic and borrower distribution of home mortgage and small loans to businesses. However, this weaker performance did not result in an adjustment to the bank’s overall Lending Test rating for the State of Nebraska. Refer to the Tables 1 through 11 and Table 14 in the State of Nebraska section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank’s performance under the Investment Test in Nebraska is rated “Outstanding.” Based on a full-scope review, the bank’s performance in the Lincoln MSA is excellent.

Refer to Table 12 in the State of Nebraska section of Appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

During the evaluation period, USB made 30 investments totaling \$2,658,250 in the Lincoln MSA. The volume of investments is high. There are various opportunities for banks to help meet the housing- and business-related CD needs of the MSA (refer to the Market Profile in Appendix C). USB's focus has been on addressing housing needs, as well as community service needs, of the LMI population within the MSA.

The following is a discussion of USB's investments in the Lincoln MSA:

- USB made investments totaling \$2,500,000 in the Equity Fund of Nebraska, which invests in low-income residential rental properties and implements strategies to maintain the properties as low-income housing. USB helped develop this fund during a prior evaluation period based on its recognition of the strong need for affordable housing within Nebraska. The project provided 283 housing units for LMI individuals.
- The bank provided grants totaling \$37,000 to the United Way, which provides various social services in the community, the majority of which have CD purposes.
- Other Grants - USB provided 26 grants totaling \$121,250 to organizations that work on affordable housing and community service efforts for LMI people within the community.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the North Platte Assessment Area is not inconsistent with the bank's overall "Outstanding" performance in Nebraska. While the bank's performance in the Beatrice, Central, Northeast, and Scottsbluff Assessment Areas is weaker than the bank's overall performance in the state, performance in those areas is still good. The lower level of investments in the Central and Scottsbluff Assessment Areas did not have a material impact on the bank's overall Investment Test performance in the state. Refer to the Table 12 in the State of Nebraska 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 Nebraska is rated "Low-Satisfactory." Based on full-scope reviews, the bank's performance in the Lincoln MSA is adequate. All other Nebraska assessment areas are limited scope.

Retail Banking Services

Refer to Table 13 in the State of Nebraska 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.

USB's delivery systems are unreasonably inaccessible to geographies and individuals of different income levels. Accessibility is poor in the Lincoln MSA. USB does not have any offices in LMI geographies despite the fact the more than 25% of the population resides in these geographies. One branch opened in a middle-income geography during the evaluation period that did improve the accessibility of delivery systems to LMI individuals. As an in-store location (grocery store), the office offers excellent hours, open seven days a week, and is a destination point for individuals regardless of income level. Low-income families represent 6.93% of all families living in this geography which exceeds the distribution of families living in such geographies for the MSA as a whole.

USB's hours and services offered in the Lincoln MSA are comparable among all locations. Saturday hours are offered at most of the offices serving the Lincoln MSA. Three of USB's offices are in-store locations and offer Sunday hours. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no fee checking or no minimum, no-fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers a limited alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. USB does not have any ATMs in low-income census tracts and only one of sixteen full-service ATMs is located in a moderate-income tract. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is good in the Lincoln MSA. There are reasonable CD opportunities available for financial institutions in the Lincoln MSA. In the Lincoln MSA, USB has focused its CD activities on affordable housing and the housing needs of LMI individuals. This focus addresses needs that were expressed by community contacts. USB's CD development activities have also occasionally addressed small business creation and social services targeted at LMI individuals. These needs were also mentioned by community contacts. The CD service highlights from this evaluation period include:

- Lincoln Community Development Partnership (LCDP): USB employees have taken a leadership role in moving this organization toward its long-term community revitalization goals. LCDP will operate as a Community Development Corporation and solicit and utilize private, local, state, and federal funds to revitalize and build infrastructure in a Lincoln MSA flood plain that encompasses six low- or moderate-income geographies. Three USB employees are providing technical assistance to LCDP. Two employees are assisting by developing financing strategies for the organization and a third employee is facilitating the planning process for housing development for neighborhoods to be reconstructed.
- A bank employee is the Board president of the Nebraska Equity Fund which is a nonprofit organization that provides tax equity financing for affordable housing developments for LMI people in LMI geographies. Another employee is also involved and provides financial technical assistance to the organization.
- A USB employee is a Board member and provides financial technical assistance to Fannie Mae Nebraska which provides mortgage financing for affordable housing.
- A bank employee provides financial technical assistance to the city of Lincoln's Urban Development Department in order to coordinate planning with Neighborhood Inc., a nonprofit organization that works for community revitalization, to develop affordable housing.
- Housing Excellence Coalition (HEC): HEC is a consortium of public and private investors that strive to develop mixed-income affordable housing throughout the state of Nebraska. At a HEC sponsored conference in the Lincoln MSA, two USB employees provided a workshop on "Training the Trainers in Homebuyer Education." This approach to homebuyer education is innovative because it promotes further homebuyer education throughout the Lincoln MSA and state of Nebraska by training other people to go out and provide homebuyer education services.
- USB partnered with another community development organization on twelve homebuyer workshops through Neighborhoods, Inc. In addition, USB employees provided basic banking seminars in LMI neighborhoods and provided three small business seminars. One of the basic banking seminars was done for the Hispanic community and provided bilingual information.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Beatrice, Central, Northeast, and Scottsbluff Assessment Areas is not inconsistent with the bank's overall "Low Satisfactory" performance under the Service Test in Nebraska. In the North Platte Assessment Area the bank's performance is stronger than the bank's overall performance in the state because the distribution of USB's offices in LMI geographies exceeds the distribution of the

population living in such geographies. Significant weight was not placed on USB's performance in this assessment area because it accounts for less than 2% of the bank's Nebraska deposits.

Refer to Table 13 in the State of Nebraska section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Nevada:	<u>Satisfactory</u>
The Lending Test is rated:	<u>High Satisfactory</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>Low Satisfactory</u>

The major factors that support this rating include:

- < USB has demonstrated good responsiveness to credit needs through its good distribution of home mortgage, small business, and consumer lending to borrowers of different income levels. Community development lending was also very positive with a very large volume of loans in each full-scope assessment area.
- < USB has made an excellent level of investment in the full-scope assessment areas, primarily housing related.
- < USB's offices and delivery systems are reasonably accessible to geographies and individuals of different income levels. USB employees provide a reasonable level of community development services.

Description of Institution's Operations in Nevada

USB has five assessment areas within the State of Nevada. These include Carson City (nonmetropolitan), Churchill (nonmetropolitan), Las Vegas (MSA #4120), Northern (nonmetropolitan), and Reno (MSA #6720).

USB has 43 offices and 63 ATMs within the State of Nevada.

Refer to the Market Profiles for the State of Nevada in Appendix C for detailed demographics and other performance context information for the two assessment areas that received full-scope reviews.

Scope of Evaluation in Nevada

We selected the two assessment areas with the largest portion of USB deposits within the State for our full-scope reviews. These were the Las Vegas Assessment Area with 32% and the Reno Assessment Area with 54% of USB's \$1.2 billion in deposits within the State of Nevada. All other assessment areas received limited-scope reviews. Refer to the Scope of Evaluation section in Appendix A for more information on the names of the counties included in each assessment area.

The overall performance of the bank in Nevada was weighted by the percent of deposits generated in each assessment area. Therefore, the bank's performance in

the Reno MSA weighed more toward the bank's state rating where it generated 54% of its deposits. The Lending Activity section below describes how the various loan products were weighted in determining the overall Lending Test rating for the state.

During this examination, we considered information from community organizations and various members of the communities that were subject to full-scope reviews. Information obtained from these contacts is included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Nevada is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Reno MSA is good and in the Las Vegas MSA is adequate.

Lending Activity

Refer to Table 1 in the State of Nevada section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Nevada represents a good responsiveness to the credit needs of its assessment areas, primarily through its small business and community development lending. In 1998, among similarly situated commercial banks in the combined assessment areas, USB reported among the highest volumes of small business lending. Of the bank's total reportable loans in Nevada, a significant portion (61% of the number) were CRA reportable (small business or small farm). However, there is a divergence of deposits versus loans between the Reno and Las Vegas MSAs. Specifically, the Reno MSA accounts for 54% of the bank's deposits in Nevada and only 27% of the bank's lending activity. The Las Vegas MSA accounts for 32% of the bank's deposits and 58% of its lending activity. This is reflected in the home mortgage and small business loans USB has originated in the Las Vegas MSA. This divergence is attributed to the significant growth that has occurred in the Las Vegas MSA.

In the Reno and Las Vegas MSAs, USB generated almost 86% of its Nevada deposits, ranking the bank third and eighth in size, with a market share of 20% and 4% in the respective markets. In these MSAs, the bank is the number four- and five-ranked lender for small business purposes, with a market share of 11% and 10%, respectively. The bank's residential lending in these MSAs was nominal

compared to lenders of similar size. However, USB did show strength in its home improvement lending in the Reno MSA, ranking it fifth among all reporters.

USB's home purchase loans accounted for just under a third of the number of home mortgage loans it originated in Nevada. USB's home improvement loans accounted for 33% and home mortgage loans for refinance purposes accounted for just over a third of the home mortgage loans it originated in Nevada.

Lending competition in USB's assessment areas is intense, ranging from 394 HMDA reporters in the Reno MSA to 579 reporters in the Las Vegas MSA. In addition, 53 and 113 CRA reporters were identified in the assessment areas, respectively.

In addition, USB generated a large number of consumer loans and requested that we include this data in our analysis. In Las Vegas, USB made 11,968 consumer loans. In Reno, USB made 4,405 consumer loans. Market share is not available on consumer data.

USB's small farm lending was not material in either of the full scope assessment areas. Accordingly, small farm lending was not analyzed.

In analyzing USB's Lending Test performance in Nevada, greater weight was given to its small business lending versus home mortgage and small farm lending based on the volume of originations. We weighted the consumer products equally with small business lending in arriving the Lending Test rating because of the large volume of loans originated and because this is a strategic business focus for the bank. In the two full-scope assessment areas, CD lending volumes were significant and were a positive contributor to the Lending Test conclusions.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 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.

The overall geographic distribution of USB's home mortgage lending is good in the Reno MSA and poor in the Las Vegas MSA.

Home Purchase Loans

Overall, USB's distribution of home purchase loans is adequate. The bank exhibited an excellent distribution in the Reno MSA, and poor distribution in the Las Vegas

MSA.

During the review period, USB did not originate any home purchase loans in the low-income areas of the Reno or Las Vegas MSAs. However, the low-income areas in the Reno MSA account for only a nominal portion of the area's owner-occupied housing (22 owner-occupied homes). Therefore, the bank's home mortgage loan performance in these areas is not meaningful to this analysis.

USB's distribution of lending in the moderate-income areas of the Reno MSA exceeded the owner-occupied demographics of the areas. In addition, USB's market share in these moderate-income areas exceeded its overall market share. USB's distribution of lending in the moderate-income areas of the Las Vegas MSA was well below the area demographics. The bank's market share in this MSA is nominal and not meaningful to this analysis.

Home Improvement Loans

Overall, USB's geographic distribution of home improvement loans is poor. The bank exhibited a poor distribution in both the Reno and Las Vegas MSAs.

During the review period, USB did not originate any home improvement loans in the low-income areas of the Reno or Las Vegas MSAs. The low-income areas in the Reno MSA account for only a nominal portion of the area's owner-occupied housing (22 owner-occupied homes). Therefore, the bank's home mortgage loan performance in these areas is not meaningful to this analysis.

USB's distribution of lending in the moderate-income areas of the Reno and Las Vegas MSA was well below each area's demographics. The bank's market share in the moderate-income areas of these MSAs was also well below its overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans is adequate. The bank exhibited an adequate distribution in both full-scope assessment areas.

USB's distribution of lending in the low-income areas of the Las Vegas MSA was just below the owner-occupied demographics of the areas. The bank's market share in this MSA is nominal and not meaningful to this analysis. The low-income areas in the Reno MSA account for only a nominal portion of the area's owner-occupied housing (22 owner-occupied homes). Therefore, the bank's home mortgage loan performance in these areas is not meaningful to this analysis.

USB's distribution of lending in the moderate-income areas of the Reno MSA was

below the area's demographics. The bank's market share in Reno's moderate-income areas slightly exceeded its overall market share. USB's distribution of lending in the moderate-income areas of the Las Vegas MSA was well below the owner-occupied demographics of the areas. The bank's market share in this MSA is nominal and not meaningful to this analysis.

Small Loans to Businesses

Refer to Table 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 origination/purchase of small loans to businesses.

USB's geographic distribution of small loans to businesses reflects an adequate dispersion throughout its assessment areas. The bank exhibited a good distribution in the Reno MSA and an adequate distribution in the Las Vegas MSA.

USB's distribution of lending in the low-income areas of the Reno MSA were below the business demographics of the areas. In addition, USB's market share in these low-income areas was well below its overall market share. However, the bank's distribution of lending in the low-income areas of the Las Vegas MSA while still below the business demographics of the areas, was better than in Reno. Further, USB's market share in the Las Vegas MSA low-income areas matched its overall market share.

USB's distribution of lending in the moderate-income areas of the Reno MSA nearly matched the business demographics of the areas. Further, the bank's market share in the Reno MSA's moderate-income areas matched its overall market share. The bank's distribution of lending in the moderate-income areas of the Las Vegas MSA was below the business demographics of the areas. However, the bank's market share in the Las Vegas MSA's moderate-income areas was just below its overall market share.

Small Loans to Farms

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 farms.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending accounted for less than 1% of its total lending in Nevada.

Consumer Loans

Refer to Table 14 in the State of Nevada section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured and personal unsecured loans reflects a poor dispersion in both full-scope assessment areas.

USB's distribution of lending in the low-income areas of the Reno and Las Vegas MSAs was well below the population demographics of the areas.

USB's distribution of lending in the moderate-income areas of the Reno and Las Vegas MSAs was well below each area's population demographics.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's full-scope assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

The inside/outside ratio was performed at the state level. The analysis included originations and purchased loans directly attributed to USB. During the review period USB originated or purchased 98% of its Nevada loans in its assessment areas. This shows an excellent response to the credit need of the bank's Nevada assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 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.

The overall borrower distribution of USB's home mortgage lending is good in both the Reno and Las Vegas MSAs.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is excellent. The bank exhibited an excellent distribution in the Reno MSA and a good distribution in the Las Vegas MSA. USB's home purchase lending market share was nominal in the full-scope assessment areas and was not meaningful to this analysis.

USB's distribution of lending to low-income borrowers in the Reno MSA exceeded the family income demographics of the areas. In addition, the bank's market share of low-income borrowers substantially exceeded its overall nominal market share. The bank's distribution of lending to low-income borrowers in the Las Vegas MSA was below the family income demographics of the area. When considering the MSA's level of families living below the poverty level, the bank's distribution of lending to low-income borrowers was slightly above demographics.

USB's distribution of lending to moderate-income borrowers in the Reno MSA substantially exceeded the family income demographics of the areas. The bank's distribution of lending to moderate-income borrowers in the Las Vegas MSA also exceeded the family income demographics of the areas.

Home Improvement Loans

Overall, USB's distribution of home improvement loans to borrowers of different income levels in its full-scope assessment areas is poor. The bank exhibited a poor distribution in the Reno MSA and in the Las Vegas MSA. USB's home improvement lending market share in the Las Vegas MSA was nominal and not meaningful to this analysis.

USB's distribution of lending to low-income borrowers in the Reno and Las Vegas MSAs was well below the family income demographics of the areas even when considering each areas level of families that live below the poverty level. In addition, USB's market share of low-income borrowers in the Reno MSA was well below its overall market share.

USB's distribution of lending to moderate-income borrowers in the Reno and Las Vegas MSAs was below the family income demographics of the areas. In addition, USB's market share of moderate-income borrowers in the Reno MSA was well below its overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different

income levels in both full-scope assessment areas is good. USB's refinance lending market share was nominal in the full-scope assessment areas and not meaningful to this analysis.

USB's distribution of lending to low-income borrowers in both full-scope assessment areas was below the family income demographics of the respective areas. When the portion of families living below poverty was considered in each MSA, the bank's portion of loans to low-income borrowers met or exceeded the family income demographics. The bank's market share of low-income borrowers, while generally nominal, exceeded the bank's overall market share in both MSAs.

USB's distribution of lending to moderate-income borrowers in the Reno MSA matched the area's family income demographics. The bank's distribution of lending to moderate-income borrowers in the Las Vegas MSA was just below the area's family income demographics. The bank's market share of moderate-income borrowers, while generally nominal, exceeded the bank's overall market share in both MSAs.

Small Loans to Businesses

Refer to Table 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 origination and purchase of small loans to businesses.

USB's distribution of small business loans reflects a good responsiveness to the credit needs of smaller businesses in both of its full-scope assessment areas. The bank's market share of lending to businesses with annual revenues of \$1 million or less is adequate. In addition, over 90% of the bank's small business loans were for less than \$100,000. USB obtained revenue information on the vast majority of its customers, only 28% did not have revenue information.

The bank exhibited a good distribution of lending to smaller businesses in the Reno and Las Vegas MSAs as the bank's loan distribution to small business borrowers was just below the small business demographics of the respective areas. USB's market share of loans to these borrowers was below its overall market share in the respective areas. USB obtained revenue information on the vast majority of its customers in this market as well, only 28% did not have revenue information.

Small Loans to Farms

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/purchase of small loans to farms.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending was a nominal portion of its total lending in Nevada.

Consumer Loans

Refer to Table 14 in the State of Nevada section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured and personal unsecured loans reflects a good dispersion in both full-scope assessment areas.

USB's distribution of lending to low-income borrowers of the Reno and Las Vegas MSAs were below the low-income household demographics of the assessment area, more so in the Las Vegas MSA than in the Reno MSA.

USB's distribution of lending to moderate-income borrowers of the Reno and Las Vegas MSAs substantially exceeded the moderate-income household demographics of each assessment area.

Community Development Lending

Refer to Table 1 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.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated an excellent volume of CD loans in the Las Vegas and Reno MSAs. This level of CD lending had a significant impact on the overall rating we assigned to each of the full-scope areas. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 61% of the bank's Tier 1 capital that is attributed to the Las Vegas MSA and 15% of the capital attributed to the Reno MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- Providing \$18,601,237 in loans to a for-profit developer of affordable housing units in Las Vegas, NV whose market niche and strategic focus is the LMI homebuyer. These funds were used for the construction of several local projects that were undertaken by the borrower in the MSA.
- Providing a \$3,000,000 loan to Community Development Programs Center of Nevada (CDPCN) for the construction of Sunset Park Apartments, a 48-unit affordable housing complex located in a low-income area of the Las Vegas MSA. CDPCN's mission is to promote community and economic development and facilitate access to credit for low and moderate-income areas of the MSA. Specific initiatives include affordable housing, consumer and small business lending, community development initiatives, technical assistance and associated workshops.
- Providing a \$10,800,000 construction loan for an apartment complex in Reno, NV. This project provides affordable housing for minimum wage earners that work primarily in local casinos and hotels.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. USB has two flexible home mortgage loan programs called Home Advantage and Home Partners. As previously discussed, these programs provide flexible underwriting for low- or moderate-income borrowers. In the Nevada assessment areas, the bank used these programs to originate 125 home purchase loans totaling \$11 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Carson City Assessment Area is stronger than the bank's overall "High Satisfactory" performance under the Lending Test in Nevada. The bank's stronger performance in this assessment area does not have a material impact on the state rating. This assessment area accounts for only 7% of the bank's deposits within the state.

USB's performance is weaker than its state rating in the Northern Assessment Area. The bank's performance in this assessment area was not balanced between geographic and borrower distributions. The assessment area's weaker performance was attributed to the bank's borrower distribution. The bank's weaker performance in this assessment area does not have a material impact on the state rating. This assessment area accounts for 6% of the bank's deposits within the state.

USB's nominal level of lending in the Churchill Assessment Area was not sufficient

in all lending categories to assess performance. Accordingly, no analysis was performed. This assessment area accounts for 1% of the bank's deposits.

Refer to the Tables 1 through 11 and Table 14 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

The bank's performance under the Investment Test in Nevada is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Las Vegas and Reno MSAs is excellent.

Refer to Table 12 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 MSA

During the evaluation period, USB made 16 investments totaling \$1,769,803 in the Las Vegas MSA. The volume of investments is high in light of the bank's size and smaller presence in the community. Many opportunities exist for investments related to both housing and business development (refer to the Market Profile in Appendix C). USB's focus has been on the most critical need, that of affordable housing for LMI individuals. USB's support of the community has included significant financial support for a CD organization, as described below. Although we recognize an excellent volume of investments, few had characteristics that we considered as complex, innovative, or exemplary of a leadership role.

The following is a discussion of USB's investments in the Las Vegas MSA:

- The bank's largest CD investment in the Las Vegas MSA was its \$1,200,000 investment in the Fore Casa Sorrento Limited Partnership. This affordable housing project qualifies for Low-Income Housing Tax Credits and added 236 LMI housing units to the MSA.
- USB was a leader in providing very significant financial support to the Community Development Programs Center of Nevada through grants totaling \$520,000. The Center serves various CD purposes related to affordable housing, business development, and economic development. Among the organization's significant accomplishments during the evaluation period was the development of a 48-unit multi-family affordable housing complex in the distressed area of West Las Vegas.
- Other Grants - USB provided 10 other grants totaling \$49,803 to organizations serving various CD purposes.

Reno MSA

During the evaluation period, USB made 20 investments totaling \$6,548,792 in the Reno MSA. The volume of investments is high. The bank's investment focus has been primarily on affordable housing, which is also the community's most pressing need. We did not identify many investments that evidenced complex, innovative, or leadership characteristics.

The following is a discussion of USB's investments in the Reno MSA:

- The bank's most significant CD investment within the Reno MSA was its \$6,302,792 investment in the Studio 3 Limited Partnership. This affordable housing project qualifies for Low-Income Housing Tax Credits and provided 240 LMI housing units in the MSA.
- USB provided grants totaling \$45,000 to two nonprofit organizations that focus on helping LMI individuals attain homeownership. The bank had identified that the lack of funds for down payments and closing costs was a common barrier to homeownership, so it provided these grants as an innovative solution to the problem. The grants go toward a pool from which down payment and closing cost assistance is available, up to one percent of the purchase price of each home.
- Other Grants - USB provided 15 other grants totaling \$96,000 to local nonprofit organizations that focus on a wide range of CD needs in the MSA.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Carson City, Churchill, and Northern Assessment Areas is weaker than the bank's overall "Outstanding" performance under the Investment Test in Nevada. This weaker performance is a function of the lower level of investments, or none, in those assessment areas. This weaker performance did not have a material impact in the bank's overall Investment Test performance within the state, however, due to the small size of these markets relative to USB's Las Vegas and Reno markets. These limited scope areas only represent 14% of total deposits in the state. Refer to the Table 12 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 "Low Satisfactory." Based on full-scope reviews, the bank's performance in both of the Las Vegas and Reno MSAs is adequate.

Retail Banking Services

Refer to Table 13 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.

USB's delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. Accessibility is adequate in both MSAs. For the Las Vegas MSA, USB's distribution of offices located in low-income geographies exceeds the distribution of the population living in low-income geographies. For moderate-income geographies, USB's distribution of offices is significantly less than the distribution of the population living in moderate-income geographies. USB does not have a branch in Reno's only low-income census tract. However, the population base for this geography is very small. The distribution of USB's offices in Reno's moderate-income geographies is nearly equal to the distribution of the population living in such geographies. Branch closures and openings did not affect the accessibility of retail delivery systems in either MSA. The branch opening and closing activities occurred in middle- or upper-income census tracts in both MSAs.

USB's hours and services offered throughout the full-scope assessment areas are good. Office hours and services are comparable among all locations regardless of the income level of the geography. For the Las Vegas MSA, hours are extended at all offices on Friday and all eight of USB's in-store offices offer Saturday and Sunday hours. For the Reno MSA, hours are extended at all offices on Friday and the majority of offices offer Saturday hours, including all six in-store offices and two of the four offices located in moderate-income geographies.

USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no fee checking or no-minimum, no fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers a reasonable alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. USB's distribution of ATMs located in low-income geographies in the Las Vegas MSA exceeds the distribution of the population living in low-income geographies. For moderate-income geographies, USB's distribution of ATMs is significantly less than the distribution of the population living in moderate-income geographies. For the Reno MSA, USB does not have an ATM in the low-income census tract. The distribution of USB's ATMs in moderate-income geographies exceeds the distribution of the population living in such geographies. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing

conclusions since the bank did not provide data on how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is adequate in its full-scope assessment areas. USB's performance is good in the Las Vegas MSA and adequate in the Reno MSA. CD opportunities are readily available for financial institutions in the Reno MSA and reasonably available in the Las Vegas MSA.

In the Las Vegas MSA, USB has focused its CD activities on affordable housing and the housing needs of LMI individuals and small business development. These types of CD activities are not inconsistent with the community development needs of the MSA. Examples of CD service include:

- USB conducted four small business seminars in non-traditional settings in an effort to reach members of the community that might otherwise be less likely to attend such training. This was in addition to six other small business training seminars held in more traditional settings.
- A bank employee is on the loan committee of the City of Las Vegas' Revolving Loan Fund for small business owners who would not ordinarily qualify for loans under standard underwriting criteria.
- USB coordinated a training conference on low-income housing tax credits that was attended by bankers, public officials, and building developers.
- USB employees serve as Board or committee members on three different organizations that promote affordable housing causes: Community Development Program Center, Nevada Community Reinvestment Corp, and the Affordable Housing Resource Counsel.

In the Reno MSA, USB has focused its CD activities on social services targeted at LMI individuals. USB's CD development activities have occasionally included activities promoting affordable housing and small business development. Examples of CD service include:

- Four USB employees serve on the board or committees of four organizations that provide social services to LMI individuals: United Way, Sierra Arts Foundation, Truckee Meadows Fair Housing, and the Children's Cabinet.
- A USB employee is on the committee of the Nevada Development Capital Corporation which is a privately funded community development company that finances small businesses. It operates a revolving loan fund that focuses on economic development.
- A USB employee is on the Affordable Housing Advisory Committee for the City of Reno. This committee is responsible for assessing the needs of the community and making recommendations to the City Council for ideas that will

- meet affordable housing needs.
- USB conducted one first time homebuyer training session and one small business training seminar on how to obtain financing.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance in the Carson City Assessment Area is stronger than the overall "Low Satisfactory" performance under the Service Test in Nevada. In the Churchill and Northern Assessment Areas the bank's performance is weaker than the bank's overall performance in the state. USB's distribution of offices located in LMI geographies exceeds the distribution of the population living in such geographies in the Carson City Assessment Area. For the Churchill and Northern Assessment Areas, USB's distribution of offices located in LMI geographies is less than the distribution of the population living in such geographies. These areas did not impact the overall rating for the state because, on a combined basis, these assessment areas represent only 14% of USB's deposits in the state. Refer to Table 13 in the State of Nevada section of Appendix D for the facts and data that support these conclusions.

CRA Rating for North Dakota¹:	<u>Needs to Improve</u>
The Lending Test is rated:	<u>Low Satisfactory</u>
The Investment Test is rated:	<u>Needs to Improve</u>
The Service Test is rated:	<u>Low Satisfactory</u>

The major factors that support this rating include:

- < USB has demonstrated adequate responsiveness to credit needs primarily because of the strength of its consumer lending performance. For the other loan categories, USB also had a generally adequate geographic and borrower distribution.
- < USB has made very minimal investment in the full-scope assessment area which reflects very poor responsiveness to the needs of the community.
- < USB's offices and delivery systems are reasonably accessible to geographies and individuals of different income levels. USB employees provide an adequate level of community development services.

Description of Institution's Operations in North Dakota

Besides the Fargo-Moorhead, ND-MN Multi-state MSA and the Grand Forks, ND-MN Multi-state MSA, which were each evaluated separately under full-scope reviews, there are four assessment areas in the State of North Dakota. They are Bismarck (MSA #1010) and the nonmetropolitan assessment areas of Northeast, Northwest, and Southeast.

USB has 15 offices and 26 ATMs within these four assessment areas.

Refer to the Market Profiles for the State of North Dakota in Appendix C for detailed demographics and other performance context information for the one assessment area that received a full-scope review.

Scope of Evaluation in North Dakota

We selected the Bismarck Assessment Area for a full-scope review because it had

¹ For institutions with branches in two or more states in a multi-state metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multi-state metropolitan area. Refer to the multi-state metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

the largest percentage of USB deposits within the State of North Dakota. This assessment area had 36% of USB's \$687 million in deposits within the state. All other assessment areas received a limited-scope review. Refer to the Scope of Evaluation table in Appendix A for more information on the names of the counties included in each assessment area.

The overall performance of the bank in North Dakota was weighted by the percent of deposits generated in each assessment area. Therefore, the bank's performance in the Bismarck MSA weighed more toward the bank's state rating where it generated 36% of its deposits. The Lending Activity section below describes how the various loan products were weighted in determining the Lending Test rating for the state.

During the examination, we considered information from community organizations and various members of the communities that were subject to full-scope reviews. Information obtained from these contacts is included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in North Dakota is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Bismarck MSA is adequate.

Lending Activity

Refer to Table 1 in the State of North Dakota section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in North Dakota represents a good responsiveness to the credit needs of its assessment areas, primarily because of a very large infusion of CD loans in the Bismarck MSA. In the Bismarck MSA, the bank reported nearly 700 CRA-related loans originated during the evaluation period. These loans were comprised of 42% home mortgage and 55% small loans to businesses. The bank's activity with small loans to farms was insignificant in volume.

In addition to this, USB generated a large volume of consumer loans and requested that we include this information in our analysis. USB made approximately 3,300 consumer loans (automobile, personal secured and personal unsecured).

The composition of home mortgage loan originations was 14% (39 loans) home

purchase, 24% (68 loans) home improvement, and 62% (172 loans) home refinance. Given the nominal level of activity with home purchase and home improvement lending categories, for weighting purposes, the focus in the following home mortgage analyses will be on the home refinance lending category.

The bank ranks second in deposit market share (22%). USB ranks third (19%) in small loans to businesses based on 1998 CRA aggregate data. Based on 1998 HMDA aggregate data, USB is the 18th largest originator/purchaser of loans for home purchase, third for home improvement, and 10th for home refinance. The bank's activity with small loans to farms is not significant and thus, no meaningful conclusions can be rendered for this component. Market share information is not available on consumer data.

In analyzing USB's Lending Test performance in North Dakota, greater weight was given to the consumer loan category based on the volume of loans generated. Retail/consumer lending is a strategic business line for USB. Next greatest weight was given to the small business product because commercial credit and economic development involving small business was mentioned by community groups as credit needs. Slightly less weight was given to the home mortgage refinance category. CD lending had a generally positive role in determining the overall Lending Test rating in the state.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

The overall geographic distribution of home mortgage loans is poor.

This conclusion is based on the bank's distribution of 172 home refinance loans which is where the primary weighting for home mortgage activity is placed. The level of activity with home purchase and home improvement lending is insignificant to result in any meaningful conclusions; however, it is noted that these products possess similar distribution patterns. In the Bismarck MSA, the portion of home refinance loans made in moderate-income geographies was significantly below the portion of owner-occupied housing units there. The market share for loans in moderate-income geographies was also well below the bank's overall market share. There are no low-income geographies in the Bismarck MSA.

Small Loans to Businesses

Refer to Table 5 in the State of North Dakota 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.

USB's geographic distribution of small loans to businesses reflects adequate dispersion throughout the assessment area. In the Bismarck MSA, the portion of small loans to businesses made in moderate-income geographies was slightly below the portion of businesses in those geographies. The market share for such loans was below the bank's overall market share.

Small Loans to Farms

Refer to Table 6 in the State of North Dakota 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.

No conclusions are rendered given the insignificant volume of lending with this product to allow for any meaningful conclusions.

Consumer Loans

Refer to Table 14 in the State of North Dakota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured, and personal unsecured loans reflects excellent dispersion. The bank's portion of consumer loans made in moderate-income geographies in the Bismarck MSA exceeded the portion of the population residing there.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

A substantial majority of the bank's loans were originated within its assessment areas. During the evaluation period, 96% of the bank's lending (home mortgage, small loans to businesses/farms, and consumer loans) originated within its

assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the State of North Dakota 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.

USB's overall distribution of home mortgage loans to borrowers of different income levels is adequate. Again, this conclusion is based on the bank's distribution of 172 home refinance loans. The level of activity with home purchase and home improvement is insignificant to result in any meaningful conclusions.

In the Bismarck MSA, the portion of home refinance loans to low-income borrowers was well below the portion of families defined as such even when considering the level of families living below the poverty level. The respective market share for such loans was also well below the bank's overall market share.

The portion of loans made to moderate-income borrowers was below the portion of families defined as such. However, the respective market share for such loans was significantly above the bank's overall market share.

Small Loans to Businesses

Refer to Table 10 in the State of North Dakota 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.

Distribution of small loans to businesses is adequate. In the Bismarck MSA, the bank's portion of loans made to small businesses (businesses with annual revenues of \$1 million or less) was below the portion of businesses defined as such. The bank's market share of such loans was also below the bank's overall market share. Note, however, that USB did not obtain revenue information on 38% of its small business loans. Of loans made with revenue information collected, 78% were to businesses with revenues of \$1 million or less.

Small Loans to Farms

Refer to Table 11 in the State of North Dakota 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.

No conclusions are rendered given the insignificant volume of lending with this product to allow for any meaningful conclusions.

Consumer Loans

Refer to Table 14 in the State of North Dakota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's distribution of consumer auto, personal secured, and personal unsecured loans to borrowers of different income levels is good.

In the Bismarck MSA, the bank's portion of consumer loans made to low-income households was below the portion of households defined as such. However, if the level of households living below the poverty level were considered, the bank's performance would greatly exceed the adjusted demographics.

The portion of loans made to moderate-income households was significantly above the portion of households defined as such.

Community Development Lending

Refer to Table 1 in the State of North Dakota section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

The bank's CD lending efforts during the evaluation period had a neutral impact on our overall rating. During the evaluation period, USB originated an adequate dollar volume of CD loans in the Bismarck MSA. This level of CD lending is consistent with the overall "Low Satisfactory" rating we assigned to the Lending Test and is commensurate with the moderate level of opportunities available. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 1.4% of the bank's Tier 1 capital that is attributed to the Bismarck MSA. We did not identify any instances of complex, innovative or leadership characteristics. The largest example includes:

- USB provided two loans totaling \$366,000 loan to finance the purchase of the Abused Adult Resource Center's administration building. The resulting lower operating expenses enables the Center to shift resources to making improvements to the homeless shelter. The Center provides temporary housing, counseling and intervention for abused partners with children.

Although the following Letter of Credit is not included in the Tables, it does represent a significant community development commitment to the assessment area. It is considered other loan data. As such, it did not contribute much weight to the state's Lending Test rating but it is a positive reflection of the bank's

commitment to the assessment area.

- USB issued a \$8,799,055 Letter of Credit backing a state Industrial Revenue Bond to expand a 96-year-old firm located in Morton County. This firm is the major employer in the area. This expansion will retain 42 jobs and create 30 new jobs, 80% of which are filled by LMI individuals. Proceeds of the loan were used for construction of the plant facility and purchase equipment.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. Bank-wide, USB offers flexible mortgage-related lending programs serving LMI borrowers including the “Home Advantage” and “Home Partners.” The bank did not provide any data for these products within this assessment area.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Lending Test in the Northeast, Northwest and Southeast Assessment Areas is not inconsistent with the bank’s overall “Low Satisfactory” performance under the Lending Test in North Dakota. Refer to the Tables 1 through 11 and Table 14 in the State of North Dakota section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank’s performance under the Investment Test in North Dakota is rated “Needs to Improve.” Based on a full-scope review, the bank’s performance in the Bismarck-Mandan MSA is poor.

Refer to Table 12 in the State of North Dakota section of Appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

During the evaluation period, USB made only five grants totaling \$27,000 in the Bismarck-Mandan MSA. This volume of investments is low even in relation to the somewhat limited opportunities available within the MSA (refer to the Market Profile in Appendix C). The impact of the investments on the community is minimal. A significant majority of the bank’s qualifying investments is, however, related to the provision of affordable housing, which is an identified need of the community. These investments do not exhibit creative, innovative or leadership characteristics.

Although the State of North Dakota has tremendous economic development needs, particularly for the creation, retention, and training of jobs that pay adequate wages, there are few formal programs available. Those that exist are primarily through local and state government programs. Although the primary opportunity to make investments in this assessment area falls into the category of grants, USB has the financial capacity and the technical experience to partner with local groups that could address this and other community development needs. The five grants that USB made in this MSA fall short of existing opportunities.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Northeast and Southeast Assessment Areas is not inconsistent with the bank's overall "Needs to Improve" rating assigned to the State of North Dakota. The bank's performance is, however, weaker in the Northwest Assessment Area because there were no investments made. This assessment area represents 25% of the bank's deposits within the state and as such, did not have further impact on the Investment Test rating for the state. Refer to the Table 12 in the State of North Dakota 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 North Dakota is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Bismarck MSA is adequate.

Retail Banking Services

Refer to Table 13 in the State of North Dakota 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.

USB's delivery systems are reasonably accessible to geographies and individuals of different income levels. Accessibility is adequate in the Bismarck MSA. There are no low-income census tracts in the MSA and USB does not have any offices in a moderate-income geography. However, the relatively small geographic size of the city allows adequate access to the existing offices. One branch closure occurred

but it did not impact accessibility or the delivery systems to LMI individuals.

USB's hours and services offered in the Bismarck MSA are adequate. Office hours and services are comparable among all locations. Saturday hours are offered at one of the three offices serving the Bismarck MSA. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of pay/social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers a limited alternative delivery system for delivering teller based services to the moderate-income geographies and to LMI individuals. There are only four ATMs in the Bismarck MSA - all located in middle-income census tracts. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is adequate in the Bismarck MSA in relation to the limited community development opportunities in the area. Housing is generally affordable and beyond state programs, there are few formal or organized non-profit groups that can provide financial or technical assistance to small businesses. USB's CD service highlights from this evaluation period include:

- A bank employee serves as a technical financial advisor to the Director of the North Dakota Office of Economic Development as well as the Governor on matters involving economic development.
- A bank employee serves on the Strategic Planning Committee of the Lewis & Clark Community Housing Development Organization which is in the process of forming a Neighborhood Housing Services office. This will be the first Neighborhood Housing Services office in the State of North Dakota.
- Two employees served on the Board of the local United Way, which targets its social services at LMI families. One USB employee serves on the Allocations Committee which assists the United Way in distributing the funds to various member agencies and non-profits.
- USB employees sponsored or presented three seminars targeted at LMI individuals or small businesses. Senior citizens were provided information on budgeting and check fraud. Small businesses were instructed on developing successful business plans.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in

the Southeast, Northwest, and Northeast Assessment Areas is not inconsistent with the bank's overall "Low Satisfactory" performance under the Service Test in North Dakota. While there are moderate-income areas within these assessment areas, offices are located in middle- or upper-income geographies. These areas are predominately rural in nature with small populations. The absence of offices does not, in itself, cause undue hardship or hinder access to the provision of financial services. Refer to Table 13 in the State of North Dakota section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Oregon¹:	<u>Outstanding</u>
The Lending Test is rated:	<u>High Satisfactory</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>Outstanding</u>

The major factors that support this rating include:

- < USB has demonstrated good responsiveness to credit needs primarily through its distribution of consumer loans to borrowers of different income levels and within LMI geographies and through a good level of community development loans. Home mortgage lending demonstrated adequate dispersion to borrowers of different income levels. Loans made to small businesses reflected adequate performance in terms of both borrower and geographic distribution.
- < USB has made an excellent level of investments in the area with the majority addressing affordable housing.
- < USB's offices and delivery systems are readily accessible to geographies and individuals of different income levels. USB employees provide a good level of community development related services, primarily involving small business development.

Description of Institution's Operations in Oregon

Besides the Portland-Vancouver, OR-WA Multi-state MSA, USB has six assessment areas in the State of Oregon. These represent three MSA and three nonmetropolitan areas. They are Eastern Oregon (nonmetropolitan), Eugene-Springfield (MSA #2400), Medford-Ashland (MSA #4890), Northwest (nonmetropolitan), Salem (MSA #7080), and Southwest (nonmetropolitan).

USB has 96 offices and 265 ATMs within these six assessment areas.

Refer to the Market Profiles for the State of Oregon in Appendix C for detailed demographics and other performance context information for the one assessment area that received a full-scope review.

¹ For institutions with branches in two or more states in a multi-state metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multi-state metropolitan area. Refer to the multi-state metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Scope of Evaluation in Oregon

We selected the Eastern Oregon Assessment Area because it had the largest portion of USB deposits within the State of Oregon. This assessment area had 29% of the state's \$2.9 billion in deposits. All other assessment areas received limited-scope reviews. Refer to the Scope of Evaluation table in Appendix A for more information on the names of the counties that are included in each assessment area.

The overall performance of the bank in Oregon was weighted by the percent of deposits generated in each assessment area. Therefore, the bank's performance in the Eastern Assessment Area weighed more toward the bank's state rating. The Lending Activity section below describes how we weighted the loan products for the Lending Test rating in the state.

During this examination, we considered information from community organizations and various members of the communities that were subject to full-scope reviews. Information obtained from these contacts was included in the Market Profiles section of Appendix C.

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 full-scope reviews, the bank's performance in the Eastern Assessment Area is good.

Lending Activity

Refer to Table 1 in the State of Oregon section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Oregon represents good responsiveness to the credit needs of its assessment area, primarily through its community development, small business and home mortgage lending. In 1998, among similarly situated commercial banks in the combined assessment areas, USB reported among the highest volumes of small business lending. Of the bank's total reportable loans in Oregon, a significant portion were CRA reportable (60% of the number were small business) and HMDA reportable (36% of the number were home purchase, home improvement and refinance). This lending pattern was also reflected in the Eastern

Assessment Area.

In the Eastern Assessment Area, USB generated 29% of its Oregon deposits, ranking the bank first in size with a market share of 21%. In this assessment area, the bank is the number one and two lender for small business and small farm purposes with a market share of 29% and 31%, respectively. The bank's home purchase lending ranked 24th in the assessment area. Further, its refinance lending ranked fifth. USB showed strength in its home improvement lending in the full-scope assessment area, ranking it second among all reporters in the area.

USB's home purchase loans accounted for 15% of the number of home mortgage loans it originated in Oregon. USB's home improvement loans accounted for 39% and home mortgage loans for refinance purposes accounted for 46% of the home mortgage loans it originated in Oregon.

In addition, USB generated 6,057 consumer loans in the Eastern Assessment Area and requested that we include these loans in our analysis. Market share information is not available on consumer data.

Lending competition in USB's assessment area is intense, with 366 HMDA reporters in the Eastern Assessment Area. In addition, 52 local and national CRA reporters were identified in the assessment area.

In analyzing USB's Lending Test performance in Oregon, we placed a greater emphasis on consumer lending due to the volume of loans originated and consumer lending being a strategic focus of the bank. Equal weight was given to small business and home mortgage lending. We did not place significant weight on small farm lending because of the relatively low volume of loans generated. CD lending had a positive impact on the overall Lending Test rating for the state.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 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.

The overall geographic distribution of USB's home mortgage lending is excellent in the Eastern Assessment Area.

Home Purchase Loans

USB's distribution of home purchase loans is excellent.

The Eastern Assessment Area does not have any low-income areas. USB's distribution of lending in the moderate-income areas of the Eastern Assessment Area exceeded the owner-occupied demographics of the areas. In addition, USB's market share in these moderate-income areas exceeded its overall market share.

Home Improvement Loans

Overall, USB's geographic distribution of home improvement loans is excellent.

USB's distribution of lending in the moderate-income areas of the Eastern Assessment Area nearly matched the owner-occupied demographics of the areas. However, USB's market share in these moderate-income areas exceeded its overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans is excellent.

USB's distribution of lending in the moderate-income areas of the Eastern Assessment Area exceeded the area's demographics. In addition, the bank's market share in the moderate-income areas essentially matched its overall market share.

Small Loans to Businesses

Refer to Table 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 origination/purchase of small loans to businesses.

USB's geographic distribution of small loans to businesses reflects an adequate dispersion throughout its assessment area.

The Eastern Assessment Area does not have any low-income areas.

USB's distribution of lending in the moderate-income areas of the Eastern Assessment Area was just below the business demographics of the areas. However, the bank's market share in the Eastern Assessment Area's moderate-income areas was well below its overall market share.

Small Loans to Farms

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 farms.

USB's geographic distribution of small loans to farms reflects an excellent dispersion throughout its assessment area. These loans accounted for 9% of the number of reportable loans originated by USB in Oregon.

The Eastern Assessment Area does not have any low-income areas.

USB's distribution of lending in the moderate-income areas of the Eastern Assessment Area exceeded the farm demographics of the areas. However, the bank's market share in the moderate-income areas was below its overall market share.

Consumer Loans

Refer to Table 14 in the State of Oregon section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured and personal unsecured loans reflects a good dispersion.

The Eastern Assessment Area does not have any low-income areas.

USB's distribution of lending in the moderate-income areas of the Eastern Assessment Area is slightly below the population demographics of the areas.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's full-scope assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

The inside/outside ratio was performed at the state level. The analysis included originations and purchased loans directly attributed to USB. During the review period USB originated or purchased 100% of its Oregon loans in its assessment areas. This shows an excellent response to the credit need of the bank's Oregon assessment areas.

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

Refer to Tables 7, 8, and 9 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.

The overall borrower distribution of USB's home mortgage lending is adequate in the Eastern Assessment Area.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is good.

USB's distribution of lending to low-income borrowers in the Eastern Assessment Area was below the family income demographics of the area. When considering the area's level of families that live below the poverty level, the bank's portion of loans to low-income borrowers slightly exceeded the portion of families with incomes at that level. The bank's market share of loans to low-income borrowers exceeded its overall market share.

USB's distribution of lending to moderate-income borrowers in the Eastern Assessment Area nearly matched the family income demographics of the area. Further, the bank's market share of lending to moderate-income borrowers in the Eastern Assessment Area slightly exceeded its overall market share.

Home Improvement Loans

Overall, USB's distribution of home improvement loans to borrowers of different income levels is adequate.

USB's distribution of lending to low-income borrowers in the Eastern Assessment Area was well below the family income demographics of the area even when considering the area's level of families that live below the poverty level. USB's

market share of low-income borrowers in the assessment area was below its overall market share.

USB's distribution of lending to moderate-income borrowers in the Eastern Assessment Area was below the family income demographics of the area. USB's market share of moderate-income borrowers in the Eastern Assessment Area was also below its overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different income levels is adequate.

USB's distribution of lending to low-income borrowers in the Eastern Assessment Area was below the family income demographics of the area even when considering the area's level of families that live below the poverty level. However, the bank's market share of low-income borrowers exceeded the bank's overall market share in the assessment area.

USB's distribution of lending to moderate-income borrowers in the Eastern Assessment Area was below the area's family income demographics. The bank's market share of moderate-income borrowers exceeded the bank's overall market share in the assessment area.

Small Loans to Businesses

Refer to Table 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 origination and purchase of small loans to businesses.

USB's distribution of small business loans reflects an adequate responsiveness to the credit needs of smaller businesses in the full-scope assessment area. The bank's loan distribution to small business borrowers was below the small business demographics of the area. Note, however, that USB did not obtain revenue information on nearly one-third of its small business loans. Of loans made with revenue information collected, 80% were to businesses with revenues of \$1 million or less. The bank's market share of lending to businesses with annual revenues of \$1 million or less is also adequate. USB's market share of loans to these borrowers was also below its overall market share of business lending in the Eastern Assessment Area. In addition, over 89% of the bank's small business loans were for less than \$100,000.

Small Loans to Farms

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/purchase of small loans to farms.

USB's distribution of small farm loans reflects an excellent responsiveness to the credit needs of smaller farms in the full-scope assessment area. The bank's loan distribution to small farm borrowers nearly matched the small farm demographics of the area. The bank's market share of lending to farms with annual revenues of \$1 million or less is also excellent. USB's market share of loans to these borrowers matched its overall market share of farm lending in the Eastern Assessment Area. In addition, almost 64% of the bank's small farm loans were for less than \$100,000.

Consumer Loans

Refer to Table 14 in the State of Oregon section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured and personal unsecured loans reflects a good dispersion in the Eastern Assessment Area.

USB's distribution of lending to low-income borrowers of the Eastern Assessment Area is well below the low-income household demographics of the area.

USB's distribution of lending to moderate-income borrowers of the Eastern Assessment Area exceeded the moderate-income household demographics of the area.

Community Development Lending

Refer to Table 1 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.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated a good volume of CD loans in the Eastern Oregon full-scope assessment area. This level of CD lending had a significant impact on the overall rating we assigned to the Lending Test for the state. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 6% of the bank's Tier 1 capital that is attributed to the assessment area. Although we noted some evidence of complexity associated with these loans, we did not identify many

instances of innovative or leadership characteristics. The largest examples include:

- Providing a \$1,576,000 loan for the construction of an assisted living facility located in Nyssa, OR. The construction of this 32-unit affordable housing facility provides much needed housing for the area's aging population. Of the 32 units, 21 are utilized by individuals receiving Medicaid (less than 50% of the MFI) and the remaining 11 units by individuals at or below 80% of the MFI.
- Extending a \$2,625,000 loan for the purchase and rehabilitation of an affordable housing apartment project in Redmond, OR. This project preserves affordable housing for LMI individuals and families in the assessment area.
- Lending \$1,475,000 for the purchase and rehabilitation of an affordable housing project targeted to LMI individuals and families in LaGrande, OR.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test rating. USB has two flexible home mortgage loan programs called Home Advantage and Home Partners. As previously discussed, these programs provide flexible underwriting for LMI borrowers. In the Oregon assessment areas, the bank originated 11 home purchase loans totaling \$884 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Eugene-Springfield, Medford-Ashland, Northwest, Southwest, and Salem Assessment Areas is not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test in Oregon. Refer to the Tables 1 through 11 and Table 14 in the State of Oregon section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Oregon is rated "Outstanding." Based on a full-scope review, the bank's performance in the Eastern Assessment Area is excellent.

Refer to Table 12 in the State of Oregon section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, USB made 17 investments totaling \$4,843,966 in the

Eastern Assessment Area. The volume of investments is high, considering the moderate level of opportunities in the assessment area (refer to the Market Profile in Appendix C). In addition, the impact of the investments on the community is good. The vast majority of the investments were focused on affordable housing, which is an identified need of the community. None of the investments contains elements that are considered as innovative, complex, or exemplify leadership.

Examples of investments made by USB in the MSA during the rating period include:

- USB purchased tax credits totaling \$4,209,002. These tax credits were instrumental in providing 182 housing units targeted at LMI individuals.
- USB purchased a \$500,000 bond for tribal infrastructure improvements for the Umatilla Confederated Tribes. The specific improvements include construction of a new Tribal Administration Building and various water and sewer facilities. The project is located in a moderate-income census tract and 55% of tribal households are designated low-income.
- Other Grants - USB provided 12 grants totaling \$66,964 to local nonprofit organizations for various projects and CD initiatives in the assessment area.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Eugene-Springfield, Medford-Ashland, and the Southwest Assessment Areas is not inconsistent with the bank's overall "Outstanding" rating for Oregon. The performance in the Salem and Northwest Assessment Areas is weaker than the overall performance based on the volume of qualifying investments. However, given the good level of performance combined with the bank's comparatively limited presence in these two assessment areas, this did not have a material impact on the overall rating. Refer to the Table 12 in the State of Oregon 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 Oregon is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Eastern Oregon assessment area is excellent.

Retail Banking Services

Refer to Table 13 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.

USB's delivery systems are readily accessible to geographies and individuals of different income levels throughout the full-scope assessment area. Accessibility is considered excellent in the Eastern Oregon assessment area because, as shown on Table 13, the distribution of USB's offices in moderate-income geographies exceeds the distribution of the population living in such geographies. There are no low-income geographies in the Eastern Oregon assessment area. Branch closures and openings have not impacted the accessibility of retail delivery systems.

USB's hours and services offered in the Eastern Oregon assessment area are adequate. Office hours and services are comparable among all locations regardless of the income level of the geography. All offices offer extended hours on Fridays but none are open on Saturday. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers a limited alternative delivery system for delivering teller based services to moderate-income geographies and to LMI individuals. The distribution of USB's ATMs in moderate-income geographies is less than the distribution of the population living in such geographies in the Eastern Oregon assessment area. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies are impacted by these services.

Community Development Services

USB's performance in providing CD services is good in its full-scope assessment area. CD opportunities are available for financial institutions located in the assessment area. Refer to the types of opportunities discussed in the description of the Oregon assessment area in the Market Profile section of Appendix C.

In the Eastern Oregon assessment area, USB has focused its CD activities on small business development. USB's CD development activities have occasionally included activities promoting social services for LMI individuals and affordable housing needs, including taking on leadership roles in facilitating statewide projects. The CD service highlights from this evaluation period include:

- Fort Rock Oregon: USB took a leadership role in helping this community meet one of its credit needs. USB sponsored a successful AHP (Affordable Housing

Program from the Seattle Federal Home Loan Bank) grant for the city to construct a six unit assisted living facility for seniors. Assisted living housing is needed and difficult to find in this rural community of less than 500 people.

- Network for Oregon's Affordable Housing (NOAH): NOAH is an 18 bank consortium created to address Oregon's need for affordable multi-family housing. USB is the agent bank for the consortium. A USB employee served as NOAH's chairman in 1998 and 1999.
- USB conducted or provided employees to participate in six different training seminars targeted at small businesses.
- USB conducted three basic banking seminars targeted at LMI individuals and participated in two homebuyer-training seminars.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Eugene-Springfield, Medford-Ashland, Northwest, and Salem Assessment Areas is not inconsistent with the bank's overall "Outstanding" performance under the Service Test in Oregon. In the Southwest Assessment Area, the bank's performance is weaker than the bank's overall performance in the state. There are no low-income geographies in this assessment area and the bank does not have offices in the moderate-income geographies. Refer to Table 13 in the State of Oregon section of Appendix D for the facts and data that support these conclusions.

CRA Rating for South Dakota:	<u>Satisfactory</u>
The Lending Test is rated:	<u>High Satisfactory</u>
The Investment Test is rated:	<u>Needs to Improve</u>
The Service Test is rated:	<u>Outstanding</u>

The major factors that support this rating include:

- < USB has demonstrated good responsiveness to credit needs through good distribution of its loans into LMI geographies and through a high level of community development loans. The distribution of consumer loans to LMI borrowers was excellent while USB's borrower distribution for all other loan types was generally adequate.
- < USB has made a low level of investment into the full-scope assessment areas which demonstrated poor responsiveness to needs. The volume of investments within the Sioux Falls MSA is considered adequate because of the intense competition among financial institutions in that area. However, the very small dollars invested in the Rapid City MSA provided only minimal impact on the area's needs and in relation to available opportunities.
- < USB's offices and delivery systems are readily accessible to all geographies and individuals of different income levels. USB employees also provide a good level of community development services within the assessment areas.

Description of Institution's Operations in South Dakota

USB has five assessment areas within the State of South Dakota. They are the nonmetropolitan assessment areas of Aberdeen, Mitchell, Pierre, and the MSAs of Rapid City (MSA #6660) and Sioux Falls (MSA #7760).

USB has 16 offices and 51 ATMs within the State of South Dakota.

Refer to the Market Profiles for the State of South Dakota in Appendix C for detailed demographics and other performance context information for the two assessment areas that received full-scope reviews.

Scope of Evaluation in South Dakota

We selected the Rapid City and the Sioux Falls Assessment Areas for full-scope reviews. Each of these two assessment areas had 41% of USB's deposits within the state. USB has \$576 million in deposits in the state. All other assessment areas received limited-scope reviews. Refer to the Scope of the Evaluation table in

Appendix A for more information on the names of the counties included in each assessment area.

Because each of the full-scope assessment areas had the same percentage of deposits, the performance in each received equal weighting in determining the overall rating for the state. The Lending Activity section below describes how the weighting was applied to the various loan products for the Lending Test rating for the state.

During the examination, we considered information from community organizations and various members of the communities that were subject to full-scope reviews. Information obtained from these contacts was included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in South Dakota is rated "High Satisfactory." Based on full-scope reviews, the bank's performance is good in both the Rapid City MSA and in the Sioux Falls MSA.

Lending Activity

Refer to Table 1 in the State of South Dakota section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in South Dakota represents a good responsiveness to the credit needs of its two full-scope assessment areas.

In the Rapid City MSA, the bank's nearly 1,100 loans originated/purchased during the evaluation period were comprised of approximately 32% home mortgage and 67% small loans to businesses. The bank's activity with small loans to farms was insignificant in volume. In addition to this, USB requested that we analyze nearly 2,600 consumer loans (automobile, secured and unsecured) as a part of the Lending Test.

The composition of home mortgage loan originations was 21% (69 loans) home purchase, 26% (86 loans) home improvement, and 52% (172 loans) home refinance. Given the nominal level of activity with home purchase and home improvement lending categories, for weighting purposes, the focus in the following home mortgage distribution analyses will be on the home refinance lending category.

The bank ranks second in deposit market share (25%). USB ranks second (34%) in small loans to businesses based on 1998 CRA aggregate data. Based on 1998 HMDA aggregate data, USB is the 11th largest originator/purchaser of loans for home purchase, fourth for home improvement, and sixth for home refinance. The bank's activity with small loans to farms is not significant and thus, no meaningful conclusions can be rendered for this component. Market share information is not available on consumer data.

In the Sioux Falls MSA, the bank's approximately 1,600 loans originated during the evaluation period were comprised of 35% home mortgage, 48% small loans to businesses, and 17% small loans to farms. In addition to this, USB requested that we include nearly 4,700 consumer loans (automobile, secured and unsecured) in our analysis.

The composition of home mortgage loan originations was 12% (65 loans) home purchase, 32% (177 loans) home improvement, and 59% (319 loans) home refinance. Given the nominal level of activity with home purchase lending, for weighting purposes, the focus in the following distribution analyses will be on home improvement and home refinance lending.

The bank ranks seventh in deposit market share (5%). USB ranks third (16%) in small loans to businesses based on 1998 CRA aggregate data and third (17%) in small loans to farms. Based on 1998 HMDA aggregate data, USB is ranked 22nd in originations/purchases of loans for home purchase, third for home improvement, and tenth for home refinance. Market share information is not available on consumer data.

In analyzing USB's Lending Test performance in South Dakota, greater weight was given to the consumer lending category based on the large volume of loans generated. Slightly less weight was given to the small business category. Minimal consideration was given to the home mortgage product because of the relatively low volume of loans originated. Significant volumes of CD lending positively impacted the Lending Test rating for each of these assessment areas.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

The overall geographic distribution of home mortgage loans is adequate for the Rapid City MSA and good for the Sioux Falls MSA.

In the Rapid City MSA, this conclusion is based primarily on the bank's lending in the home refinance category which is where the data is more meaningful. In the Sioux Falls MSA, this conclusion is based primarily on the bank's lending in the home improvement and home refinance categories which are where the data is more meaningful.

Home Improvement Loans

Home improvement geographic loan distribution is good. In the Sioux Falls MSA, the portion of home improvement loans made in moderate-income geographies exceeded the portion of owner-occupied housing units there. The market share for loans in moderate-income geographies also exceeded the bank's overall market share. In the Rapid City MSA, only 86 such loans were originated and thus, less weight is placed on this component. Nevertheless, the distribution of these loans made in LMI geographies was well below the portion of owner-occupied units there. In addition, the respective market share of such loans was well below the bank's overall market share.

Refinance Loans

Home refinance geographic loan distribution is adequate. In the Sioux Falls MSA, the portion of loans made in moderate-income geographies was below the portion of owner-occupied housing units there. The market share for loans in moderate-income geographies exceeded the bank's overall market share. There are no low-income geographies in the Sioux Falls MSA. In the Rapid City MSA, the portion of home refinance loans made in moderate-income geographies was below the portion of owner-occupied housing units there. The market share for loans in moderate-income geographies was above the bank's overall market share. There are no low-income geographies in the Rapid City MSA.

Small Loans to Businesses

Refer to Table 5 in the State of South Dakota 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 geographic distribution of small loans to businesses is good in the Rapid City and Sioux Falls MSAs.

In both full-scope assessment areas, the portion of small loans to businesses made

in moderate-income geographies was near to the portion of businesses in those geographies. The market share for such loans was also moderately close to the bank's overall market share.

Small Loans to Farms

Refer to Table 6 in the State of South Dakota 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.

The geographic distribution of small loans to farms is poor in the Sioux Falls MSA. No conclusion is rendered in for the Rapid City MSA given the absence of meaningful data.

In the Sioux Falls MSA, the portion of small loans to farms made in moderate-income geographies was significantly below the portion of farms in those geographies. Market share data was not meaningful given the low level of bank activity in these geographies. There was no appreciable market share in the moderate-income areas because USB made less than ten farm loans there. This is not unexpected because all of the moderate-income tracts in the MSA fall within the City limits. Farming activities would essentially be limited to the outer edges of one tract near the city limits.

Consumer Loans

Refer to Table 14 in the State of South Dakota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The geographic distribution of consumer loans is good in the Rapid City MSA and excellent in the Sioux Falls MSA.

The bank's portion of consumer loans made in moderate-income geographies was near to the portion of the population located there for the Rapid City MSA and matched in the Sioux Falls MSA.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

A substantial majority of the bank's loans were originated within its assessment areas. During the evaluation period, 79% of the bank's lending (home mortgage, small loans to businesses/farms, and consumer loans) originated within its assessment areas.

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

Refer to Tables 7, 8, and 9 in the State of South Dakota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of home mortgage loans is adequate for the Rapid City and Sioux Falls MSAs.

In the Rapid City MSA, this conclusion is based primarily on the bank's lending in the home refinance category, as this is where the data is more meaningful. In the Sioux Falls MSA, this conclusion is based primarily on the bank's lending in the home improvement and home refinance categories which are where the data is more meaningful.

Home Improvement Loans

USB's distribution of home improvement loans to borrowers of different income levels is adequate.

In the Rapid City MSA, the portion of home improvement loans made to low-income borrowers was well below the portion of families defined as such. Even when the level of families living below poverty was considered, the bank's performance was well below the demographic comparator. The market share for such loans was not meaningful given the bank's nominal activity in this area. In the Sioux Falls MSA, the portion of home improvement loans made to low-income borrowers was below the portion of families defined as such even when considering families living below the poverty level. The market share for such loans was also below the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers in the Rapid City MSA was moderately below the portion of families defined as such. Also, the bank's respective market share of such loans was moderately below the bank's overall market share. The bank's portion of loans made to moderate-income borrowers in the Sioux Falls MSA was also below the portion of families defined as

such. The bank's respective market share of such loans was likewise below the bank's overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different income levels is adequate in both MSAs.

In the Rapid City MSA, the portion of home refinance loans made to low-income borrowers was well below the portion of families defined as such. However, the market share for such loans was well above the bank's overall market share. When the level of families living below the poverty level is considered, the bank's portion of loans to low-income borrowers would be near to demographics. In the Sioux Falls MSA, the portion of home refinance loans made to low-income borrowers was well below the portion of families defined as such even when considering the poverty level. The market share for such loans was also below the bank's overall market share.

In the Rapid City MSA, the bank's portion of loans made to moderate-income borrowers was moderately below the portion of families defined as such. However, the bank's respective market share of such loans was well above the bank's overall market share. The bank's portion of loans made to moderate-income borrowers in the Sioux Falls MSA was below the portion of families defined as such. However, the bank's respective market share of such loans exceeded the bank's overall market share.

Small Loans to Businesses

Refer to Table 10 in the State of South Dakota 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 borrower distribution of small loans to businesses is adequate in each full-scope assessment area.

In the Rapid City MSA, the bank's portion of loans made to small businesses (businesses with annual revenues of \$1 million or less) was below the portion of businesses defined as such. The bank's market share of such loans is also below the bank's overall market share. Note that USB did not obtain revenue information in 27% of its small business loans. Of those loans made with revenue information, 89% were to businesses with revenues of \$1 million or less.

In the Sioux Falls MSA, the bank's portion of loans made to small businesses

(businesses with annual revenues of \$1 million or less) was below the portion of businesses defined as such. The bank's market share of such loans was also below the bank's overall market share. Note that USB did not obtain revenue information on 40% of its small business loans. Of those loans made with revenue information, 78% were to businesses with revenues of \$1 million or less.

Small Loans to Farms

Refer to Table 11 in the State of South Dakota 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.

USB's distribution of small loans to farms is good in the Sioux Falls MSA. No conclusions are rendered for the Rapid City MSA given the absence of meaningful data.

In the Sioux Falls MSA, the bank's portion of loans made to small farms (farms with annual revenues of \$1 million or less) substantially met the portion of farms defined as such. The bank's market share of such loans was also near to the bank's overall market share.

Consumer Loans

Refer to Table 14 in the State of South Dakota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The borrower distribution of consumer loans is excellent in the Rapid City MSA and good in the Sioux Falls MSA.

In the Rapid City MSA, the bank's portion of consumer loans made to low-income households nearly matched the portion of households defined as such. When poverty levels are considered, the bank's performance to low-income borrowers significantly exceeded demographics. In the Sioux Falls MSA, the bank's portion of consumer loans made to low-income households is below the portion of households defined as such. But if the portion of households below poverty was considered, the bank's portion of loans to low-income borrowers exceeded the portion of households defined as such.

In the Rapid City MSA, the portion of loans made to moderate-income households was significantly above the portion of households defined as such. In the Sioux Falls MSA, the portion of loans made to moderate-income households, however, significantly exceeded the portion of households defined as such.

Community Development Lending

Refer to Table 1 in the State of South Dakota section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated an excellent volume of CD loans in the Sioux Falls and Rapid City MSAs. This level of CD lending had a significant impact on the overall Lending Test rating we assigned to each of the full-scope areas. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 17% of the bank's Tier 1 capital that is attributed to the Sioux Falls MSA and 12% of the capital attributed to the Rapid City MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- Providing a \$2,200,000 construction loan for a 90-unit low-income housing project in Rapid City, SD.
- Providing \$414,000 for the purchase and rehabilitation of a six-unit housing complex located in a moderate-income area of Rapid City, SD. Rents are affordable down to 50% of the MFI in Rapid City.
- Extending a \$1,200,000 construction loan to a Sioux Falls, SD developer of modular housing communities. Home prices in the new community range from \$34,500 to \$70,000, plus lot rent, making them affordable to families with incomes between 50 and 80% of the MFI.
- Providing a \$2,400,000 loan to a Sioux Falls cabinet manufacturer for interim financing of the land acquisition and construction financing of a new facility. This created 100 new jobs, 85% of which are LMI.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. Bank-wide, USB offers flexible mortgage-related lending programs serving LMI borrowers including the "Home Advantage" and "Home Partners." In the South Dakota assessment areas the bank used these programs to originate five home purchase loans totaling \$476 thousand and one home refinance loan for \$67 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Aberdeen, Mitchell, and Pierre Assessment Areas is weaker than the bank's overall "High Satisfactory" performance under the Lending Test in South Dakota.

These limited-scope areas did not have the volume of CD lending that contributed to the overall rating for the two full-scope areas. However, the lending volume or related data in these assessment areas was generally insignificant (except in consumer lending) to result in any meaningful conclusions. Refer to Tables 1-11 and Table 14 in the State of South Dakota section of Appendix D for facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in South Dakota is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Rapid City MSA is poor and adequate in the Sioux Falls MSA.

Refer to Table 12 in the State of South Dakota section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Sioux Falls MSA

During the evaluation period, USB made 13 grants totaling \$134,700 to various organizations located in the Sioux Falls MSA. However, we considered this volume of investments to be adequate in light of the fierce competition that exists for CD qualifying investments (refer to the Market Profile in Appendix C). The impact these investments had on the community was good. The majority of the investments were focused on the provision of affordable housing in the MSA. This is an identified need of the community. We did not consider any of these investments to be creative, innovative, or exemplify a leadership position.

Rapid City MSA

During the evaluation period, USB made 10 grants totaling \$65,000 in the Rapid City MSA. The volume of investments is low in relation to the relatively high level of opportunities presented in the MSA (refer to the Market Profile in Appendix C). The impact these investment have had on the community is marginal. A significant majority of the investments addressed the identified need for affordable housing in the MSA. We did not consider any of these investments to be creative, innovative, or exemplify a leadership position.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Aberdeen, Mitchell, and Pierre Assessment Areas is not inconsistent with the bank's overall "Needs to Improve" rating for the State of South Dakota.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in South Dakota is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Sioux Falls MSA is excellent and good in the Rapid City MSA.

Retail Banking Services

Refer to Table 13 in the State of South Dakota 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.

USB's delivery systems are readily accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. Accessibility is excellent in the Sioux Falls MSA and good in the Rapid City MSA. For the Sioux Falls MSA, the distribution of USB's offices in moderate-income geographies exceeds the distribution of the population living in such geographies. The city's nine branches are nearly evenly split between moderate-income areas and middle-income areas. The percentage representing the distribution of USB's offices in the Rapid City MSA's moderate-income areas is less than the percentage of the population living in those areas, but is still considered significant at 25%. The generally small geographic size of the city allows relatively easy access from all locations. We did not, however, place undue emphasis on the numerical relationship because there were so few (four) offices. There are no low-income geographies in either MSA. Branch closures or openings have not occurred.

USB's hours and services offered in the Sioux Falls and Rapid City MSAs are adequate. Office hours and services are comparable among all locations regardless of the income level of the geography. Extended office hours are generally not offered. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers an effective alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. The distribution of USB's ATMs in moderate-income geographies exceeds the distribution of the population living in such geographies in both the Sioux Falls MSA and Rapid City MSA. There are no low-income geographies in either MSA. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on

how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is good in its full-scope assessment areas. USB's performance is good in both the Sioux Falls MSA and the Rapid City MSA. CD opportunities are available for financial institutions in both assessment areas. Competition for CD opportunities is very strong among financial institutions located in Sioux Falls MSA.

In the Sioux Falls MSA, USB has spread its CD activities across events and entities that promote affordable housing, small business development, and social services targeted at LMI individuals. These types of CD activities reflect community development needs of the MSA identified by community contacts. The CD service highlights from this evaluation period include:

- Two USB employees serve as directors or committee members for three different organizations promoting affordable housing: Sioux Empire Housing Partnership, Forward Sioux Falls, and Habitat for Humanity.
- Two USB employees serve as directors or committee members for three different organizations promoting small business development: Southeast South Dakota Small Business Development Center, Mainstreet Sioux Falls, and the Sioux Falls Chamber of Commerce.
- A USB employee provides technical financial assistance to the Center for Active Generations which uses tax credits to development assisted living, congregate care facilities for LMI elderly people in the area. Contacts with community members identified this as a need within the assessment area.
- A USB employee is on the Board of the Hartford Development Corporation which promotes economic development in the smaller, northern communities of the Sioux Falls MSA. The purpose of the organization is to attract small businesses to the small towns. This person is also on the Board of the Minnehaha County Economic Development Association which is an organization that seeks to develop small business growth, business recruitment, and job creation and retention within the county.
- USB conducted two seminars on basic banking and self sufficiency targeted at LMI individuals. One session was for state penitentiary inmates and was so successful that the state has requested additional seminars.

In the Rapid City MSA, USB has focused its CD activities affordable housing needs and social services targeted at LMI individuals. Affordable housing is an identified CD need and the MSA has a significant moderate-income population. The CD service highlights from this evaluation period include:

- A bank employee is on the Board of the Rapid City Community Development

Corporation which is involved in the development and rehabilitation of affordable housing in the city.

- A USB employee advises the West River Economic Development Coalition on the process involved in setting up a revolving loan fund that will benefit small businesses and raising the initial capital necessary.
- USB participated in 12 homebuyer-training seminars in 1998, through Consumer Credit Counseling of Black Hills. In 1999, USB partnered with the same organization to provide four basic credit seminars targeted at LMI individuals.
- A USB employee conducts basic banking seminars targeted at LMI individuals who lack reading skills through the South Dakota Literacy Council.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Pierre, Mitchell, and Aberdeen Assessment Areas is not inconsistent with the bank's overall "Outstanding" performance under the Service Test in South Dakota.

There are no LMI geographies in any of the South Dakota limited-scope assessment areas. Refer to Table 13 in the State of South Dakota section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Utah:	<u>Outstanding</u>
The Lending Test is rated:	<u>High Satisfactory</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>Outstanding</u>

The major factors that support this rating include:

- < USB has demonstrated good responsiveness to credit needs with good distribution of its home mortgage loans and small business loans to borrowers of different income levels and within LMI geographies. USB also had a good distribution of consumer loans.
- < USB has made a high volume of investments which demonstrated excellent responsiveness by meeting critical affordable housing needs.
- < USB's offices and delivery systems are readily accessible to all geographies and individuals of different income levels. USB employees provide a good level of community development services.

Description of Institution's Operations in Utah

USB has four assessment areas within the State of Utah. They are Park City (nonmetropolitan), Provo-Orem (MSA #6520), Salt Lake City (MSA #7160), and St. George (nonmetropolitan).

USB has 31 offices and 121 ATMs within the State of Utah.

Refer to the Market Profiles for the State of Utah in Appendix C for detailed demographics and other performance context information for the one assessment area that received a full-scope review.

Scope of Evaluation in Utah

We selected the Salt Lake City Assessment Area for a full-scope review because it clearly dominated the percentage of deposits that USB has within the State of Utah. This assessment area contained 92% of USB's \$604 million in deposits within the state. All other assessment areas had a limited-scope review. Refer to the Scope of the Evaluation table in Appendix A for more information on the names of the counties included in each assessment area.

The overall rating for the state is based on the performance in the Salt Lake City MSA which contains the highest volume of deposits within the state. The Lending Activity section below describes the weighting applied to the various loan products

in the Lending Test rating for the state.

During the examination, we considered information from community organizations and various members of the communities that were subject to full-scope reviews. Information obtained from these contacts was included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Utah is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Salt Lake City MSA is good.

Lending Activity

Refer to Table 1 in the State of Utah section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Utah represents good responsiveness to the credit needs of its assessment areas. In the Salt Lake City MSA, the bank reported approximately 3,000 CRA-related loans that originated during the evaluation period. These loans were comprised of 24% home mortgage and 75% small loans to businesses. Small loans to farms were insignificant and thus, conclusions that follow do not address this loan category. In addition to this, USB requested that we include approximately 8,300 consumer loans (automobile, personal secured and personal unsecured) in our analysis.

The composition of home mortgage loan originations/purchases was 18% (131 loans) home purchase, 41% (300 loans) home improvement, and 41% (304 loans) home refinance.

The bank ranks seventh in deposit market share (4%), yet fourth (11%) in small loans to businesses based on 1998 CRA aggregate data. Based on 1998 HMDA aggregate data, USB is ranked 82nd in originations/purchases of loans for home purchase, fifth for home improvement, 78th for home refinance. As reflected, USB is not a significant lender in the home mortgage or small farm market. Market share information is not available on consumer data.

In analyzing USB's Lending Test performance in Utah, equal weight was given to the small business lending and the consumer lending products. USB has the greatest volume of loans for these products in this market. Community contacts

indicated that there were credit needs for small businesses which when coupled with the volume of loans warrants consideration as a primary product. The large volume of consumer loans together with the bank's strategic focus on retail/consumer lending warrants consideration as a primary product as well. As stated above home mortgage and loans for small farms are not a significant product and were not given undue emphasis.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 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.

The overall geographic distribution of USB's home mortgage loans is good in the Salt Lake City MSA.

Home Purchase Loans

Home purchase loan distribution is good in the Salt Lake City MSA.

During the review period, USB did not originate any home purchase loans in the low-income areas of the MSA. However, the low-income areas account for only a nominal portion of the area's owner-occupied housing. Therefore, the bank's home mortgage loan performance in these areas is not meaningful.

The portion of home purchase loans made in moderate-income geographies was near to the portion of owner-occupied housing units there. However, the market share for loans made in moderate-income geographies was well below the bank's overall market share.

Home Improvement Loans

Home improvement loan geographic distribution is good.

The portion of home improvement loans made in moderate-income geographies was moderately close to the portion of owner-occupied housing units there. In addition, the market share for loans made in moderate-income geographies was near to the bank's overall market share.

Refinance Loans

Home refinance loan geographic distribution is excellent.

The portion of home refinance loans made in moderate-income geographies exceeded the portion of owner-occupied housing units there. In addition, the market share for loans made in moderate-income geographies essentially matched the bank's overall market share.

Small Loans to Businesses

Refer to Table 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 origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is good.

In the Salt Lake City MSA, the portion of small loans to businesses made in low-income geographies was slightly below the portion of businesses located in those geographies, but significantly exceeded for moderate-income geographies. The market share for such loans was moderately close for low-income geographies and exceeded for moderate-income geographies.

Small Loans to Farms

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 farms.

No conclusions are rendered given the insignificant volume of lending with this product to allow for any meaningful conclusions.

Consumer Loans

Refer to Table 14 in the State of Utah section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured, and personal unsecured loans reflects adequate dispersion.

The bank's portion of consumer loans made in low-income geographies was well below the portion of the population residing there; however in moderate-income geographies, the bank's portion of consumer loans was moderately close to the portion of the population residing there.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

A substantial majority of the bank's loans were originated within its assessment areas. During the evaluation period, 93% of the bank's lending (home mortgage, small loans to businesses/farms, and consumer loans) originated within its assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 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.

The overall borrower distribution of home mortgage loans is adequate in the Salt Lake City MSA.

Home Purchase Loans

USB's distribution of Home purchase loans to borrowers of different income levels is adequate.

The portion of home purchase loans made to low-income borrowers was significantly below the portion of families defined as such, even when the level of families living below the poverty level was considered. However the respective market share of loans to such borrowers was near to the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers nearly matched the portion of borrowers defined as such. In addition, the market share for loans made to moderate-income families was near to the bank's overall market share.

Home Improvement Loans

USB's distribution of home improvement loans to borrowers of different income

levels is poor.

The portion of home improvement loans made to low-income borrowers was well below the portion of families defined as such, even when the level of families living below the poverty level was considered. The respective market share of loans to such borrowers was well below the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers was well below the portion of borrowers defined as such. The market share for loans made to moderate-income families was only half the bank's overall market share.

Refinance Loans

USB's distribution of home refinance loans to borrowers of different income levels is good.

The portion of home refinance loans made to low-income borrowers was half the portion of families defined as such. It remains below demographics even when the level of families living below the poverty level was considered. However the respective market share of loans to such borrowers was above the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers matched the portion of borrowers defined as such. In addition, the market share for loans made to moderate-income families also exceeded the bank's overall market share.

Small Loans to Businesses

Refer to Table 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 origination and purchase of small loans to businesses.

USB's distribution of small loans to businesses reflects a good responsiveness to the credit needs of smaller businesses in the full-scope assessment area.

In the Salt Lake City MSA, the bank's portion of loans made to small businesses (businesses with annual revenues of \$1 million or less) was moderately below the portion of businesses defined as such. The bank's market share of such loans was near to the bank's overall market share. However, it should be noted that USB did not obtain revenue information on 24% of its small business loans. Of those loans made with revenue information collected, 92% were to businesses with revenues of \$1 million or less.

Small Loans to Farms

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/purchase of small loans to farms.

No conclusions are rendered given the insignificant volume of lending with this product to allow for any meaningful conclusions.

Consumer Loans

Refer to Table 14 in the State of Utah section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's distribution of consumer auto, personal secured and personal unsecured loans to borrowers of different income levels is excellent in the Salt Lake City MSA.

The bank's portion of consumer loans made to low-income households nearly matched the portion of households defined as such. The portion of loans made to moderate-income households was significantly above the portion of households defined as such.

Community Development Lending

Refer to Table 1 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.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated a good volume of CD loans in the Salt Lake City MSA. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 10% of the bank's Tier 1 capital that is attributed to the MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- Providing a \$2,813,368 construction loan to a Salt Lake City condominium project located in a moderate-income census tract with five of the homes established with a lease to own situation and tax credits. Fifty percent of the project is affordable to LMI borrowers.
- Providing \$2,700,000 to the Utah Community Reinvestment Corporation (UCRC). This loan represents the bank's portion of the loan pool established for the construction of affordable multi-family housing in the Salt Lake City MSA. USB took a leadership role in the establishment of the UCRC, a consortium of 29 banks established to provide long-term financing for low-income housing

projects in the MSA. The Utah Division of Community Development, Utah Housing Finance Agency, and five federal and state banking regulatory agencies also participated in the planning of the UCRC.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. Bank-wide, USB offers flexible mortgage-related lending programs serving LMI borrowers including the “Home Advantage” and “Home Partners.” In the Utah assessment areas the bank used these programs to originate 13 home purchase loans totaling \$1.3 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Lending Test in the Park City, Provo-Orem, and St. George Assessment Areas is not inconsistent with the bank’s overall “High Satisfactory” performance under the Lending Test in Utah. Refer to the Tables 1 through 11 and Table 14 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

The bank’s performance under the Investment Test in Utah is rated “Outstanding.” Based on a full-scope review, the bank’s performance in the Salt Lake MSA is excellent.

Refer to Table 12 in the State of Utah section of Appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

During the evaluation period, USB made 21 investments totaling \$3,376,500 in the Salt Lake City MSA. In addition, USB made one investment of \$500,000 that remains outstanding from a prior period. The volume of investments is high even in light of the numerous CD opportunities in the MSA (refer to the Market Profile in Appendix C). In addition, the impact of the investments on the community is high. The vast majority of the investments addressed the identified need of affordable housing. We consider only a few of these investments to have elements that we would consider as creative, innovative, or exemplify a leadership position.

The following are examples of the bank’s investment in the Salt Lake City MSA:

- USB purchased \$3,175,000 of Low-Income Housing Tax Credits for properties located within the MSA. This property provided 226 housing units for LMI residents.
- USB invested \$500,000 in the Utah Ventures II an SBIC that provides financing to small businesses and farms within the MSA.
- USB purchased a \$99,000 mortgage-backed security that is secured by one property located in a moderate-income area of the MSA. The homeowner's income is less than 80% of the median family income.
- Other Grants - USB provided 19 grants totaling \$102,500 to local nonprofit organizations for various projects and CD initiatives in the Salt Lake City MSA.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Park City and St. George Assessment Areas is not inconsistent with the bank's overall Investment Test rating of "Outstanding." The bank's performance in the Provo-Orem Assessment Area, however was weaker than the overall state rating. This is based on the low volume of investments in this assessment area. However, we did not place much emphasis on this given the bank's limited presence in that MSA (1% of the state's total deposits).

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 is excellent.

Retail Banking Services

Refer to Table 13 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.

USB's delivery systems are readily accessible to geographies and individuals of different income levels. Accessibility is excellent in the Salt Lake City MSA. The distribution of USB's offices in LMI geographies both exceed the distribution of the population living in such geographies. Branch closures and openings have not impacted the accessibility of retail delivery systems.

USB's hours and services offered in the Salt Lake City MSA are adequate. Office hours and services are generally comparable among all locations regardless of the

income level of the geography. All offices offer extended hours on Fridays. Less than half (seven of 25) of USB's offices in the Salt Lake City MSA offer Saturday hours. However, none of the branches located in the LMI tracts offer weekend hours. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers an effective alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. The distribution of USB's ATMs in both the LMI geographies exceeds the distribution of the population living in such geographies in the Salt Lake City MSA. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is good in the Salt Lake City MSA. CD opportunities are readily available for financial institutions located in this MSA.

In the Salt Lake City MSA, USB has focused its CD activities to affordable housing and small business development. Several of USB's activities were considered innovative. CD service highlights from this evaluation period include:

- Utah Community Reinvestment Corp (UCRC): UCRC is a consortium of banks and government entities that have pooled \$40 million for the financing of affordable rental housing in Utah. USB took a leadership role in the creation of this new organization. A USB employee co-chaired the year long implementation committee that established this organization. Another employee serves on the loan committee that oversees the loan pool. Non-profit and for-profit developers will be eligible for UCRC financing of multi-family, affordable housing projects.
- Sovereign Lending Task Force: The purpose of this task force is to learn more about the credit needs of Native American tribes and create financing alternatives to meet those needs. A USB employee was part of this task force in 1998 and 1999.
- Utah Microenterprise Loan Fund: A bank employee is on the loan committee for this organization that provides loans of \$10,000 or less to small businesses that would not ordinarily qualify for bank financing.
- USB participates through the Federal Home Loan Bank (FHLB) in the HomeStart Savings Program. Under this program, LMI individuals can receive matched downpayment assistance from the FHLB based on how many dollars the

individual saves. USB took a leadership roll in seeking participation in the FHLB affordable housing program.

- In 1998 and 1999, USB employees taught a total of four seminars covering financing options for small businesses.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Provo-Orem, St. George, and Park City Assessment Areas is not inconsistent with the bank's overall "Outstanding" performance under the Service Test in Utah.

Refer to Table 13 in the State of Utah section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Washington¹:	<u>Outstanding</u>
The Lending Test is rated:	<u>Outstanding</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>Outstanding</u>

The major factors that support this rating include:

- < USB has demonstrated excellent responsiveness to credit needs with excellent distribution of home mortgage and small business loans within LMI geographies. USB also has excellent dispersion of consumer loans to LMI borrowers. USB has an excellent level of community development loans, mostly dedicated to multi-family, affordable housing.
- < USB has made a very high level of investment into the full-scope assessment area which demonstrated excellent responsiveness to identified needs. The majority of the investments had a good impact of the area through the provision of affordable housing.
- < USB's offices and delivery systems are readily accessible to all geographies and individuals of different income levels. USB employees provided a good level of community development services that addressed affordable housing issues and small business development.

Description of Institution's Operations in Washington

Besides the Portland-Vancouver, OR-WA Multi-state MSA, which is evaluated separately under a full-scope review, USB has nine other assessment areas within the State of Washington. They are Bellingham (MSA #0860), Central & Southeast (nonmetropolitan), Peninsula (nonmetropolitan), Puget Sound (made up of the greater Seattle-Tacoma-Bremerton, WA Consolidated Metropolitan Statistical Area which, in turn, is made up of MSAs #8200, MSA #7600, MSA #5910, and MSA #1150), Skagit (nonmetropolitan), Spokane (MSA #7840), Tri-Cities (Richland-Kennewick-Pasco, WA MSA #6740), Walla Walla (nonmetropolitan), and Yakima (MSA #9260).

Within these nine assessment areas, USB has 180 offices and 358 ATMs. Refer to the Market Profiles for the State of Washington in Appendix C for detailed

¹ For institutions with branches in two or more states in a multi-state metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multi-state metropolitan area. Refer to the multi-state metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

demographics and other performance context information for the one assessment area that received full-scope review.

Scope of Evaluation in Washington

We selected the Puget Sound Assessment Area for a full-scope review because this assessment area had the largest portion of USB's deposits within the state. The Puget Sound Assessment Area contained 72% of USB's \$7 billion in deposits within the State of Washington. All other assessment areas received a limited-scope review. Refer to the Scope of Evaluation table in Appendix A for more information on the names of the counties included in each assessment area.

The overall performance of the bank in Washington was weighted by the percent of deposits generated in each assessment area. Therefore, the bank's performance in the Puget Sound Assessment Area weighed more toward the bank's state rating where it generated 72% of its deposits. The Lending Activity section below describes the weight applied to the various loan products in determining the Lending Test rating for the state.

During the examination, we considered information from community organizations and various members of the communities that were subject to a full-scope review. Information obtained from these contacts was included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Washington is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Puget Sound Assessment Area is excellent.

Lending Activity

Refer to Table 1 in the State of Washington section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Washington represents an excellent responsiveness to the credit needs of its assessment areas, primarily through its small business, home mortgage, and community development lending. In 1998, among similarly situated commercial banks in the combined assessment areas, USB reported among the highest volumes of small business lending. Of the bank's total reportable loans in

Washington, a significant portion were CRA reportable (61% of the number were small business) and HMDA reportable (35% of the number were home purchase, home improvement and refinance). This lending pattern was also reflected in the Puget Sound Assessment Area.

In the Puget Sound Assessment Area, USB generated almost 72% of its Washington deposits, ranking the bank third in size with a market share of 13%. In this CMSA, the bank is the number two lender for small business and small farm purposes with a market share of 17% and 22%, respectively. The bank's home purchase lending ranked 41 in the CMSA. Further, its refinance lending ranked 27th. USB showed strength in its home improvement lending in the full-scope CMSA, ranking it fifth among all reporters in the area.

USB's home purchase loans accounted for 26% of the number of home mortgage loans it originated in Washington. USB's home improvement loans accounted for 30% and home mortgage loans for refinance purposes accounted for 44% of the home mortgage loans it originated in Washington.

In addition, USB generated a significant volume of consumer loans and requested that we include this type of lending in our analysis. USB made 46,659 consumer loans in the Puget Sound Assessment Area. Market share information is not available on consumer data.

Lending competition in USB's assessment area is intense, with 638 HMDA reporters in the Puget Sound Assessment Area. In addition, 120 local and national CRA reporters were identified in the assessment area.

In analyzing USB's Lending Test performance in Washington, greater weight was given to its small business lending versus home mortgage and small farm lending because of the significance of the component in terms of the number and dollar volume of originations. We also weighted consumer lending equally with small business lending because of the large volume of originations. This is also a strategic business focus for USB. CD lending is also significant in this assessment area and is a major consideration to the Lending Test rating for the state

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 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.

The overall geographic distribution of USB's home mortgage lending is excellent in

the Puget Sound Assessment Area.

Home Purchase Loans

USB's distribution of home purchase loans is excellent.

USB's distribution of lending in the low-income areas of the Puget Sound Assessment Area exceeded the owner-occupied demographics of the areas. In addition, USB's market share in these low-income areas, while nominal, exceeded its overall market share.

USB's distribution of lending in the moderate-income areas of the Puget Sound Assessment Area exceeded the owner-occupied demographics of the areas. In addition, USB's market share in these moderate-income areas again, while nominal, matched its overall market share.

Home Improvement Loans

Overall, USB's geographic distribution of home improvement loans is good.

USB's distribution of lending in the low-income areas of the Puget Sound Assessment Area was near to the owner-occupied demographics of the areas. In addition, USB's market share in these low-income areas exceeded its overall market share.

USB's distribution of lending in the moderate-income areas of the Puget Sound Assessment Area was below the owner-occupied demographics of the areas. In addition, USB's market share in these moderate-income areas was slightly below its overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans is excellent.

USB's distribution of lending in the low-income areas of the Puget Sound Assessment Area essentially matched the owner-occupied demographics of the areas. Further, the bank's market share of loans made in the low-income areas of this CMSA substantially met its overall market share.

USB's distribution of lending in the moderate-income areas of the Puget Sound Assessment Area exceeded the area's demographics. In addition, the bank's market share in the CMSA's moderate-income areas exceeded its overall market share.

Small Loans to Businesses

Refer to Table 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 origination/purchase of small loans to businesses.

USB's geographic distribution of small loans to businesses reflects an excellent dispersion throughout its assessment area.

USB's distribution of lending in the low-income areas of the Puget Sound Assessment Area nearly matched the business demographics of the areas. In addition, USB's market share in these low-income areas was below its overall market share.

USB's distribution of lending in the moderate-income areas of the Puget Sound Assessment Area matched the business demographics of the areas. Further, the bank's market share in the area's moderate-income areas matched its overall market share.

Small Loans to Farms

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 farms.

USB's geographic distribution of small loans to farms was not analyzed as these loans accounted for less than 1% of the number of reportable loans originated by the bank in Washington.

Consumer Loans

Refer to Table 14 in the State of Washington section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured and personal unsecured loans reflects an adequate dispersion.

USB's distribution of lending in the low-income areas of the Puget Sound Assessment Area was below the population demographics of the areas.

USB's distribution of lending in the moderate-income areas of the assessment area was below the population demographics of the areas.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's full-scope assessment area. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

The inside/outside ratio was performed at the state level. The analysis included originations and purchased loans directly attributed to USB. During the review period USB originated or purchased 99% of its Washington loans in its assessment areas. This shows an excellent response to the credit need of the bank's Washington assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 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.

The overall borrower distribution of USB's home mortgage lending is good in the Puget Sound Assessment Area.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is good.

USB's distribution of lending to low-income borrowers in the Puget Sound Assessment Area was below the family income demographics of the area even when considering the area's level of families that live below the poverty level. Further, the bank's market share of loans to low-income borrowers, while nominal, exceeded its overall market share.

USB's distribution of lending to moderate-income borrowers in the Puget Sound Assessment Area exceeded the family income demographics of the area. Further, the bank's market share of lending to moderate-income borrowers in the assessment area, while nominal, exceeded its overall market share.

Home Improvement Loans

Overall, USB's distribution of home improvement loans to borrowers of different income levels is adequate.

USB's distribution of lending to low-income borrowers in the Puget Sound Assessment Area was well below the family income demographics of the area even when considering the area's level of families that live below the poverty level. In addition, USB's market share of low-income borrowers in the CMSA was also below its overall market share.

USB's distribution of lending to moderate-income borrowers in the Puget Sound Assessment Area was below the family income demographics of the area. In addition, USB's market share of moderate-income borrowers in the assessment area was below its overall market share.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different income levels in the Puget Sound Assessment Area is excellent.

USB's distribution of lending to low-income borrowers in the Puget Sound Assessment Area was below the family income demographics of the area. When considering the area's level of families that live below the poverty level, the bank's portion of loans made to low-income borrowers matched the portion of families defined as such. The bank's market share of low-income borrowers substantially exceeded the bank's overall market share in the assessment area.

USB's distribution of lending to moderate-income borrowers in the Puget Sound Assessment Area exceeded the area's family income demographics. In addition, the bank's market share of moderate-income borrowers exceeded the bank's overall market share in the assessment area.

Small Loans to Businesses

Refer to Table 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 origination and purchase of small loans to businesses.

USB's distribution of small business loans reflects an adequate responsiveness to the credit needs of smaller businesses in the full-scope assessment area. The bank's loan distribution to small business borrowers was below the small business demographics of the area. However, USB did not obtain revenue information on 26% of small business loans. Of those loans made with revenue information

collected, 87% were to businesses with revenues of \$1 million or less. This greatly exceeded the demographic comparator. The bank's market share of lending to businesses with annual revenues of \$1 million or less is also adequate. USB's market share of loans to these borrowers was also below its overall market share of business lending in the Puget Sound Assessment Area. In addition, over 86% of the bank's small business loans were for less than \$100,000.

Small Loans to Farms

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/purchase of small loans to farms.

As previously stated, the USB's lending to small farms was not analyzed. The bank's small farm lending accounted for less than 1% of its total lending in Washington.

Consumer Loans

Refer to Table 14 in the State of Washington section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured and personal unsecured loans reflects an excellent dispersion in the Puget Sound Assessment Area.

USB's distribution of lending to low-income borrowers of the assessment area was near to the low-income household demographics of the area

USB's distribution of lending to moderate-income borrowers of the assessment area substantially exceeded the moderate-income household demographics of the area.

Community Development Lending

Refer to Table 1 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.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated an excellent volume of CD loans in the Puget Sound assessment area. This level of CD lending had a significant impact on the overall Lending Test rating we assigned to the full-scope area. The number and dollar volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 16% of the bank's Tier 1 capital that is

attributed to the assessment area. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- Extending \$6,700,000 for a HUD Section 8 housing project in Seattle, WA. All units will be rented to seniors at less than 60% of the MFI. Proceeds were used for the acquisition and rehabilitation of the project.
- Lending \$28,500,000 to the development of a new office building in a moderate-income census tract contained in the City of Seattle's designated Enterprise Community.
- Extending a loan for the purchase of a building in Auburn, WA that will be the new site of Community Health Centers of King County's Auburn Clinic. This clinic will provide low-income disadvantaged patients with medical and dental care. Over 60% of its patients are below federal poverty levels.
- Providing a \$1,350,000 30-year loan to finance the renovation of a Seattle hotel that will provide 234 rent restricted apartments that will be affordable to individuals and families with incomes between 30 and 50% of the median family income.

In addition to the above, USB also provided a significant volume of Letters of Credit that had Community Development characteristics. Examples include:

- Providing a \$12,648,000 letter of credit to support a ten-year bond issue for the construction of an affordable housing project for seniors in Olympia, WA. Residents are limited to incomes of up to 60% of the MFI.
- Providing a 15-year Letter of Credit to provide bond enhancement for a loan to fund the construction and permanent financing on a 193-unit affordable housing project located in Everett, WA. Thirty-five percent of the units are restricted to individuals or families with income of 50% of the MFI or less, and 65% of the units to occupants with incomes between 50 and 60% of the MFI.

Product Innovation and Flexibility

Product innovation and flexibility had no impact on the Lending Test conclusions for the State of Washington. USB has two flexible home mortgage loan programs called Home Advantage and Home Partners. As previously discussed, these programs provide flexible underwriting for LMI borrowers. In the Washington assessment areas, the bank used these programs to originate 75 home purchase loans totaling \$8.2 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Bellingham, Central & Southeast, Tri-Cities, Peninsula, and Walla Walla, and Yakima Assessment Areas is not inconsistent with the bank's overall "Outstanding" performance under the Lending Test in Washington. These assessment areas account for 17% of the bank's deposits.

USB's performance is weaker than its overall rating in the Spokane and Skagit Assessment Areas. The bank's performance in the Spokane MSA was not balanced between geographic and borrower distributions. In this MSA, the weaker performance was attributed to the bank's geographic distribution. The bank's weaker performance in this MSA does not have a material impact on the state rating. This MSA accounts for only 9% of the bank's deposits. USB's performance in the Skagit Assessment Area is weaker than the overall rating of "Outstanding" because of its weaker borrower distribution.

Refer to the Tables 1 through 11 and Table 14 in the State of Washington section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Washington is rated "Outstanding." Based on a full-scope review, the bank's performance in the Puget Sound Assessment Area is excellent.

Refer to Table 12 in the State of Washington section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, USB made 191 investments totaling \$20,204,180 in the Puget Sound Assessment Area. The dollar volume of investments is high in relation to the good level of CD opportunities in the CMSA (refer to the Market Profile in Appendix C). In addition, the impact of the investments on the community is good. Approximately 90% of these investments were targeted towards providing affordable housing in the MSA - an identified need of the CMSA. Although the volume of investments is high, few of the investments demonstrate innovative, complex, or leadership characteristics.

The following represent examples of USB's investments in the Puget Sound Assessment Area:

- USB purchased \$15,676,715 in Low-Income Housing Tax Credits for properties located within the MSA. This provided 330 housing units for LMI residents.
- USB purchased \$1,978,000 of mortgage-backed securities that are collateralized by 21 properties for LMI people located in LMI areas of the MSA.
- USB provided grants totaling \$150,000 to HomeSight, a Seattle Community Development Corporation that assists LMI families become homeowners, while revitalizing economically distressed neighborhoods. HomeSight also offers homebuyer counseling and a nationally recognized homebuyer education program. USB's grants were used for downpayment assistance and operating funds for the organization.
- USB made a \$250,000 equity investment in Cascadia Revolving Fund, a nationally recognized Community Development Financial Institution that serves portions of Washington and Oregon. Cascadia focuses on serving small businesses in economically distressed areas, as well as small businesses owned by women, ethnic minorities, and low-income individuals. In addition, USB provided grants totaling \$55,000 to this organization during the evaluation period.
- USB also provided a \$500,000 venture capital investment to Pioneer Social Ventures, LLC. Pioneer Human Services provides employment, job training, counseling, and subsidized housing for low-income individuals - specifically ex-convicts and individuals recovering from drug and alcohol addictions. Pioneer runs a number of business ventures that provide opportunities for employment and job training, while generating income to fund additional services that Pioneer offers to its clients. Pioneer Human Services created a for-profit entity - Pioneer Social Ventures, LLC, which is being funded by a consortium of banks and private foundations, including USB. This capital fund will finance the acquisition of new businesses that will continue to provide Pioneer's clients with employment and job-training opportunities.
- Other Grants - USB provided over 170 grants totaling \$1,299,465 to local nonprofit organizations for various projects and CD initiatives in the Puget Sound Assessment Area.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Central & Southeast, Skagit, and Spokane Assessment Areas is not inconsistent with the bank's overall "Outstanding" performance under the Investment Test in Washington. In the Bellingham, Peninsula, Tri-Cities, Walla Walla, and Yakima Assessment Areas the bank's performance is weaker than the bank's overall performance in the state. This is based on the volume of investments in those areas. However, these areas did not have a material impact on our overall rating due to the relative insignificance that these markets represent to the state as a whole (12% of total deposits in the state). Refer to the Table 12

in the State of Washington section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

The bank's performance under the Service Test in Washington is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Puget Sound Assessment Area is excellent. All other Washington assessment areas are limited scope.

Retail Banking Services

Refer to Table 13 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.

USB's delivery systems are readily accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. Accessibility is excellent in the Puget Sound Assessment Area. The distribution of USB's offices in the low-income and the moderate-income geographies both exceed the demographic figure used to evaluate the adequacy of the distribution in such geographies. Branch openings had a positive impact on the accessibility of retail delivery systems. Branch closures and openings resulted in a net overall increase of eight offices, including one office located in a moderate-income geography. The geography in which this new office is located has a population of 6,423. This tract is made up of 31% low-income families and 24% moderate-income families.

USB's hours and services offered in the Puget Sound Assessment Area are good. Office hours and services are comparable among all locations regardless of the income level of the geography. Saturday hours are offered at approximately half of the 113 offices serving the Puget Sound Assessment Area, including one of four offices located in low-income geographies and thirteen of eighteen branches located in moderate-income geographies. Only one office located in a moderate-income tract (this is in a local grocery store) also includes Sunday hours. Thirty-three of USB's offices are in-store locations and 22 of these locations offer Sunday hours. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers an effective alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. USB has 152 deposit-taking ATMs as well as 96 that only dispense cash. The distribution of

USB's full-service ATMs, whether in low- or moderate-income geographies, exceeds the distribution of the population living in such geographies in the Puget Sound Assessment Area. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is good in the Puget Sound Assessment Area. CD service opportunities are readily available for financial institutions located in the MSA.

In the Puget Sound Assessment Area, USB has spread its CD activities across a wide variety of events and entities including those focused on affordable housing, small business development, and social services targeted at LMI individuals. Community contacts specifically said that there is a need for technical assistance for small business owners. Contacts also discussed the need for more affordable housing units and for financing these units. CD service highlights include:

- USB employees taught 14 basic banking seminars, 26 first-time homebuyer seminars, and 44 small business seminars. USB has partnered with numerous community development organizations in sharing its financial expertise with LMI individuals and small businesses.
- USB employees served on committees, as Board members, or as officers for many organizations that promote economic development efforts or promote affordable housing for LMI individuals and families. USB employees served on the Board of seven organizations that assisted LMI people obtain affordable housing. USB employees served as Board or committee members on ten organizations that primarily focus on economic development in distressed areas or serve small business efforts. One USB employee served as a Board member of an organization that is an advocate for necessary social services for LMI families.
- USB sponsored 16 Federal Home Loan Bank of Seattle AHP (Affordable Housing Program) grants for affordable housing. One grant approved was for a HomeStart Savings Program. Under this program LMI individuals can receive up to \$5,000 dollars for down-payment assistance. The FHLB will match \$3 for every \$1 saved. USB took a leadership roll in seeking this and other FHLB AHP grants.
- One employee taught a "train the trainer" session for bankers who will be teaching LMI individuals about money and banking through Operation Frontline.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Bellingham, Central & Southwest, Peninsula, Skagit, and Tri-Cities Assessment Areas is not inconsistent with the bank's overall "Outstanding" performance under the Service Test in Washington. In the Spokane, Walla Walla, and Yakima Assessment Area the bank's performance is weaker than the bank's overall performance in the state. USB's performance is weaker in these three assessment areas because its distribution of offices in LMI geographies is less than the distribution of the population living in such geographies. Refer to Table 13 in the State of Washington section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Wisconsin¹:	<u>Outstanding</u>
The Lending Test is rated:	<u>Outstanding</u>
The Investment Test is rated:	<u>Outstanding</u>
The Service Test is rated:	<u>Outstanding</u>

The major factors that support this rating include:

- < USB has demonstrated excellent responsiveness to credit needs with excellent distribution of its loan products into LMI geographies and by exceptionally high levels of community development lending.
- < USB has made significant dollar investments in the Milwaukee MSA which demonstrated excellent responsiveness to an identified need for affordable housing.
- < USB's offices are readily accessible to geographies and individuals of different income levels despite a limited physical presence in the Milwaukee MSA.

Description of Institution's Operations in Wisconsin

USB has two assessment areas within the State of Wisconsin. This is in addition to the Wisconsin portions of the Minneapolis-St. Paul, MN-WI Multi-state MSA which is evaluated separately under a full-scope review elsewhere in this Performance Evaluation. The two assessment areas are the La Crosse MSA #3870 and the Milwaukee MSA #5080.

¹ For institutions with branches in two or more states in a multi-state metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multi-state metropolitan area. Refer to the multi-state metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

USB has seven offices and 43 ATMs within these two assessment areas.

Refer to the Market Profiles for the State of Wisconsin in Appendix C for detailed demographics and other performance context information for the one assessment area that received a full-scope review.

Scope of Evaluation in Wisconsin

We selected the Milwaukee Assessment Area for a full-scope review because this assessment area had 83% of all USB deposits within the State of Wisconsin. USB has a very small presence in the state with only \$346 million in deposits. The La Crosse Assessment Area received a limited-scope review. Refer to the Scope of Evaluation table in Appendix A for more information on the names of the counties included in each assessment area.

The overall performance of the bank in Wisconsin was weighted by the percent of deposits generated in each assessment area. Therefore, the bank's performance in the Milwaukee MSA weighed more toward the bank's state rating where it generated 83% of its deposits. The Lending Activity section below describes the weighting applied to the various loan products in the Lending Test rating for the state.

During the examination, we considered information from community organizations and various members of communities that were subject to full-scope reviews. Information obtained from these contacts was included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Wisconsin is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Milwaukee MSA is excellent.

Lending Activity

Refer to Table 1 in the State of Wisconsin section of Appendix D for the facts and data used to evaluate the bank's lending activity.

USB's lending record in Wisconsin represents an excellent responsiveness to the

credit needs of its assessment areas, primarily through its small business and home mortgage lending. In 1998, among similarly situated commercial banks in the combined assessment areas, USB reported among the highest volumes of small business lending. Of the bank's total reportable loans in Wisconsin, a significant portion were CRA reportable (65% of the number were small business) and HMDA reportable (35% of the number were home purchase, home improvement and refinance). This lending pattern was also reflected in the Milwaukee MSA. In the Milwaukee MSA, USB generated 83% of its Wisconsin deposits, ranking the bank 18th in size with a market share of 1%. In this MSA, the bank is the number nine lender for small business purposes with a market share of 4%. The bank's home purchase lending ranked 53rd in the MSA. The bank's refinance lending ranking is not meaningful. USB was ranked 28th in home improvement lending in the full-scope MSA.

USB's home purchase loans accounted for 50% of the number of home mortgage loans it originated in Wisconsin. USB's home improvement loans accounted for 13% and home mortgage loans for refinance purposes accounted for 37% of the home mortgage loans it originated in Wisconsin.

In addition, USB generated a significant volume of consumer loans and requested that we include them in our analysis. In Milwaukee, USB made 12,610 consumer loans. Market share is not available for consumer loans.

Lending competition in USB's assessment area is intense, with 513 HMDA reporters in the Milwaukee MSA. In addition, 137 local and national CRA reporters were identified in the assessment area.

In analyzing USB's Lending Test performance in Wisconsin, greater weight was given to its small business lending versus home mortgage lending because of the significance of the component in terms of the number and dollar volume of loans generated. We gave consumer lending equal weight to small business lending based on the significant volume of consumer loans generated. Although not mentioned by community groups as a primary credit need, consumer lending is a strategic business focus for USB.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

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

The overall geographic distribution of USB's home mortgage lending is excellent in

the Milwaukee MSA.

Home Purchase Loans

USB's distribution of home purchase loans is excellent.

USB's distribution of lending in the low-income areas of the Milwaukee MSA exceeded the owner-occupied demographics of the areas. The analysis of the bank's market share is not meaningful because of its nominal volume.

USB's distribution of lending in the moderate-income areas of the Milwaukee MSA exceeded the owner-occupied demographics of the areas. The analysis of the bank's market share is not meaningful.

Home Improvement Loans

Overall, USB's geographic distribution of home improvement loans is excellent.

USB's distribution of lending in the low-income areas of the Milwaukee MSA exceeded the owner-occupied demographics of the areas. The analysis of the bank's market share is not meaningful.

USB's distribution of lending in the moderate-income areas of the Milwaukee MSA matched the owner-occupied demographics of the areas. The analysis of the bank's market share is not meaningful.

Refinance Loans

Overall, USB's distribution of home refinance loans is excellent.

USB's distribution of lending in the low-income areas of the Milwaukee MSA exceeded the owner-occupied demographics of the areas. The analysis of the bank's market share is not meaningful.

USB's distribution of lending in the moderate-income areas of the Milwaukee MSA substantially exceeded the area's demographics. The analysis of the bank's market share is not meaningful.

Small Loans to Businesses

Refer to Table 5 in the State of Wisconsin 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.

USB's geographic distribution of small loans to businesses reflects an excellent dispersion throughout its assessment area. These loans accounted for 65% of the number of reportable loans originated by USB in Wisconsin.

USB's distribution of lending in the low-income areas of the Milwaukee MSA exceeded the business demographics of the areas. In addition, USB's market share in these low-income areas exceeded its overall market share.

USB's distribution of lending in the moderate-income areas of the Milwaukee MSA was below the business demographics of the areas. Further, the bank's market share in the Milwaukee MSA's moderate-income areas nearly matched its overall market share.

Small Loans to Farms

Refer to Table 6 in the State of Wisconsin 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.

USB's geographic distribution of small loans to farms was not analyzed as these loans accounted for less than 1% of the number of reportable loans originated by the bank in Wisconsin.

Consumer Loans

Refer to Table 14 in the State of Wisconsin section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

USB's geographic distribution of consumer auto, personal secured and personal unsecured loans reflects a good dispersion.

USB's distribution of lending in the low-income areas of the Milwaukee MSA was well below the population demographics of the areas.

USB's distribution of lending in the moderate-income areas of the Milwaukee MSA exceeded the population demographics of the areas.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment

areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

The inside/outside ratio was performed at the state level. The analysis included originations and purchased loans directly attributed to USB. During the review period, USB originated or purchased 73% of its Wisconsin loans in its assessment areas. This shows an adequate response to the credit need of the bank's Wisconsin assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the State of Wisconsin section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of USB's home mortgage lending is excellent in the Milwaukee MSA.

Home Purchase Loans

USB's distribution of home purchase loans to borrowers of different income levels is excellent.

USB's distribution of lending to low-income borrowers in the Milwaukee MSA was just below the family income demographics of the area. When considering the area's level of families that live below the poverty level, the bank's portion of loans exceeded demographics. The analysis of the bank's market share is not meaningful.

USB's distribution of lending to moderate-income borrowers in the Milwaukee MSA substantially exceeded the family income demographics of the area. The analysis of the bank's market share is not meaningful.

Home Improvement Loans

Overall, USB's distribution of home improvement loans to borrowers of different income levels is good.

USB's distribution of lending to low-income borrowers in the Milwaukee MSA was below the family income demographics of the area even when considering the area's level of families that live below the poverty level. The analysis of the bank's market share is not meaningful.

USB's distribution of lending to moderate-income borrowers in the Milwaukee MSA was slightly below the family income demographics of the area. The analysis of the bank's market share is not meaningful.

Refinance Loans

Overall, USB's distribution of home refinance loans to borrowers of different income levels in the full-scope assessment area is excellent.

USB's distribution of lending to low-income borrowers in the Milwaukee MSA was below the family income demographics of the area even when considering the area's level of families that live below the poverty level. The analysis of the bank's market share is not meaningful.

USB's distribution of lending to moderate-income borrowers in the Milwaukee MSA substantially exceeded the area's family income demographics. The analysis of the bank's market share is not meaningful.

Small Loans to Businesses

Refer to Table 10 in the State of Wisconsin 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.

USB's distribution of small business loans reflects an adequate responsiveness to the credit needs of smaller businesses in the full-scope assessment area. The bank's loan distribution to small business borrowers was below the small business demographics of the area. However it should be noted that half of the loans USB made to small businesses did not have revenue information. Of the loans made with revenue information, 62% were to businesses with revenues of \$1 million or less. The bank's market share of lending to businesses with annual revenues of \$1 million or less is adequate. USB's market share of loans to these borrowers was well below its overall market share of business lending in the Milwaukee MSA. Almost 85% of the bank's small business loans were for less than \$100,000.

Small Loans to Farms

Refer to Table 11 in the State of Wisconsin 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.

As previously stated, USB's lending to small farms was not analyzed. The bank's small farm lending accounted for less than 1% of its total lending in Wisconsin.

Consumer Loans

Refer to Table 14 in the State of Wisconsin section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

USB's borrower distribution of consumer auto, personal secured and personal unsecured loans reflects an excellent dispersion in the Milwaukee MSA.

USB's distribution of lending to low-income borrowers of the Milwaukee MSA exceeded the low-income household demographics of the assessment area.

USB's distribution of lending to moderate-income borrowers of the Milwaukee MSA substantially exceeded the moderate-income household demographics of the assessment area.

Community Development Lending

Refer to Table 1 in the State of Wisconsin section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

The bank's CD lending efforts during the evaluation period had a positive influence on our overall rating. During the evaluation period, USB originated an excellent volume of CD loans in the Milwaukee MSA. This level of CD lending had a significant impact on the overall rating we assigned to the full-scope area. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 84% of the bank's Tier 1 capital that is attributed to the MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- Providing a \$9,200,000 construction loan for a new 169-room hotel in downtown Milwaukee. The completed project will provide 60 new jobs, with many of them going to low-income individuals. The City of Milwaukee also participated in this project located in an Enterprise Community.

- Extending a loan for \$17,868,000 for the construction of a 139-unit residential/retail complex in an LMI area of Milwaukee. The project will primarily provide affordable housing to area residents.

Product Innovation and Flexibility

Product innovation and flexibility had no impact on the Lending Test conclusions for the State of Wisconsin. USB has two flexible home mortgage loan programs called "Home Advantage" and "Home Partners." As previously discussed, these programs provide flexible underwriting for low- or moderate-income borrowers. In the Wisconsin assessment areas, the bank used these programs to originate 61 home purchase loans totaling \$4.3 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Lending Test in the La Crosse Assessment Area is weaker than the bank's overall "Outstanding" performance under the Lending Test in Wisconsin. The bank's weaker performance is attributed to its distribution of lending by income level of the borrower. This attribute does not materially impact the bank's overall state performance because of the bank's nominal presence in the assessment area.

Refer to the Tables 1 through 11 and Table 14 in the State of Wisconsin section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Wisconsin is rated "Outstanding." Based on a full-scope review, the bank's performance in the Milwaukee MSA is excellent.

Refer to Table 12 in the State of Wisconsin section of Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, USB made 28 investments totaling \$1,774,200 in the Milwaukee MSA. The volume of investments is high, given the relatively high volume of CD opportunities in the MSA (refer to the Market Profile in Appendix C). In addition, the impact of the investments on the community is good. A significant majority of these investments went towards the provision of affordable housing - an identified need of the MSA. Although the volume of investments is high, few of the investments demonstrate innovative, complex, or leadership characteristics.

The following represent examples of USB's investments in the Milwaukee MSA:

- USB purchased \$242,000 of mortgage-backed securities that are collateralized by five properties for LMI people located in LMI areas of the MSA.
- USB purchased \$1,000,000 in tax credit associated with the Park West Townhouses, which provides 24-units of affordable housing to LMI individuals.
- USB made a \$10,000 investment in Bridging The Gap Learning Center to assist in the start-up of an after school and weekend program whereby professional athletes mentor children from the surrounding low-income areas.
- USB made a \$160,000 investment in the Martin Luther King Economic Development Corporation. This project is a \$1.8 million redevelopment of a former knitting factory that will be used as a one-stop-shop for entrepreneurs, business operators, developers, and neighborhood developers seeking economic development assistance in a low-income area. In addition to the direct assistance it provides, the project offers additional services to these groups including a seventy-five seat meeting room, an economic development reference library, a dedicated computer room, and other resources.
- Other Grants - USB provided 22 grants totaling \$199,200 to local nonprofit organizations for various projects and CD initiatives in the Milwaukee MSA.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the La Crosse Assessment Area is weaker than the bank's overall performance in the state. This is based on the low volume of investments in that MSA. However, given the bank's limited presence in the La Crosse Assessment Area in relation to Milwaukee (17% of total deposits in the state), this did not have a material impact on our overall Investment Test rating for the State. Refer to the Table 12 in the State of Wisconsin 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 Wisconsin is rated "Outstanding." Based on a full-scope review, the bank's performance in the Milwaukee MSA is good. The other Wisconsin assessment area is limited scope.

Retail Banking Services

Refer to Table 13 in the State of Wisconsin 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.

USB has a limited presence in the Milwaukee MSA. Although the bank has only five offices throughout the assessment area, we generally consider the bank's performance excellent. USB's delivery systems are readily accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. The percentages representing the distribution of USB's offices in LMI geographies both significantly exceed the percentages representing the distribution of the population living in such geographies. This comparison would ordinarily indicate excellent performance. However, the percentages involving the distribution of the branches are actually based on one branch located in a low-income tract and one branch located in a moderate-income tract. We did not see this as excellent accessibility to all remaining LMI geographies. Because of the limited number of branches serving the area, we did not place undue reliance solely on the numerical relationship between the distribution of branches and the population of that geography. Branch closures or openings have not occurred.

USB's hours and services offered in the Milwaukee MSA are excellent. Office hours and services are comparable among all locations regardless of the income level of the geography. Saturday hours are offered at all offices serving the Milwaukee MSA. Two USB offices (one of which is located in a moderate-income tract) are in-store locations and offer Sunday hours. USB's standard loan and deposit products are offered at all locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers an effective alternative delivery system for delivering teller based services to LMI geographies and to LMI individuals. USB has 13 full-service ATMs and 21 ATMs that only dispense cash. The percentages showing the distribution of USB's ATMs in LMI geographies both exceed the distribution of the population living in such geographies in the Milwaukee MSA. Other alternative delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies were impacted by these services.

Community Development Services

USB's performance in providing CD services is adequate in the Milwaukee MSA.

USB has focused its CD activities on affordable housing and the housing needs of LMI individuals. CD service highlights include:

- Participation in 24 homebuyer training workshops.
- Board membership on two organizations promoting affordable housing. One of these organizations consists of a consortium of local banks that has a loan pool which provides below market rates to Community Development Corporations that develop affordable housing.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the La Crosse Assessment Area is consistent with the bank's overall "Outstanding" performance under the Service Test in Wisconsin. Refer to Table 13 in the State of Wisconsin section of Appendix D for the facts and data that support these conclusions.

CRA Rating for Wyoming:	<u>Satisfactory</u>
The Lending Test is rated:	<u>Low Satisfactory</u>
The Investment Test is rated:	<u>High Satisfactory</u>
The Service Test is rated:	<u>High Satisfactory</u>

The major factors that support this rating include:

- < USB has demonstrated adequate responsiveness to credit needs in its lending patterns.
- < USB's investment levels are considered good in light of the relatively limited opportunities available. Virtually all of the investments were made to address affordable housing which is an identified need in the assessment area.
- < USB's physical presence is limited; however, there is good access to the moderate-income geographies and to individuals of different income levels by virtue of the location of USB's office. USB employees have provided an adequate level of community development services.

Description of Institution's Operations in Wyoming

USB has eleven assessment areas within the State of Wyoming. They consist of two MSAs (Casper MSA #1350 and Cheyenne MSA #1580) and nine nonmetropolitan areas (Cody, Evanston, Fremont, Gillette, Laramie, Sheridan, Sweetwater, Torrington, and Worland).

USB has 14 offices and 23 ATMs within the State of Wyoming.

Refer to the Market Profiles for the State of Wyoming in Appendix C for detailed demographics and other performance context information for the one assessment area that received a full-scope review.

Scope of Evaluation in Wyoming

We selected the Cheyenne Assessment Area for a full-scope review because this assessment area had the greatest percentage of USB deposits within the state. The Cheyenne Assessment Area had 32% of USB's \$218 million in deposits within the State of Wyoming. All other assessment areas received a limited-scope review. Refer to the Scope of Evaluation table in Appendix A for more information on the names of the counties included in each assessment area.

The bank's overall rating for the state is based on the performance in the Cheyenne

Assessment Area because this market had the greatest concentration of deposits within the state. The Lending Activity section below describes the weighting applied to the various loan products for the Lending Test rating for the state.

During the examination, we considered information from community organizations and various members of the communities that were subject to full-scope reviews. Information obtained from these contacts was included in the Market Profile section of Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Wyoming is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Cheyenne MSA is adequate.

Lending Activity

Refer to Table 1 in the State of Wyoming section of Appendix D for the facts and data used to evaluate the bank's lending activity.

In the Cheyenne MSA, the bank reported 383 CRA-related loans that were originated or purchased during the evaluation period. These loans were comprised of 67% home mortgage and 32% small loans to businesses. Small loans to farms were insignificant and thus, conclusions that follow do not address this loan category. In addition to this, USB requested that we include approximately 1,400 consumer loans (automobile, personal secured and personal unsecured) in our analysis.

The composition of home mortgage loan originations was 11% (28 loans) home purchase, 42% (109 loans) home improvement, and 47% (120 loans) home refinance.

USB's lending activity is adequate in the Cheyenne MSA. The bank ranks fourth in deposit market share (11%) and fifth (12%) in small loans to businesses based on 1998 CRA aggregate data. Based on 1998 HMDA aggregate data, USB is ranked 31st in originations/purchases of loans for home purchase, first for home improvement, and 17th for home refinance. As reflected, USB is not a significant lender in the home mortgage or small farm market. Market share information is not available on consumer data.

In analyzing USB's Lending Test performance in Wyoming, greatest weight was

given to the small business and the consumer lending products. The lending volumes were larger with these products to result in more meaningful conclusions.

Within home mortgage products, we placed equal weight on home improvement and refinance loans because these products had at least 100 loans each in addition to market share significance. We placed no weight on home purchase due to the limited number of home purchase originations. Accordingly, while analysis and discussion of home mortgage lending follows, the weight placed on this element is reduced compared to the other loan products. The volume of USB's small loans to farms was also not significant enough to perform a meaningful analysis.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, and 4 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.

The overall geographic distribution of home mortgage loans is adequate in the Cheyenne MSA.

Home Purchase Loans

Home purchase loan volume is not significant enough to allow for any meaningful conclusions.

Home Improvement Loans

Home improvement loan distribution (109 loans) is poor in the Cheyenne MSA.

The portion of home improvement loans made in moderate-income geographies was well below the portion of owner-occupied housing units there. The market share for loans made in moderate-income geographies was slightly below the bank's overall market share. There are no low-income geographies in this assessment area.

Refinance Loans

Home refinance loan distribution (120 loans) is adequate.

The portion of home refinance loans made in moderate-income geographies was below the portion of owner-occupied housing units there. The market share for loans made in moderate-income geographies was moderately below the bank's

overall market share.

Small Loans to Businesses

Refer to Table 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 origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is good.

In the Cheyenne MSA, the portion of small loans to businesses made in moderate-income geographies was moderately close to the portion of businesses located in those geographies. The market share for such loans was moderately below the bank's overall market share.

Small Loans to Farms

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 farms.

No conclusions are rendered given the insignificant volume of lending with this product to allow for any meaningful conclusions.

Consumer Loans

Refer to Table 14 in the State of Wyoming section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The geographic distribution of consumer loans is poor.

The bank's portion of consumer loans made in moderate-income geographies was significantly below the portion of the population residing there.

Lending Gap Analysis

An analysis of USB's home mortgage and small business lending patterns utilizing a variety of techniques including mapping, did not reveal any significant or unexplained gaps in the geographic distribution in any of the bank's assessment areas. Although there were several geographies where USB made very few or no loans, the gaps were mostly a result of limited market presence, few owner-occupied homes or a limited number of businesses or farms.

Inside/Outside Ratio

A substantial majority of the bank's loans were originated within its assessment areas. During the evaluation period, 93% of the bank's lending (home mortgage, small loans to businesses/farms, and consumer loans) originated within its assessment areas.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 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.

The overall borrower distribution of home mortgage loans is adequate in the Cheyenne MSA.

Home Purchase Loans

Home purchase loan borrower distribution is not meaningful given the nominal volume of lending.

Home Improvement Loans

USB's distribution of home improvement loans to borrowers of different income levels is poor.

The portion of home improvement loans made to low-income borrowers was well below the portion of families defined as such even when the level of families living below the poverty is considered. The market share for loans made to low-income families exceeded the bank's overall market share.

The bank's portion of loans made to moderate-income borrowers was also well below the portion of such families. The bank's market share for loans made to moderate-income borrowers was well below the bank's overall market share.

Refinance Loans

Home refinance loan distribution is adequate.

The portion of home refinance loans made to low-income borrowers was well below the portion of such families even when considering the level of families living below the level of poverty. The bank's market share exceeded the bank's overall

market share for low-income borrowers.

With moderate-income borrowers, the bank's portion of loans was below the portion of such families. The bank's market share to moderate-income borrowers was near to its overall market share.

Small Loans to Businesses

Refer to Table 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 origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses is adequate.

The bank's portion of loans made to small businesses (businesses with annual revenues of \$1 million or less) was below the portion of businesses defined as such. The bank's market share of such loans was also below the bank's overall market share. Note, however, that USB did not collect revenue information on 35% of its small business borrowers. Of those loans made with revenue information collected, 85% were to businesses with revenues of \$1 million or less.

Small Loans to Farms

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/purchase of small loans to farms.

No conclusions are rendered given the insignificant volume of lending with this product to allow for any meaningful conclusions.

Consumer Loans

Refer to Table 14 in the State of Wyoming section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The borrower distribution of consumer loans is adequate.

The bank's portion of consumer loans made to low-income households was half the portion of households defined as such. However, if the portion of households living below the poverty level is considered, USB's portion of loans to low-income borrowers is close to demographics. The portion of loans made to moderate-income households was near to the portion of households defined as such.

Community Development Lending

Refer to Table 1 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.

The bank's CD lending efforts during the evaluation period had a neutral impact on our overall rating. During the evaluation period, USB originated a good volume of CD loans in the Cheyenne MSA. The number and dollar of volume of CD loans are indicated on Table 1 of Appendix C. The dollar volume represents 3% of the bank's Tier 1 capital that is attributed to the MSA. Although we noted some evidence of complexity associated with these loans, we did not identify many instances of innovative or leadership characteristics. The largest examples include:

- Extending a \$200,000 revolving line of credit to Cheyenne-Laramie County Corp. for Economic Development to fund completion of infrastructure improvements in a business park targeted for small business development. The borrower is also known as Cheyenne LEADS, a non-profit economic development organization.
- Providing a \$15,000 loan to the Habitat for Humanity of Laramie County for establishment of additional low-income housing in the MSA.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions. Bank-wide, USB offers flexible mortgage-related lending programs serving LMI borrowers including the "Home Advantage" and "Home Partners." USB did not provide any information on the origination of these products in this market.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the limited-scope assessment areas is not inconsistent with the bank's overall "Low Satisfactory" performance under the Lending Test in Wyoming. Refer to the Tables 1 through 11 and Table 14 in the State of Wyoming section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Wyoming is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the

Cheyenne MSA is excellent.

Refer to Table 12 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, USB reported nine investments totaling \$6,000,667 in the Cheyenne MSA. One of these investments totaling \$3,347,997 was made during a prior period and remains outstanding. This volume of investments is high given the relatively limited number of CD opportunities available within the MSA. In addition, the impact to the community was good. Virtually all of these investments went towards the provision of affordable housing - an identified need of the MSA. Although the volume of investments is high, few had characteristics that we considered as innovative, complex, or exemplary of a leadership position.

The following is a discussion of USB's investments in the Cheyenne MSA:

- The significant majority of USB's investments in the MSA are its \$3,347,997 investment in the Foxcrest Limited Partnership and \$2,605,170 investment in the Pershing Pointe housing project. These affordable housing projects qualify for Low-Income Housing Tax Credits. Combined, these projects generated 184 housing units for LMI individuals.
- USB provided grants totaling \$25,000 to an organization with a focus on recruiting new small businesses to the area and providing funding to develop and train the workforce.
- Other Grants - USB provided five other grants totaling \$22,500 to local organizations which focus on housing and other community services for LMI individuals.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Casper and Cody Assessment Areas is stronger than the bank's overall "High Satisfactory" performance under the Investment Test in Wyoming. This stronger performance is a function of the high volume of investments in those assessment areas. In the Evanston, Fremont, Gillette, Laramie, Sheridan, Sweetwater, Torrington, and Worland Assessment Areas, however, the bank's performance is weaker than the bank's overall performance in the state. This weaker performance is a function of the low volume, and in some areas no volume, of investments. On a combined basis, USB derives more than half of its Wyoming deposits from these eight assessment areas with weaker performance. The excellent performance in the full-scope assessment area, combined with the weaker performance in many of the limited-scope assessment areas, result in USB's overall Investment Test rating of "High Satisfactory" in Wyoming. Refer to Table 12 in the State of Wyoming

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 Wyoming is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Cheyenne MSA is good.

Retail Banking Services

Refer to Table 13 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.

USB has a limited presence in the assessment area with only two offices. One of these offices is located within one of the assessment area's seven moderate-income tracts. The office in the moderate-income tract is located in the downtown area which also provides easier access from all parts of the city. USB's delivery systems are accessible to geographies and individuals of different income levels throughout the full-scope assessment areas. The distribution of USB's offices in the moderate-income geographies exceeds the distribution of the population living in geographies with this income level. There are no low-income areas in the MSA. Branch closures or openings have not occurred.

USB's hours and services offered in the Cheyenne MSA are adequate. Office hours and services are comparable at both locations regardless of the income level of the geography. Saturday morning hours are, however, only offered at the USB office serving the middle-income geography. USB's standard loan and deposit products are offered at both locations. USB's products include low-minimum, no-fee checking or no-minimum, no-fee checking with the election of paycheck or social security check direct deposit. USB offers credit lines starting at \$1,000.

USB's ATM network offers a somewhat limited alternative delivery system for delivering teller based services to the moderate-income geographies and to LMI individuals. USB has two full-service ATMs and two ATMs that only dispense cash serving the assessment area. The distribution of USB's ATMs in the moderate-income geographies is near the distribution of the population living in such geographies in the Cheyenne MSA. However, this is only one, full-service ATM. The bank's other ATMs are located in middle-income tracts. Other alternative

delivery systems, such as telephone and Internet banking, were not weighted significantly when drawing conclusions because the bank did not provide data on how LMI individuals and geographies are impacted by these services.

Community Development Services

USB's performance in providing CD services is adequate in the Cheyenne MSA.

In the Cheyenne MSA, community development opportunities are limited by the state's small population base and because few state or local government sponsored programs are available. USB has focused its CD activities on economic development. CD service highlights from this evaluation period include:

- Cheyenne LEADS: A USB employee is involved in an initiative to raise \$1.3 million to be used to recruit primarily small businesses to the Cheyenne MSA. The focus of this nonprofit organization is job creation and job training.
- Vision 2020: A USB employee served on a research committee designed to attract new small businesses to the Cheyenne MSA. The organization has received grants to research businesses willing to relocate to Wyoming.
- Cheyenne Economic Development Corporation: A USB employee serves on the committee to allocate funds to new small businesses and to support economic development throughout the county.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Casper, Cody, Evanston, Freemont, Gillette, Laramie, Sheridan, Sweetwater, Torrington, and Worland Assessment Areas is not inconsistent with the bank's overall "High Satisfactory" performance under the Service Test in Wyoming. Refer to Table 13 in the State of Wyoming section of Appendix D for the facts and data that support these conclusions.

Appendix A: Scope of Evaluation

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 (includes CD loans): 01/01/98 to 12/31/99 Investment and Service Tests: 01/01/98 to 12/31/99	
Financial Institution	Products Reviewed	
US Bank, NA (USB) Minneapolis, MN	Small business loans, small Farm loans, residential real estate loans, community development loans, consumer loans, investments.	
Affiliate(s)	Affiliate Relationship	Products Reviewed
U.S. Bancorp Piper Jaffray U.S. Bank NA North Dakota U.S. Affordable Housing CDC U.S. Bancorp CDC	Owned by parent Affiliate Subsidiary of USB Owned by parent	Community Development Services Consumer loans Investments Investments and loans
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Fargo-Moorhead, ND-MN Multi-state MSA #2520	Full-scope	Entire MSA
Grand Forks, ND-MN Multi-state MSA #2985	Full-scope	Entire MSA
Minneapolis-St. Paul, MN-WI Multi-state MSA #5120	Full-scope	Entire MSA
Omaha, NE-IA Multi-state MSA #5920	Full-scope	Entire MSA
Portland-Vancouver, OR-WA Multi-state MSA #6440	Full-scope	Entire MSA plus adjacent Cowlitz County Washington
State of California		
Chico MSA#1620	Limited-scope	Butte County
East Bay MSA#5775	Full-scope	Alameda, Contra Costa Counties
Milpitas MSA#7400	Limited-scope	Portions of Santa Clara County
Motherlode	Limited-scope	Calaveras, Tuolumne Counties
Nevada	Limited-scope	Nevada County
North Coast	Limited-scope	Del Norte, Humboldt, Siskiyou Counties
Redding MSA#6690	Limited-scope	Shasta County
Sacramento MSA#6920	Full-scope	El Dorado, Placer, Sacramento Counties

Solano	MSA#8720	Limited-scope	Napa, Solano Counties Portions of San Joaquin County Colusa, Glenn, Lassen, Modoc, Tehama, Plumas Counties Yolo County Sutter, Yuba Counties	
Tracey	MSA #8120	Limited-scope		
Valley		Limited-scope		
Yolo	MSA #9270	Limited-scope		
Yuba	MSA #9340	Limited-scope		
State of Colorado				
Boulder	MSA #1125	Limited-scope	Boulder County Fremont County El Paso County Entire MSA Larimer County Mesa County Otero County Pueblo County Garfield, Pitkin and tract 9532.00 of Eagle County	
Canon City		Limited-scope		
Colorado Springs	MSA#1720	Limited-scope		
Denver	MSA #2080	Full-scope		
Fort Collins	MSA #2670	Limited-scope		
Grand Junction	MSA #2995	Limited-scope		
La Junta		Limited-scope		
Pueblo	MSA #6560	Limited-scope		
Roaring Fork Valley		Limited-scope		
State of Idaho				
Bannock	MSA #6340	Limited-scope	Bannock County Ada, Canyon Counties Blaine, Camas, Cassia, Custer, Gooding, Jerome, Lemhi, Minidoka, Twin Falls Counties Bear Lake, Bingham, Bonneville, Caribou, Franklin, Jefferson, Madison, Oneida, Power Counties Benewah, Bonner, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce, Shoshone Counties Elmore, Owyhee Counties Adams, Gem, Payette, Valley, Washington Counties	
Boise	MSA #1080	Full-scope		
Central Idaho		Limited-scope		
East Idaho		Limited-scope		
North Idaho		Limited-scope		
Southwest Idaho		Limited-scope		
West Idaho		Limited-scope		
State of Illinois				
Chicago	MSA #1600	Full-scope		Cook, DuPage Counties
State of Iowa				
Davenport	MSA #1960	Limited-scope	Scott County Polk County Cerro Gordo County Story County Sioux County Iowa, Washington Counties	
Des Moines	MSA #2120	Full-scope		
Mason City		Full-scope		
Nevada		Limited-scope		
Rock Valley		Limited-scope		
Southeast		Limited-scope		
State of Minnesota				
Duluth	MSA #2240	Full-scope	St. Louis County Redwood County Itasca, Cass, Crow Wing, Mille Lacs, Morrison Counties Carlton, Pine Counties	
Lamberton		Limited-scope		
North Central		Limited-scope		
Northeast		Limited-scope		

Northwest		Limited-scope	Otter Tail, Douglas Counties
Rochester	MSA #6820	Limited-scope	Olmstead County
South Central		Limited-scope	LeSueur, Blue Earth, Martin Counties
Southeast		Limited-scope	Steele, Freeborn, Mower Counties
St. Cloud	MSA #6980	Full-scope	Benton, Stearns Counties
Willmar		Limited-scope	Kandiyohi County
State of Nebraska			
Beatrice		Limited-scope	Gage County
Central		Limited-scope	Buffalo, Hall, Adams Counties
Lincoln	MSA #4360	Full-scope	Lancaster County
Northeast		Limited-scope	Madison, Platte, Butler, Dodge Counties
			Lincoln County
North Platte		Limited-scope	Scotts Bluff County
Scottsbluff		Limited-scope	
State of Nevada			
Carson City		Limited-scope	Carson City, Douglas Counties
Churchill		Limited-scope	Churchill County
Las Vegas	MSA #4120	Full-scope	Clark County
Northern		Limited-scope	Elko, Humboldt Counties
Reno	MSA #6720	Full-scope	Washoe County
State of North Dakota			
Bismarck	MSA #1010	Full-scope	Burleigh, Morton Counties
Northeast		Limited-scope	Cavalier, Pembina, Benson, Ramsey, Walsh Counties
			Williams, Mountrail, Ward, McLean, Mercer, Stark Counties
Northwest		Limited-scope	Stutsman, Barnes, Ransom, Sargent, Richland Counties
Southeast		Limited-scope	
State of Oregon			
Eastern OR		Full-scope	Baker, Crook, Deschutes, Gilliam, Grant, Harney, Hood River, Jefferson, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, Wheeler Counties
			Lane County
Eugene-Springfield		Limited-scope	
	MSA #2400		Jackson County
Medford-Ashland		Limited-scope	
	MSA #4890		Benton, Clatsop, Lincoln, Linn, Tillamook Counties
Northwest		Limited-scope	Marion, Polk Counties
Salem	MSA #7080	Limited-scope	Coos, Curry, Douglas, Josephine Counties
Southwest		Limited-scope	
State of South Dakota			
Aberdeen		Limited-scope	Brown County
Mitchell		Limited-scope	Davison County
Pierre		Limited-scope	Hughes County
Rapid City	MSA #6660	Full-scope	Pennington County
			Minnehaha, Lincoln Counties

Sioux Falls	MSA #7760	Full-scope	
State of Utah			Tracts 9943.00 and 9944.00 of
Park City		Limited-scope	Summit County
Provo-Orem	MSA #6520	Limited-scope	Utah County
Salt Lake City	MSA #7160	Full-scope	Davis, Salt Lake, Weber Counties
St. George		Limited-scope	Washington County
State of Washington			Whatcom County
Bellingham	MSA #0860	Limited-scope	Adams, Asotin, Chelan, Douglas,
Central & Southeast		Limited-scope	Garfield, Grant, Kittitas, Lincoln,
Peninsula		Limited-scope	Okanogan, Whitman Counties
Puget Sound	MSAs #1150		Clallam, Grays Harbor, Jefferson
	#5910		Counties
	#7600		Kitsap County
	#8200	Full-scope	Thurston County
Skagit		Limited-scope	Island, King, Snohomish Counties
Spokane	MSA #7840	Limited-scope	Pierce County
Tri-Cities	MSA #6740	Limited-scope	Skagit County
Walla Walla		Limited-scope	Spokane County
Yakima	MSA #9260	Limited-scope	Benton, Franklin Counties
State of Wisconsin			Walla Walla County
La Crosse	MSA #3870	Limited-scope	Yakima County
Milwaukee	MSA #5080	Full-scope	La Crosse County
State of Wyoming			Milwaukee, Ozaukee, Washington,
Casper	MSA #1350	Limited-scope	Waukesha Counties
Cheyenne	MSA #1580	Full-scope	Natrona County
Cody		Limited-scope	Laramie County
Evanston		Limited-scope	Park County
Fremont		Limited-scope	Tracts 9753.00 and 9754.00 of Uinta
Gillette		Limited-scope	County
Laramie		Limited-scope	Fremont County
Sheridan		Limited-scope	Campbell County
Sweetwater		Limited-scope	Albany County
Torrington		Limited-scope	Tracts 9531.98, 9532.00, 9533.00,
Worland		Limited-scope	9534.00, 9535.00, 9536.00 of
			Sheridan County
			Tracts 9704.00 and 9712.00 of
			Sweetwater County
			Goshen County
			Washakie County

Appendix B: Summary of Multi-state Metropolitan Area and State Ratings

RATINGS U.S. Bank National Association				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
U.S. Bank, NA	Outstanding	Outstanding	High Satisfactory	Outstanding
Multi-state Metropolitan Area or State:				
Fargo-Moorhead, ND-MN MSA #2520	High Satisfactory	Needs to Improve	Low Satisfactory	Satisfactory
Grand Forks, ND-MN MSA #2985	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Minneapolis-St. Paul, MN-WI MSA #5120	Outstanding	High Satisfactory	Low Satisfactory	Satisfactory
Omaha, NE-IA MSA #5920	Outstanding	Outstanding	Low Satisfactory	Outstanding
Portland-Vancouver, OR-WA MSA #6440	Outstanding	Outstanding	High Satisfactory	Outstanding
California	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Colorado	Outstanding	Outstanding	High Satisfactory	Outstanding
Idaho	Outstanding	High Satisfactory	Outstanding	Outstanding
Illinois	Outstanding	Outstanding	Needs to Improve	Satisfactory
Iowa	Low Satisfactory	Needs to Improve	Low Satisfactory	Needs to Improve
Minnesota	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Nebraska	Outstanding	Outstanding	Low Satisfactory	Outstanding
Nevada	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
North Dakota	Low Satisfactory	Needs to Improve	Low Satisfactory	Needs to Improve
Oregon	High Satisfactory	Outstanding	Outstanding	Outstanding
South Dakota	High Satisfactory	Needs to Improve	Outstanding	Satisfactory
Utah	High Satisfactory	Outstanding	Outstanding	Outstanding
Washington	Outstanding	Outstanding	Outstanding	Outstanding
Wisconsin	Outstanding	Outstanding	Outstanding	Outstanding
Wyoming	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory

(*) The Lending Test is weighted more heavily than the Investment and Service Test in the overall rating.

Appendix C: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

Fargo-Moorhead, ND-MN Multi-state Metropolitan Area #2520	C-2
Grand Forks, ND-MN Multi-state Metropolitan Area #2985	C-4
Minneapolis-St. Paul, MN-WI Multi-state Metropolitan Area #5120	C-7
Omaha, NE-IA Multi-state Metropolitan Area #5920.....	C-10
Portland-Vancouver, OR-WA Multi-state Metropolitan Area #6440.....	C-13
State of California.....	C-16
State of Colorado.....	C-20
State of Idaho	C-23
State of Illinois	C-26
State of Iowa	C-28
State of Minnesota	C-32
State of Nebraska	C-37
State of Nevada	C-39
State of North Dakota	C-43
State of Oregon.....	C-46
State of South Dakota.....	C-48
State of Utah	C-52
State of Washington	C-55
State of Wisconsin.....	C-57
State of Wyoming.....	C-59

Fargo-Moorhead, ND-MN Multi-state MSA #2520

Demographic Information for Full-Scope Area: Fargo-Moorhead, ND-MN Multi-state MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	36	2.78%	19.44%	66.67%	11.11%	NA
Population by Geography	153,296	2.03%	17.01%	65.99%	14.96%	NA
Owner-Occupied Housing by Geography	34,021	0.08%	12.14%	70.87%	16.92%	NA
Businesses by Geography	7,284	0.19%	41.69%	45.56%	12.56%	NA
Farms by Geography	950	0.00%	5.79%	88.21%	6.00%	NA
Family Distribution by Income Level	37,506	17.66%	18.16%	26.38%	37.81%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	13,432	2.32%	21.98%	68.04%	7.66%	NA
Median Family Income	= \$38,819	Median Housing Value				= \$62,208
HUD Adjusted Median Family Income for 1999	= \$47,700	Unemployment Rate				= 2.52%
Households Below the Poverty Level	= 14.19%					

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

Source: 1990 U.S. Census, and 1999 HUD updated MFI.

The Fargo-Moorhead, ND-MN Multi-state MSA consists of Cass County in North Dakota and Clay County in Minnesota. The assessment area includes all census tracts in the MSA. The assessment area meets the requirements of the CRA and does not exclude any LMI geographies. The bank has six branches and 27 ATMs within the assessment area.

Fargo is the largest city in the State of North Dakota. The Fargo area contains over one-quarter of the state of North Dakota's entire population. The assessment area's economy is strong but could be facing a period of instability. It is an important retail, education, health care, services, wholesale, transportation, and agricultural marketing center. The largest employers are health care services, educational providers, and manufacturing. The agricultural market has been hurt by unstable overseas markets which has weakened global demand for exports and sent commodity prices lower. Updated information from the city of Fargo shows that business growth is negatively impacted by a severe labor shortage. The city reported that at year-end 1999, unemployment was extremely low at 1.2%. Within the two cities, there are two large state universities and a small private college.

USB faces stiff competition from Norwest Bank North Dakota and Norwest Bank MN-West (which has now been rolled into Wells Fargo Bank - Minnesota, NA); Community First National Bank; State Bank of Fargo; First National Bank of North Dakota; and Gate City Federal Savings Bank. An affiliate, USBND, has the largest deposit market share in the MSA at 15% according to the June 30, 1999

FDIC Deposit Market Share Report. USB has a combined total of \$338 million in deposits which is a 13% market share and is ranked third behind USBND and the State Bank of Fargo. When the deposits are broken out by state, USB ranked third in Cass County North Dakota with a deposit market share of 15%. In Minnesota, USB ranked sixth with a deposit market share of five percent.

We reviewed information from five community contacts in Fargo to better understand the credit, investment, and service needs within the assessment area. These were groups that focused on housing and economic development, business or trade, a local government agency, and a residential homebuilder. Most contacts commented on the uncertainty facing the local farm economy but felt that the Fargo-Moorhead area was somewhat more insulated from these problems. Funding for affordable LMI housing and small business financing were credit needs identified. Contacts said that there is a need for mortgage downpayment assistance. The City of Fargo and the City of Moorhead both have assistance programs available and are used by LMI people. Contacts said that many mortgage applicants are frustrated by loans that are not underwritten locally but rather by offices located out of state. Start-up capital for new businesses, funding for retail expansion, and mixed-use commercial real estate property were listed as critical needs. One contact said that local businesses have a concern about retaining more of the twelve thousand graduates each year that come out of the three local colleges. The Chamber of Commerce is working with local businesses to bring in more jobs that offer competitive salaries. Opportunities for investment include funding for additional LMI housing, economic development and job creation.

Several banks and other employers in the MSA recently started the Dakota Certified Development Corporation. This is an attempt to support business development and recruitment by providing financial technical assistance and gap financing. Although multi-family rental housing in the MSA is described as plentiful, there has been more limited availability of new LMI home construction. One contact said that local lenders appear to be reluctant to finance or refinance older commercial properties that include upper level apartment units. The price on available land is rising as are general construction costs. Only one low-income housing tax credit has been awarded during the last two years.

Grand Forks, ND-MN Multi-state MSA #2985

Demographic Information for Full-Scope Area: Grand Forks, ND-MN Multi-state MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	29	NA	20.69%	65.52%	13.79%	NA
Population by Geography	103,181	NA	25.09%	62.30%	12.61%	NA
Owner-Occupied Housing by Geography	21,296	NA	12.93%	70.66%	16.41%	NA
Businesses by Geography	4,115	NA	20.15%	70.01%	9.84%	NA
Farms by Geography	790	NA	21.14%	75.06%	3.80%	NA
Family Distribution by Income Level	25,764	17.51%	19.28%	25.53%	37.68%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	9,479	NA	33.66%	60.62%	5.72%	NA
Median Family Income	= \$29,793	Median Housing Value		= \$55,587		
HUD Adjusted Median Family Income for 1999	= \$41,300	Unemployment Rate		= 2.81%		
Households Below the Poverty Level	= 14.61%					

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

Source: 1990 U.S. Census, and 1999 HUD updated MFI.

The Grand Forks, ND-MN Multi-state MSA consists of Grand Forks County in ND and Polk County in MN. The bank has designated the entire MSA as its assessment area. USB has three offices and 13 ATMs in the MSA. There are no low-income geographies in the assessment area. The assessment area meets the requirements of the regulation and does not arbitrarily exclude any moderate-income areas.

Six of the twenty-nine census tracts in the assessment area are moderate-income. One is located at the Grand Forks Air Force Base; one is the campus of the University of North Dakota; two are in the downtown area of Grand Forks; and two are rural tracts located in the farthest eastern portion of Polk County, Minnesota.

Grand Forks is a regional center of commerce for northeastern North Dakota, northwest Minnesota and southern Manitoba, Canada. Its primary economic base is the production, processing, and trade of agricultural products. The city is also a center for retail trade, health care, and services. The University of North Dakota is a major employer and has a student population over 11,000. The Grand Forks Air Force Base is located 13 miles west of the city and has a military and civilian population of 12,000. Both the university and the air force base have a significant impact on the housing market and for community development needs. The possible closing or downsizing of the air force base is an ongoing concern for the community. Other major employers in the area include American Crystal Sugar Cooperative, the local school districts, and the health care industry.

The 1997 Red River Valley flood was a catastrophic event that significantly impacted the region. The flood affected 75% of the housing in Grand Forks, 99% of the housing in East Grand Forks and 100% of the businesses in both downtown areas. During the flood, eleven buildings in downtown Grand Forks were also destroyed by fire. A fifty square block area along the river that was primarily residential property with some mixed use and commercial property was eventually razed to make way for a new flood management system. Damage estimates to the area total \$2 billion. An estimated ten percent of the population relocated out of the area following the flood due to economic hardships and concerns over employment.

The flood destroyed one of the USB branches and severely damaged another.

The flood has subsequently spurred a construction boom as area homeowners and businesses began to rebuild and repair. Local housing officials estimate that Grand Forks lost 800 housing units while East Grand Forks lost 400 housing units in the flood.

Primary credit needs identified through community contacts continue to emphasize the need for flood relief funding. This includes all types of loans for home building, especially for entry level homes, and home improvement; small business loans; and loans for business redevelopment. One of the neighborhoods substantially destroyed by the flood was a moderate-income area. This dramatically reduced the number of moderate-income housing units available on the market. Community contacts said that since the flood, overall housing costs have increased substantially.

There is some concern that businesses will need some financial advice and assistance as they begin to use market rate financing once the flood relief funding is gone. The new flood management system is highly dependent upon funding from the states of North Dakota and Minnesota as well as the federal government. The Cities of Grand Forks and East Grand Forks are moving forward with the flood management system but has concerns over receiving adequate and timely funding.

There is strong competition for loans and deposits in the assessment area. There are eighteen financial institutions (not including credit unions) that serve the area. Deposit information obtained from the FDIC as of June 30, 1999 shows that USB ranked second with a 15% deposit market share. If the deposits are broken out by state, USB ranked third with 20% of all deposits within Grand Forks County. In Polk County, USB ranked sixth with six percent of all deposits generated there.

To better understand the credit needs of the assessment area, we reviewed five contacts made with members of the community during the last two years. The contacts were made by the OCC. Contacts included a representative from East Grand Forks city government, local housing organizations and local economic

development organizations. They said that because of the flood there are many programs available to assist with housing issues. But they said that many local residents do not like the volume of paperwork involved and are often reluctant to use programs because of concerns of too much government interference. They said that younger or low-income people could benefit from down-payment assistance. They also said that banks could provide more flexible underwriting and nonconforming mortgage loans. The contacts characterized the local economy as generally stable but expressed concerns over the weak farm sector.

Minneapolis-St. Paul, MN-WI Multi-state MSA #5120

Demographic Information for Full-Scope Area: Minneapolis-St. Paul, MN-WI Multi-state MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	658	7.90%	16.57%	55.17%	18.84%	1.52%
Population by Geography	2,538,834	5.24%	13.16%	60.82%	20.66%	0.12%
Owner-Occupied Housing by Geography	661,159	1.70%	11.52%	63.34%	23.45%	0.00%
Businesses by Geography	110,992	4.95%	11.07%	61.35%	22.60%	0.03%
Farms by Geography	5,197	0.71%	20.15%	67.85%	11.29%	NA
Family Distribution by Income Level	653,492	16.76%	18.60%	27.79%	36.85%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	231,050	8.11%	20.34%	60.97%	10.58%	NA
Median Family Income	= \$43,063	Median Housing Value				= \$91,789
HUD Adjusted Median Family Income for 1999	= \$63,600	Unemployment Rate				= 2.61%
Households Below the Poverty Level	= 7.88%					

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

Source: 1990 U.S. Census, and 1999 HUD updated MFI.

The assessment area consists of the entire Minneapolis-St. Paul, MN-WI Multi-state MSA. This consists of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright Counties in Minnesota as well as Pierce and St. Croix Counties in Wisconsin. The assessment area meets the requirements of the regulation and does not arbitrarily exclude any LMI geographies.

USB has 69 offices and 353 ATMs located throughout the assessment area. USB has the highest deposit market share within the MSA with \$13.3 billion in deposits and a 31% market share. This is based on June 30, 1999 FDIC Deposit Market Share Reports. Wells Fargo Bank Minnesota, NA is the closest competitor with \$12.5 billion in deposits and a 29% market share. Broken out by individual counties, however, Wells Fargo has the highest volume of deposits in Anoka, Dakota, Hennepin, and Washington Counties. USB has the highest deposit volume in only Ramsey County.

USB's market is extremely competitive, particularly among the larger commercial financial institutions. There are 158 banks physically located within the assessment area operating 642 offices. This does not include credit unions and many mortgage companies that originate loans in the area. The banks range in size from \$5 million to \$70 billion. Competition for all types of loans, especially mortgage and commercial loans, is strong. In 1998, 529 lenders originated 196,000 mortgage loans in this assessment area and 158 lenders reported over 23,000 small business loans. (Note: Only banks that meet the size requirement of total assets greater than \$250 million report the number and dollar of loans to

small businesses. Within the assessment area there are also many small banks that do not report this data that also compete for commercial loans.)

Minneapolis-St. Paul is the sixteenth largest metropolitan area in the United States. The area has a thriving, diversified economic base. It is a center for high-tech electronics, medical instruments, health care, finance, insurance, entertainment and the arts, printing and publishing, as well as processing and transporting agricultural products. The area is the home of seventeen FORTUNE 500 companies and several of the world's largest private companies. The University of Minnesota as well as several other smaller public and private colleges and universities are located here. St. Paul serves as the state's capital.

Portions of Minneapolis north and south of the downtown area have been designated as a HUD Empowerment Zone. A portion of St. Paul is designated as an Enterprise Community. These areas typically present greater opportunities for financial institutions for developing partnerships that encourage economic development.

According to updated information from the Minneapolis Area Association of Realtors, the 1999 average sales price of a home is \$158,200. The combination of the strong economy and generally favorable interest rates has driven up home prices dramatically. Average rent on a one-bedroom apartment has hit \$700 per month. Community contacts indicated a strong need for affordable housing and assistance for first time homebuyers. This included lower cost housing, multi-family and other rental housing, and combination financing that could include rehabilitation or fix-up funds in conjunction with first mortgages. Contacts stated there was a need for housing at all income levels and that this would be an opportunity for banks to assist with development lending. Contacts said that home improvement loans are needed to improve the quality of the aging housing stock in many of the urban neighborhoods. Many contacts said that there needs to be more first-time home-buyer programs, credit and financial counseling, and programs that require low or no down payments.

The Twin Cities has a wide variety of community development related organizations that play an active role in development and revitalization efforts. The non-profit sector is generally well organized, informed, and aware of CRA requirements for financial institutions. There are ample opportunities for financial institutions to form partnerships with these organizations.

Updated information from Minnesota Department of Economic Security reported that the unemployment rate at year-end 1999 fell to an extremely low 1.7%. The overall average for 1999 was 2.2%. Labor shortages have especially hit the manufacturing and high-technology sectors hard. An executive summary from Standard and Poor's states that labor shortage problems have driven up construction and transportation costs within the area.

Community contacts said that there is a need for small business loans and loans that would result in job creation, particularly for the type of job that would provide higher wages that would support a family. Contacts said that there is a need for technical assistance and managerial counseling for small business owners. Some contacts said that there is a need for additional affordable housing units, rehabilitation loans for older homes in the inner-city, and more loans geared toward LMI or first time homebuyers. Several contacts said that banks should provide more financial/credit counseling programs or seminars that would inform people with little experience with banks about banking services. One contact said that more banks should be willing to invest in local Community Development Corporations and help fund revolving loan pools.

We reviewed 24 contacts made during the last two years. These contacts were made by the OCC and the Federal Reserve. Most of the contacts focused on general economic development/job creation or on providing affordable housing. Other contacts were involved in local government, were members of business associations serving small businesses, or provided needed social services for LMI families and individuals.

Omaha, NE-IA Multi-state MSA #5920

Demographic Information for Full-Scope Area: Omaha, NE-IA Multi-state MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	166	9.64%	26.51%	43.98%	19.28%	0.60%
Population by Geography	639,580	5.05%	20.66%	48.00%	26.29%	0.00%
Owner-Occupied Housing by Geography	155,111	2.77%	17.40%	52.27%	27.56%	0.00%
Businesses by Geography	24,023	5.27%	15.29%	46.62%	32.82%	0.00%
Farms by Geography	1,979	0.35%	17.64%	67.05%	14.96%	0.00%
Family Distribution by Income Level	168,528	17.58%	18.77%	26.15%	37.50%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	61,255	8.80%	31.72%	47.77%	11.71%	0.00%
Median Family Income	= \$36,011	Median Housing Value		= \$58,412		
HUD Adjusted Median Family Income for 1999	= \$53,600	Unemployment Rate		= 2.14%		
Households Below the Poverty Level	= 9.93%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The assessment area consists of the entire Omaha, NE-IA Multi-state MSA. This is made up of Douglas, Sarpy, Cass, and Washington Counties in Nebraska and Pottawattamie County in Iowa. The primary cities within this area are Omaha, Nebraska and Council Bluffs, Iowa. Outside these two cities, the assessment area is predominately rural. The assessment area meets the definition of the regulation and does not arbitrarily exclude any LMI geographies.

USB has 33 offices and 85 ATMs within the assessment area. Within the assessment area, USB obtained \$1.2 billion in deposits and ranked third with a 14% market share behind First National Bank Omaha and Wells Fargo Bank Nebraska, NA. Broken down by county, USB had a 13% deposit market share in Douglas County; a 5% deposit market share in Sarpy County; an 11% deposit market share in Washington County; and a 22% market share in Pottawattamie County. Competition within the assessment area is very strong. There are 50 financial institutions within the assessment area operating 233 offices. This does not include credit unions. This information was obtained from June 30, 1999 FDIC Deposit Market Share Reports.

Competition is very strong among the financial institutions. Primary competitors include First National Bank of Omaha, Wells Fargo Bank Nebraska, Commercial Federal Bank, Douglas County Bank & Trust Co., Security National Bank of Omaha, and American National Bank.

The economy is strong. Omaha is a regional service and trade center.

Diversification exists through agriculture and related processing, various industries, communications, telemarketing, medical, data processing, and insurance related businesses. Unemployment remains significantly below the national average. This makes it difficult for businesses to attract and retain skilled labor. Major employers include Offutt Air Force Base, Alegent Health, First Data Card Services Group, Omaha Public Schools, and the University of Nebraska Medical Center.

Contact with community organizations indicated that there are significant business and affordable housing credit needs. The contacts said that the most readily apparent opportunities are found in the Enterprise Zone. But there are also opportunities in such places as the North Omaha Business Park. This is a tract of land that the city plans to develop into residences and sites for manufacturing businesses. We reviewed four contacts completed by the OCC and other regulatory agencies during the last two years.

One contact said that there is a critical shortage of housing in the MSA that are affordable to LMI. Contacts indicated that the maximum housing price that a low-income family could afford is in a range from \$50,000 to \$80,000. Data from a local realtor association indicated that only about 15% of the area homes sold for less than \$80,000 and that only 9% of all homes sold for less than \$55,000. The 1999 average selling price of a home in the MSA is over \$118,000. The average sales price of new home construction is over \$175,000.

The most significant business-related credit needs are for equity or venture capital financing for small businesses. Contacts said that LMI geographies need to attract new and expand existing small businesses. Contacts said that the downtown area of Omaha needs revitalization efforts that include a mix of large and small businesses and housing of all price ranges. A contact said that there is a great shortage of affordable, safe housing for the working poor of inner-city Omaha.

There are considerable opportunities for community development in the Omaha portion of the MSA. Various LMI sections of North and South Omaha have been designated as Enterprise Communities by HUD, an Enterprise Zone by the State of Nebraska, a distressed community under the U.S. Treasury's Community Development Financial Institution Fund, or as blighted areas by the City of Omaha. These designations provide financial incentives for lending or investments into the targeted areas. It also provides opportunities to form partnerships with community development organizations that would promote various forms of economic development. Actual partnerships within these targeted areas, however, have been somewhat limited. Sources indicate that there is only one community development financial institution in the MSA. Other contacts said that there are no small business investment companies, community development corporations, or shared loan pools for small business lending in the MSA. There are more opportunities available for making community development grants than actual investments in qualified securities. There are, however, low-income housing tax credits available

from the Nebraska Investment Finance Authority and some municipal bond issuances.

Portland-Vancouver, OR-WA Multi-state MSA #6440

Demographic Information for Full-Scope Area: Portland-Vancouver, OR-WA Multi-state MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	377	2.12%	20.69%	56.50%	19.63%	1.06%
Population by Geography	1,597,571	1.09%	17.56%	60.77%	20.56%	0.01%
Owner-Occupied Housing by Geography	383,583	0.64%	13.50%	61.84%	24.02%	0.00%
Businesses by Geography	87,916	1.23%	20.93%	59.99%	17.85%	0.00%
Farms by Geography	3,232	0.11%	12.69%	70.24%	16.96%	0.00%
Family Distribution by Income Level	420,527	17.68%	18.51%	25.39%	38.43%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	152,173	1.98%	24.98%	61.39%	11.65%	0.00%
Median Family Income	= \$36,257	Median Housing Value		= \$74,885		
HUD Adjusted Median Family Income for 1999	= \$51,508	Unemployment Rate		= 2.72%		
Households Below the Poverty Level	= 9.82%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The assessment area consists of the entire Portland-Vancouver, OR-WA Multi-state MSA plus the immediately adjacent Cowlitz County in the state of Washington. USB included Cowlitz County in the assessment area because the economic conditions are generally similar and because of a perceived interdependence of the two areas. The assessment area does not arbitrarily exclude any LMI geographies.

USB has 107 offices and 300 ATMs within the assessment area. Within the assessment area, USB has generated a total of \$5.6 billion in deposits and dominates the market. This earned USB a 34% deposit market share. Of the remaining 38 banks serving the assessment area, the closest competitors are Bank of America National Trust and Savings Association (16% deposit market share), Washington Mutual Bank (14% deposit market share), Wells Fargo Bank, NA (10% deposit market share), and Keybank National Association (7% deposit market share). USB has the highest deposit market shares in four of the seven counties in the assessment area. In the remaining counties, USB is no lower than third. This information is taken from the June 30, 1999 FDIC Deposit Market Share Reports.

Portland is Oregon's largest city and contains over half of the entire state's population. The area has been experiencing rapid population growth as former California residents seek to relocate to an area with a good quality of life and more affordable living conditions. When combined with the positive economic growth that the area has experienced, the result has been dramatically escalating housing costs. Despite the strong economy, wages have tended to remain flat,

further exacerbating the widening affordability gap.

Affordable housing is a key issue. Increased needs for affordable housing units result from the population growth and a lack of affordable development land. The city has implemented controls designed to preserve natural areas and prevent urban sprawl. With the supply limited, the cost of undeveloped land as well as existing developed properties increases. The city is trying to increase the number of residential units in the central city and provide incentives that will foster job creation.

Portland has an Enterprise Zone that offers financial incentives for qualified businesses expanding or relocating to the targeted areas. There are also several state sponsored programs available for businesses locating in this zone. A portion of Portland has received designation as a Brownsfields Showcase Community. This enables the area to receive technical and financial support for specific economic development efforts that clean up contaminated properties, the environment and help to build economic vitality and job opportunities.

There are several community development organizations in the area that focus on affordable housing issues. The Vancouver Housing Authority issues and sells affordable housing revenue bonds and low-income housing tax credits through intermediary financial institutions outside of Clark County.

The different tax structures between Washington and Oregon impact the economies of the two larger cities. Washington does not have personal or corporate income tax but does have a sales tax. Oregon has no sales tax. Wages paid in Vancouver are typically lower than in Portland because the lack of income taxes allows employers to discount wages. Retail sales in Vancouver are lower because of the easy access to tax-free sales on the Oregon side.

The Vancouver portion of the assessment area is Washington's fastest growing city. It is now the state's fourth largest. Many residents commute into Portland for higher paying corporate wages. Most businesses in Vancouver are related to retail trade, personal services and social or health-related services. The Vancouver portion has seen expansion in office space and the industrial sector. However, there is limited land available which is increasing development costs. Vancouver also has experienced growth in the high-technology field. The area benefits from a widely diversified economic base and includes other major employers in the paper and wood firms, metal processing plants, and textiles.

Cowlitz County has been qualified as a HUB Zone (historically underutilized business). Businesses located within this area may be eligible for special loan programs and other incentives. This presents another opportunity for financial institutions to promote economic development participation.

We reviewed four contacts with community organizations that had been completed by the OCC and other regulators during the last two years. These organizations focused on affordable housing issues and the creation of small business opportunities. Three contacts thought that the most critical need was for housing. One of these contacts said that sections of north and northeast Portland are undergoing gentrification and lower income people are becoming unable to keep their homes. In this area, there are senior citizens that could benefit from rehabilitation loans at low rates because they can not afford to maintain their properties on their limited incomes. A contact said that a bank that uses credit scoring is more apt to harm individuals without a credit history and those individuals who have not used banks. This contact said that more banks should consider more flexible loan terms rather than underwriting only based on credit history. Two contacts said that there is a need for more small business start-up loans. This contact also said that businesses within the area are looking to smaller, more locally based banks that can make faster credit decisions rather than forwarding loan applications to underwriters located out of state.

State of California Full-Scope Areas

East Bay Assessment Area

Demographic Information for Full-Scope Area: East Bay Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	482	11.00%	20.12%	38.59%	24.69%	5.60%
Population by Geography	2,082,914	8.58%	20.10%	43.13%	27.70%	0.49%
Owner-Occupied Housing by Geography	458,352	3.78%	13.15%	46.62%	36.44%	0.00%
Businesses by Geography	87,442	11.37%	15.91%	44.90%	27.23%	0.59%
Farms by Geography	1,435	5.16%	11.64%	46.90%	36.16%	0.14%
Family Distribution by Income Level	526,525	20.34%	17.35%	23.49%	38.83%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	198,441	15.96%	29.49%	41.59%	12.96%	0.00%
Median Family Income	= \$47,516	Median Housing Value		= \$219,632		
HUD Adjusted Median Family Income for 1999	= \$65,700	Unemployment Rate		= 3.00%		
Households Below the Poverty Level	= 8.23%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The East Bay Assessment Area is technically referred to as the Oakland, CA MSA #5775 or all of Alameda and Contra Costa Counties. This is generally the greater Oakland area and includes other major cities such as Fremont, Hayward, San Leandro, Alameda, Berkeley, Richmond, El Cerrito, Concord, Walnut Creek, and Livermore. The assessment area meets the requirements of the regulation and does not arbitrarily exclude any LMI geographies.

USB has 20 offices, one cash dispensing and 21 deposit accepting ATMs in the assessment area. Within the MSA, the bank has generated nearly \$874 million in deposits. On a consolidated basis, this represented a 2.45% deposit market share and ranked USB ninth out of 57 banks operating in this assessment area. These banks have a total of 472 offices in the assessment area. Within the individual counties, USB had deposit market shares of 3% (ranked seventh) in Alameda County and deposit market shares of 2% (ranked tenth) in Contra Costa County. This information was obtained from the June 30, 1999 FDIC Deposit Market Share Reports. In addition to these banks, there are also numerous credit unions and mortgage companies operating in the assessment area that have an impact on overall competition.

Competition is strong in the area; however, the market is dominated by Bank of America National Trust and Savings Association with a deposit market share of

33%. The next two closest competitors are Wells Fargo Bank, NA and Washington Mutual Bank, FA, each with a deposit market share of 12%.

USB does not have branches in Oakland or in Berkeley. The majority of LMI census tracts are located in these cities. Except for branches in Alameda and Hayward, USB does not have branches that are in close proximity to LMI areas.

The economy is good. The southern portion of this assessment area has seen continued influx of high technology companies, research and development companies, and light industry. The City of Fremont is in this area. It has easy access to major highways and the Bay Area Rapid Transit system that provides a good link for commuters into other parts of the Bay Area. The City of Alameda suffered an economic setback with the closing of the Naval Air Station. This area is now, however, being converted into a business center. The area is also a major port for international trade. The eastern portion of the assessment area is not as heavily populated as the area adjacent to the Bay Area. It has evolved from an agricultural area to an urban industrial area. Updated unemployment information from the California Employment Development Department dated December 31, 1999 shows that unemployment in Alameda County is 2.6% and 2.5% in Contra Costa County.

Housing costs are very high. Although incomes are generally considered high throughout the greater assessment area, income levels have not kept pace with home prices or rent. Median home price in the greater Bay Area is over \$365,000.

There are many organizations in the assessment area that benefit community development activities. Most of the organizations, however, are located in the Oakland area. There are low-income credit unions, a CDFI, and many organizations that work to create or maintain existing affordable housing. Outside of Oakland, there are fewer organized non-profit groups and opportunities for developing relationships between financial institutions are more limited.

Contacts with community organizations showed a continued need for affordable housing and flexible loan terms that will help LMI people obtain financing as well as a need for small business loans. Many contacts said high loan fees and the use of credit scoring harm the ability of small business owners to obtain credit. Several commented that because there are so few banks in the greater downtown Oakland area, small business owners have limited physical access to banks which makes it difficult for them to develop a banking relationship. Several said that banks should have more multicultural lenders which would benefit small business owners who do not have English as a primary language. Several contacts said that banks need to provide more technical assistance to small business owners. We reviewed ten contacts that the OCC and other regulators made during the past two years.

Sacramento, CA MSA #6920

Demographic Information for Full-Scope Area: Sacramento MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	275	6.18%	20.73%	48.00%	24.00%	1.09%
Population by Geography	1,340,010	5.14%	17.45%	51.69%	25.72%	0.00%
Owner-Occupied Housing by Geography	301,953	2.43%	12.52%	53.21%	31.84%	0.00%
Businesses by Geography	55,755	5.35%	21.56%	48.48%	24.61%	0.00%
Farms by Geography	1,459	1.37%	10.97%	62.99%	24.67%	0.00%
Family Distribution by Income Level	349,108	20.17%	18.02%	23.02%	38.79%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	133,325	8.29%	25.45%	51.51%	14.75%	0.00%
Median Family Income	= \$38,850	Median Housing Value		= \$138,313		
HUD Adjusted Median Family Income for 1998	= \$51,900	Unemployment Rate		= 2.97%		
Households Below the Poverty Level	= 9.62%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Sacramento Assessment Area consists of the entire MSA which is El Dorado, Placer, and Sacramento counties. Sacramento is the capital of California. The area is a mixture of the City of Sacramento on the western side of the assessment area, small towns, and the Lake Tahoe resort area on the eastern edge. The eastern side is generally mountainous with large forest land. The assessment area meets the requirements of the regulation and does not arbitrarily exclude any LMI geographies.

USB has 20 offices, seven cash dispensing and 25 deposit accepting ATMs in the assessment area. USB generated \$795 million in deposits within the assessment area which resulted in a deposit market share of 6%. USB is ranked fifth out of the 42 banks serving the assessment area. Within the individual counties, USB was ranked fourth in Placer county, fifth in Sacramento county, and sixth in El Dorado county. The market is dominated by Bank of America with a 21% deposit market share. Other market leaders are Wells Fargo Bank, NA with a 16% deposit market share and Washington Mutual Bank, FA with a 10% deposit market share. This information was obtained from the June 30, 1999 FDIC Deposit Market Share Reports.

Sacramento has seen growth in the high tech industries and from companies relocating from higher cost California cities. Businesses are attracted to this area because wages and housing are lower than in San Francisco or southern California.

There is a very active organization that seeks out other businesses for relocation to the MSA. Sacramento has four Enterprise Zones which also provides incentives for business creation or expansion. Because Sacramento is the state's capital, government is a major employer in the area.

The eastern portions of Placer and El Dorado Counties are highly dependent upon tourism. Historically, there has been reliance upon forestry and wood products. The western portions of the counties' largest employers include Hewlett Packard, Packard Bell, Intel, NEC, and US Computer. The western portions of these counties also provide lower cost housing for commuters to Sacramento.

Updated December 31, 1999 unemployment information from the California Employment Development Department shows that unemployment has generally increased from what was shown in the table above. At year-end, unemployment in El Dorado County was 3.3%, 2.7% in Placer County, and 3.5% in Sacramento County. In May 2000, the unemployment rate increased slightly in El Dorado, Placer and Sacramento Counties and was 3.8%, 2.9% and 3.9%, respectively.

Housing is an issue for the assessment area. Within Sacramento, there is an abundance of available housing stock but some is in need of rehabilitation or conversion into LMI housing. The 1999 median sales price of a home is \$134,000. The City has some focused revitalization efforts for some of the older areas and for downtown. There is also considerable homelessness with an estimated 5,000 homeless. Placer and El Dorado Counties have attracted more affluent homebuyers and wealthy retirees. Affordable housing, especially rental units, are especially needed in the Lake Tahoe area. Low-paid seasonal workers are having difficulty finding affordable housing. As a result, there have been some efforts made to develop multi-family housing.

There are many organizations that provide community development services although most are located in the Sacramento area. Examples include SBDCs, CDFI, many housing organizations, credit counseling groups, several Chambers of Commerce, Housing and Redevelopment Agencies, and programs that provide CDBG funds and Mortgage Credit Certificates. These organizations provide opportunities for financial institutions to form partnerships that serve a community development purpose. Portions of Sacramento have also been designated as a Brownsfields Showcase Community. The program provides funds for property owners and developers for the clean up of hazardous materials.

Community contacts indicated a need for more affordable housing units and for micro loans for small businesses. One organization said that as a small, non-profit group, they could greatly benefit from a bank willing to provide them with grants and technical assistance to better understand the financial system. One group that deals primarily with small business owners said that these business people would prefer banks that can provide expedited credit approvals. We reviewed three

community contacts completed by the OCC and another regulatory agency to get a better idea of financial needs and opportunities available in the assessment area. These contacts were with organizations that serve small business or affordable housing purposes.

State of Colorado Full-Scope Areas

Denver MSA #2080

Demographic Information for Full-Scope Area: Denver MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	498	6.83%	21.89%	32.53%	21.49%	17.27%
Population by Geography	1,622,980	6.86%	23.97%	43.35%	25.82%	0.00%
Owner-Occupied Housing by Geography	399,963	3.67%	19.89%	45.25%	31.19%	0.00%
Businesses by Geography	87,484	9.18%	23.86%	36.04%	30.70%	0.22%
Farms by Geography	1,697	4.36%	17.68%	43.13%	34.71%	0.12%
Family Distribution by Income Level	424,057	18.79%	18.71%	24.56%	37.94%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	159,023	12.16%	35.54%	40.02%	12.28%	0.00%
Median Family Income	= \$40,222	Median Housing Value				= \$89,581
HUD Adjusted Median Family Income for 1999	= \$58,600	Unemployment Rate				= 2.96%
Households Below the Poverty Level	= 9.52%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Denver MSA consists of 498 census tracts in Adams, Arapahoe, Denver, Douglas, and Jefferson Counties. This is the entire MSA. The City of Denver is the state's capital and the center of its economic activity. Besides Denver, other principal cities within the assessment area include Aurora, Brighton, Commerce City, Englewood, Littleton, Thornton, and Westminster. The assessment area meets the requirements of the regulation and does not arbitrarily exclude any LMI geographies.

USB has 50 offices, 172 cash dispensing and 114 deposit accepting ATMs serving the assessment area. Within the assessment area, USB has generated the second highest volume of deposits behind Wells Fargo Bank West, NA who generated a deposit market share of 21%. USB's \$3.9 billion in deposits equals a 16% deposit market share. Within the individual counties, USB volume of deposits ranked sixth in Adams County, third in Arapahoe County, second in Denver County, fifth in Douglas County, and second in Jefferson County. This information was obtained from the June 30, 1999 FDIC Deposit Market Share Reports.

There is very strong competition among the financial institutions in the assessment area. There are 83 banks operating 504 offices throughout the area. This does not include credit unions, mortgage companies, or other finance companies that

agressively compete for loan production. Some of the larger competitors include: Wells Fargo Bank West, NA; Commercial Federal Bank; World Savings Bank, FSB; Bank One Colorado, NA; and First Trust Corporation.

The Denver MSA has one of the strongest, most diversified economies in the United States. The area has a well-developed transportation hub through the interstate highway system, railroad connections, and the new Denver International Airport. This access to transportation has aided commercial expansion and the creation of new jobs. The area, but especially within the city of Denver, has had an explosion of large municipal and commercial construction projects and growth in high tech firms. The area has had rapid population growth which has further fueled a very active residential real estate market.

The booming economy has created a strong retail trade sector. Thousands of new jobs have been created but these are typically lower paying jobs. Most of the lower-income people work two or three jobs. Unemployment is low, generally averaging just over two percent across the MSA. Labor shortages are a significant issue for continued business expansion.

Larger employers in the assessment area include US West, King Soopers, Columbia HealthOne, United Airlines, and the University of Colorado at Denver. Federal and state government are also major employers.

The city and county of Denver has a HUD Empowerment Zone or Enterprise Community. Denver and other counties in the MSA also have areas designated as Redevelopment Zones or Blighted Areas. These areas typically present greater opportunities for financial institutions for developing partnerships that encourage economic development. However, there appears to be little formal coordination of efforts among financial institutions, government entities or nonprofit organizations. Denver has spent considerable resources on large municipal building projects during recent years. These projects include the new airport, several professional sports stadiums and facilities, light rail, retail and leisure activities center, and the redevelopment of the old Stapleton airport. These have used combinations of tax incentives, grants, bonds, and private funding sources. There was little direct bank involvement.

There are four community development financial institutions in the MSA. There are also at least five active community development corporations that work primarily with financing and technical support for small businesses. There are a wide variety of private and public organizations that also assist with small business financing needs. Although the individual counties operate housing authorities, significant efforts have been concentrated toward economic development and municipal infrastructure.

Housing costs have escalated with the strong economy. Updated information from

HUD reports that the 1999 median home price was \$208,274. Average rents are \$734. Gentrification is becoming a concern as typically moderate-income areas have seen housing costs rise and have had an influx of higher income families. Because of the high cost of land and materials, it is difficult for the LMI population to find affordable housing. Because of high home purchase costs and the influx of people, the vacancy rates for rental housing indicate full occupancy. There is also little financial incentive for real estate developers to focus on affordable housing.

We reviewed ten community contacts completed by the OCC or other regulatory agencies. These included organizations that promote small business development, affordable housing, as well as officials from the city of Denver. These contacts said that the greatest needs are for affordable housing, including construction of more housing units and for financing at below market rates for LMI, and for small business loans. The contacts also said that technical support is needed for small business owners, that educational programs are needed for LMI people seeking home ownership, and that LMI people need financial counseling to improve or develop healthy credit histories.

State of Idaho Full-Scope Areas

Boise, ID MSA #1080

Demographic Information for Full-Scope Area: Boise MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	66	4.55%	18.18%	54.55%	19.70%	3.03%
Population by Geography	295,851	2.23%	17.49%	53.76%	26.43%	0.09%
Owner-Occupied Housing by Geography	75,031	1.07%	15.08%	55.50%	28.36%	0.00%
Businesses by Geography	17,574	11.02%	14.97%	56.29%	17.70%	0.02%
Farms by Geography	1,006	1.69%	23.86%	63.52%	10.93%	0.00%
Family Distribution by Income Level	78,270	16.83%	19.74%	24.26%	39.17%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	28,623	3.52%	25.58%	56.45%	14.45%	0.00%
Median Family Income	= \$32,339	Median Housing Value		= \$64,709		
HUD Adjusted Median Family Income for 1999	= \$48,500	Unemployment Rate		= 2.28%		
Households Below the Poverty Level	= 10.69%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Boise Assessment Area consists of the entire MSA #1080. The MSA consists of Ada and Canyon Counties. Boise is the state's capital as well as the state's economic hub of commerce and banking, high technology, construction, and agricultural industries. The assessment area meets the definition of the regulation and does not arbitrarily exclude any LMI geographies.

USB has 33 offices and 24 cash dispensing and 33 deposit accepting ATMs serving the assessment area. Within the MSA, USB is the deposit market leader with \$1.1 billion in deposits and a market share of 32%. Other competitors are First Security Bank, NA with a deposit market share of 29% and Washington Federal Savings and Loan Association with an 8% deposit market share. There are relatively few banking institutions (16) that serve the assessment area. However, these three top deposit leaders have a dominating presence with over half of the 125 banking offices located in the assessment area. Other large, multi-state banking organizations serving the area include Wells Fargo Bank, NA; Keybank, NA; and Bank of America.

The state of Idaho is predominately rural and has historically been dependent upon agriculture, mining and forestry. The larger cities, especially Boise, have experienced shifts in employment from these natural resource based industries to

retail trade, services and tourism. This has added more diversity and strength to the overall economy but has also placed more demands on housing and public infrastructure. The population of Idaho, especially in the Boise area, has increased significantly in recent years as people are attracted to the area because of its generally moderate climate, scenic beauty, and good economy. Despite the growth in the economy, most of the new jobs are lower paying without benefits.

Housing costs have escalated with the population growth. Information provided by the city of Boise indicates that at year-end 1999, the median sales price of a home in Ada County was \$123,500 and the median sales price of a home in Canyon County is \$87,385. The average two-bedroom apartment rents for nearly \$700 per month. A HUD report on the area states that the maximum housing cost for a low-income family would be \$416 per month based on current median family income. This same HUD housing study reports that there is little public housing in Idaho and that the need for affordable housing is a "critical" need.

The HUD report continues to state that resources for creating affordable housing programs and for community development are limited. Most of the programs that fund affordable housing come from Federal sources.

Information from the city of Boise's Housing and Community Development indicates that U.S. Bancorp and the city have developed a joint program to help LMI build new homes. The city provides below market financing for the purchase of a lot and USB will provide up to \$69,000 at no more than 7.5% interest on the house. Down payments are minimal and based upon income levels. Families below 65% of median family income may be eligible to defer monthly payments on the land for the first five years with a 25-year payback.

Contacts made by OCC Community Reinvestment and Development specialists said that most housing initiatives have focused on upper-end development and that, in general, affordable housing is scarce. These contacts also said that there is a need for first-time homebuyer seminars and loan programs.

Major employers in the area include Hewlett Packard, Micron Electronics, Albertson's, Morrison-Knudsen, and Zilog. The unemployment rates in Ada and Canyon Counties for year-end 1999 were 3.3% and 4.8%, respectively. Contacts with community groups and government leaders said that credit needs for small businesses include a lack of access to start-up capital. Contacts also said that there is a lack of bridge and gap financing for local projects. Small business owners reportedly have difficulty establishing banking relationships with loan officers and could also benefit from technical assistance for financial matters. There would be opportunities for lenders to become more involved in the early stages of development projects and to form partnerships that would foster community development.

We reviewed one contact with a small business development center. This contact was completed by another regulatory agency during the past two years. This contact emphasized the need for small business loans under \$250,000 and for start-up funds or expansion loans.

State of Illinois Full-Scope Areas

Chicago, IL MSA #1600

Demographic Information for Full-Scope Area: Chicago MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1,468	18.53%	23.16%	35.49%	21.25%	1.57%
Population by Geography	5,886,733	11.80%	21.75%	40.03%	26.39%	0.04%
Owner-Occupied Housing by Geography	1,250,724	3.61%	14.32%	47.17%	34.91%	0.00%
Businesses by Geography	204,330	5.76%	13.92%	38.82%	39.83%	1.67%
Farms by Geography	2,221	1.49%	6.84%	43.85%	47.32%	0.50%
Family Distribution by Income Level	1,466,804	21.67%	17.68%	23.39%	37.26%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	577,168	20.90%	30.61%	37.11%	11.38%	0.00%
Median Family Income	= \$42,758	Median Housing Value		= \$124,745		
HUD Adjusted Median Family Income for 1999	= \$63,800	Unemployment Rate		= 3.82%		
Households Below the Poverty Level	= 11.53%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The assessment area consists of Cook and DuPage Counties of the nine county Chicago MSA #1600. Chicago is part of the third largest metropolitan area in the United States. The city is considered a transportation hub and is a major economic, business, entertainment, and cultural center for the upper Midwest. Major employers in the area include finance, manufacturing, information technology, health care, retail, and the arts. Wealth is concentrated in suburban areas north and west of the city of Chicago, generally outside of the bank's designated assessment area. The city itself has large pockets of poverty and has a significant percentage of low- and moderate-income census tracts. This assessment area meets the definition of the regulation and does not arbitrarily exclude LMI geographies.

USB has seven offices and two cash dispensing and 16 deposit accepting ATMs located within the assessment area. Within the assessment area, USB has generated \$532 million in deposits which resulted in a deposit market share of 0.39%. Banks in this assessment area with the highest deposit market shares are First National Bank of Chicago (15% deposit market share), LaSalle Bank NA (10%), Harris Trust & Savings Bank (7%), LaSalle Bank FSB (6%), and Northern Trust Company (6%). This information was obtained from the June 30, 1999 FDIC Deposit Market Share Reports.

Chicago is considered a financial center for the Midwest. The assessment area is highly banked. Within these two counties are 238 banks operating nearly 1,500 branch offices. This does not include credit unions or finance companies. Banking competition is intense and somewhat fragmented. Five major commercial exchanges also play a prominent role in the city's financial prominence. They are the Chicago Board of Trade, the Chicago Mercantile Exchange, the Chicago Board Options Exchange, the Mid-America Commodity Exchange, and the Midwest Stock Exchange. These are some of the world's largest and most influential exchanges.

Chicago has a large, sophisticated network of community development organizations. The neighborhood nonprofit groups join together with formal, city-wide organizations to promote community development activities. These include providing a forum for public housing policy, economic development, job creation and job training efforts, homelessness, and social service matters. Chicago also has a highly developed infrastructure of community development financial institutions, foundations, and university urban affairs and research programs. Several activist organizations are headquartered in Chicago. All of these factors combine to provide countless opportunities for public-private partnerships that foster community development. Because of the knowledge that the activist groups and community development organizations have with CRA, banks have an established market for involvement and playing leadership roles in establishing more community development activities.

Three non-contiguous areas make up Chicago's Empowerment Zone (EZ) established by HUD in 1994. They are the near West Side, Pilsen/Little Village, and the near South Side. In addition, the city and the state of Illinois have recognized portions of the city as participants in non-designated Enterprise Communities (EC). These include the communities of Englewood, Calumet, and the remainder of the West Side. Although not recognized by federal authorities as an Enterprise Community, the city and state's designation will allow these communities to share in many of the same types of benefits available to EZ and EC areas.

We reviewed information provided by nine community contacts made in the city of Chicago during the last two years. These were contacts made by the OCC and another regulatory agency. These contacts provided background information on the economy, the condition of housing, the types of housing and small business loans available, the availability of financial services, and the responsiveness of banks within the assessment area. The most commonly cited need involved a request for financial counseling and special programs for first-time homebuyers. Several commented on the vast need for home improvement loans or home equity loans that could be used for the rehabilitation and restoration of the older housing stock found in Chicago. Over one-third of Chicago households are experiencing some type of housing problem including such factors as excessive cost burden, physical defects in the structure, and overcrowding. Another identified need involved job creation and small business loan programs that would also include

technical assistance for small business owners.

State of Iowa Full-Scope Areas

Des Moines, IA MSA #2120

Demographic Information for Full-Scope Area: Des Moines MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	78	5.13%	15.38%	57.69%	21.79%	NA
Population by Geography	327,140	4.55%	13.22%	57.48%	24.75%	NA
Owner-Occupied Housing by Geography	84,307	1.89%	11.10%	60.42%	26.58%	NA
Businesses by Geography	16,017	15.24%	9.63%	43.11%	32.02%	NA
Farms by Geography	743	1.21%	3.77%	63.66%	31.36%	NA
Family Distribution by Income Level	86,394	16.81%	18.43%	26.55%	38.21%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	30,443	6.78%	21.10%	60.15%	11.97%	NA
Median Family Income	= \$37,304	Median Housing Value		= \$61,807		
HUD Adjusted Median Family Income for 1999	= \$55,300	Unemployment Rate		= 2.22%		
Households Below the Poverty Level	= 9.08%					

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Des Moines Assessment Area consists of only the Polk County portion of the greater Des Moines MSA #2120. Des Moines is located in central Iowa and is the state's largest city as well as its capital. The city is home to nearly 60 insurance companies making it one of the world's leading insurance centers. Des Moines is the location of Drake University, Grand View College, the University of Osteopathic Medicine and Health Sciences, and a community college. This assessment area meets the requirements of the regulation and does not arbitrarily exclude any LMI geographies.

USB has nine offices and one cash dispensing and eight deposit accepting ATMs located in the assessment area. USB has generated \$137 million in deposits for 2.5% deposit market share. Wells Fargo Bank Iowa, NA dominates the market with a deposit market share of 33%. Other large competitors include Bankers Trust Company (11% deposit market share), West Des Moines State Bank (9%), and Commercial Federal Bank, FSB (8%). This information was obtained from June 30, 1999 FDIC Deposit Market Share Reports.

Banking competition is strong. There are 29 banks operating 124 offices in Polk County.

The city has a healthy economy and active economic development organizations that seek to attract and expand business opportunities. The downtown Des Moines area benefits from city and state programs that work toward revitalization. The adjoining city of West Des Moines has active business organizations that have attracted numerous commercial and office parks. This city has also experienced significant retail and residential housing growth.

The state of Iowa advertises at least 11 programs that provide financial assistance to businesses interested in relocation or expansion within the state. The state has also made it possible for businesses to reduce or eliminate corporate income taxes through special incentive programs that increase a business' workforce or meet qualifying research and development criteria. Many of these programs would also provide opportunities for financial institutions to provide technical assistance for small businesses or for cooperative loan programs.

Mason City Assessment Area

Demographic Information for Full-Scope Area: Mason City Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	10	NA	NA	90.00%	10.00%	NA
Population by Geography	46,733	NA	NA	83.30%	16.70%	NA
Owner-Occupied Housing by Geography	13,114	NA	NA	83.42%	16.58%	NA
Businesses by Geography	2,406	NA	NA	91.90%	8.10%	NA
Farms by Geography	474	NA	NA	90.72%	9.28%	NA
Family Distribution by Income Level	12,725	13.65%	19.36%	25.27%	41.73%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	4,200	NA	NA	88.52%	11.48%	NA
Median Family Income	= \$29,303	Median Housing Value		= \$46,738		
HUD Adjusted Median Family Income for 1999	= \$42,100	Unemployment Rate		= 2.29%		
Households Below the Poverty Level	= 10.06%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Mason City Assessment Area consists of Cerro Gordo County which is located in north central Iowa. It is midway between Minneapolis and Des Moines. Mason City is a regional retail, commercial, medical, and recreational hub for northern Iowa. This county does not have any LMI BNAs. The assessment area meets the definition of the regulation and does not arbitrarily exclude any LMI geographies.

USB has three offices and one cash dispensing and five deposit accepting ATMs in the assessment area. USB has generated \$110 million of deposits for a 14% deposit market share in this assessment area. Wells Fargo Bank Iowa, NA is the market leader with a 25% deposit market share. Other major competitors are First Citizens National Bank with a 16% deposit market share, NationsBank, NA with a 16% market share, and Clear Lake Bank and Trust Company with a 14% deposit market share. There are eleven banks operating 29 offices in the assessment area. This information was obtained from the June 30, 1999 FDIC Deposit Market Share Report.

Mason City has a fairly diversified manufacturing and service oriented economic base. Some of the major employers include companies that process food, manufacture steel doors and frames, provide administrative services for nationwide retirement plans, manufacture cement, produce electronics and high tech circuit boards, and provide sales and marketing consultation for Fortune 500 companies.

Outside the city limits of Mason City, the remainder of Cerro Gordo County is rural farmland. Corn and Soybeans are the primary products. There are several

nationally based agricultural processing companies located in Mason City. To further support the local agricultural industry, regional offices of Farm Service Agency, Farm Bureau, National Resources Conservation Service, Agriculture Department for Rural Development, Iowa State University Extension Office, and the Iowa Department of Natural Resources are located in Mason City. This mix of production, processing and service provides solid support for the agricultural economy.

An Internet web site provided by the city lists four types of incentive programs that local businesses can use for job creation and business expansion. Mason City has an Economic Development Corporation that established a revolving loan fund to promote increased economic activity. Funding for this revolving fund came from contributions of local individuals and businesses. This web site also referred to many of the same incentive programs available from the state that are in discussed in the Des Moines assessment area comment. A community college located in Mason City and Iowa State University sponsor a jobs training program that benefits unemployed, underemployed, and local industry to train or retrain people. All of these things provide opportunities for financial institutions to assist with economic development activities or for community development services in the assessment area.

We reviewed one contact made with a local housing assistance organization made by the OCC during the last two years. This contact discussed the need for affordable housing and rental units. There is a lengthy waiting period to receive assistance from the city's Section 8 program. The contact also said that there are neighborhoods that are primarily made up of older homes that are in need of repair. More programs that include flexible or reduced rates for home improvement loans would be beneficial.

State of Minnesota Full-Scope Areas

Duluth, MN MSA #2240

Demographic Information for Full-Scope Area: Duluth MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	74	9.46%	20.27%	55.41%	12.16%	2.70%
Population by Geography	198,213	3.92%	15.61%	63.64%	16.82%	0.01%
Owner-Occupied Housing by Geography	58,541	1.36%	13.15%	68.37%	17.13%	0.00%
Businesses by Geography	8,588	17.82%	17.90%	55.88%	8.40%	0.00%
Farms by Geography	178	3.37%	10.11%	78.65%	7.87%	0.00%
Family Distribution by Income Level	52,627	19.35%	17.95%	23.38%	39.32%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	19,628	4.99%	22.03%	64.37%	8.61%	0.00%
Median Family Income	= \$30,561	Median Housing Value		= \$42,672		
HUD Adjusted Median Family Income for 1999	= \$43,800	Unemployment Rate		= 3.81%		
Households Below the Poverty Level	= 15.10%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Duluth Assessment Area consists of only the Minnesota portion (St. Louis County) of the Duluth-Superior, MN-WI Multi-state MSA. USB does not have an office in the Wisconsin portion. Duluth is the fourth largest city in Minnesota. It is located in the northeast corner of Minnesota and is a regional banking, retail, education, medical, and service center for this portion of the state, northwestern Wisconsin, and southern Ontario. Outside the city of Duluth, the remainder of St. Louis County is remote, heavily forested, and sparsely populated. Other towns located in St. Louis County include Hibbing, Virginia, and Ely. The assessment area meets the definition of the regulation and does not arbitrarily exclude any LMI geographies.

USB has nine offices and eighteen cash dispensing and twelve deposit accepting ATMs in the assessment area. USB has generated \$384 million in deposits for a deposit market share of 20%. Wells Fargo Bank Minnesota, NA is the market leader with a deposit market share of 30%. There are 23 banks operating 67 offices within the assessment area. This information was obtained from the June 30, 1999 FDIC Deposit Market Share Reports.

Duluth is a major inland port, located on the western shore of Lake Superior. Over one thousand ships dock in Duluth each year during the short summer shipping

season. Duluth ranks second only to New York ports in terms of tonnage shipped from US ports. Products shipped include iron ore, coal, grain, lumber, and crude oil. The city also benefits from a highly diversified industrial base. Tourism in Duluth, as well as the rest of St. Louis County has a significant positive impact on the overall economy. The largest employers in the city are health care service providers. Nearly 5,800 people are employed by local hospitals, clinics, and related health care providers. Although unemployment runs higher than the state average (at year-end 1999, the state unemployment rate was 2%), the local economy is stable and considered good.

The city has an Urban Development Division that works to attract new businesses to Duluth and retain or expand existing businesses. Other various agencies such as the Duluth Economic Development Authority, the Duluth Airport Authority, the Seaway Port Authority of Duluth, and Team Duluth promoted economic development efforts. The city also has a Housing Redevelopment Authority to address affordable housing issues. These organizations provide opportunities for partnerships that would foster community development.

The remainder of St. Louis County includes a national forest, a national park, four state parks, 500 lakes, the scenic Boundary Waters Canoe Area, small mining towns, and small farms. Mining, wood and paper products, and tourism are major industries.

St. Louis County has a planning department that addresses affordable housing matters and general economic development. The county has the Community Development Division located in the city of Virginia that promotes the county's role in affordable housing. It plans and manages five programs that address housing. These programs specifically address low-income housing, emergency housing, homeless people and those at risk of homelessness, and housing services for those with physical or mental disabilities. All programs encourage participation of nonprofit groups for support. Through the Community Development Block Grant program, there are also financial incentive loan programs for small businesses.

We reviewed one community contact made by the OCC during the last two years. This contact is a nonprofit group that promotes homeownership for LMI people. The contact said that there is a great need for rehabilitation of the older homes in the Central and East Hillside neighborhoods. These neighborhoods have high elderly and LMI populations and need assistance to be able to afford the types of rehabilitation that needs to be done.

St. Cloud, MN MSA #6980

Demographic Information for Full-Scope Area: St. Cloud MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	36	2.78%	2.78%	80.56%	13.89%	NA
Population by Geography	148,976	0.35%	2.62%	82.26%	14.77%	NA
Owner-Occupied Housing by Geography	35,749	0.03%	3.07%	83.57%	13.33%	NA
Businesses by Geography	7,173	4.48%	2.57%	80.95%	12.00%	NA
Farms by Geography	1,576	0.06%	12.82%	81.41%	5.71%	NA
Family Distribution by Income Level	35,712	17.06%	18.59%	26.90%	37.45%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	12,731	0.13%	3.96%	88.28%	7.63%	NA
Median Family Income	= \$32,693	Median Housing Value		= \$60,763		
HUD Adjusted Median Family Income for 1999	= \$46,800	Unemployment Rate		= 2.71%		
Households Below the Poverty Level	= 12.55%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The St. Cloud Assessment Area consists of the entire MSA #6980 which is Stearns and Benton Counties. The city is located approximately an hour northwest of the greater Minneapolis area along Interstate 94. The area's one low-income census tract is located in downtown St. Cloud. This tract is primarily commercial or retail space but does include a long-term care facility. Less than one percent of all owner-occupied housing and all families are located in the tract. The moderate-income tract is in a rural area on the western edge of Stearns County. The assessment area meets the definition of the regulation and does not arbitrarily exclude any LMI geographies.

USB has five offices and sixteen cash dispensing and ten deposit accepting ATMs in the assessment area. USB has generated \$254 million in deposits and obtained a market share of 12%. Wells Fargo Bank Minnesota, NA and Bremer Bank, NA each have a deposit market share of 12% also. The market leader is Stearns Bank, NA with a deposit market share of 18%. Banking competition is described as fierce in the assessment area. There are 29 banks operating 56 offices as well as several credit unions, finance companies, and mortgage brokers. Deposit market share information is based on June 30, 1999 FDIC reports.

The St. Cloud economy is strong and well diversified. It is one of the fastest growing metropolitan areas in Minnesota. Its proximity to the Minneapolis area, accessible transportation routes, solid retail environment, and lower housing costs than the Minneapolis area make it an attractive market for homebuyers. The city also has slightly lower wages than what is found in the Minneapolis area

which makes it an attractive location for businesses and potential business relocations. Major employers in the area include a diversified group of manufacturing companies, granite quarries and stoneworkers, optical lens manufacturers, paper production companies, appliance manufacturers, a direct mail supplier of consumer products, printing companies, health care workers, and education. The assessment area is the home to the large St. Cloud State University, St. John's University, College of St. Benedict, and St. Cloud Technical College.

The large student population skews housing and some demographic information. The student population has placed pressure on the affordable housing market, especially rental properties. Demographic data shows that St. Cloud has a significantly greater volume of households than families. A HUD profile showed that within the city, nearly 49% of the households are renters, single, and younger than the population of the rest of the state.

The student population also has been listed as a possible reason why St. Cloud wages are typically below state averages as well as the nearby, greater Minneapolis area. Students are readily available to fill entry-level positions and the jobs created with recent growth in the retail sector. Other factors that contribute to the suppressed wage scale are the fact that St. Cloud has few high tech companies that employ highly skilled workers, that there are few corporate headquarters located in the city, and that the existing industrial base is primarily found in traditionally lower paid companies. The close proximity of the Minneapolis metropolitan area also makes it convenient for highly skilled and professional employees to commute to higher paying positions in the Twin Cities and northern suburbs. This information was found on an Internet web site of the Minnesota Department of Economic Security.

There is a Minnesota WorkForce Center located in St. Cloud. This group is made up of four partners that focus on employment and training. The agency partners are largely funded by state, federal, and local sources. The purpose of the agencies is to train youth, dislocated employees, unemployed, underemployed, and disabled to become self-sustaining citizens. They work with other social service organizations, private foundations, businesses, and educators to provide the necessary training. This would provide some opportunities for banks to participate in jobs training and job creation for community development.

Primary credit needs include business loans and real estate loans of all types. Especially noted business credit needs included start-up financing and funding for business expansion. Housing costs are considered high. Housing credit needs include loans to build affordable housing, first-time homebuyer programs, and loans for low-income multi-family housing projects. As the population of St. Cloud continues to grow, the demand for new and existing housing outpaces the existing housing stock, thereby escalating housing costs. We reviewed seven community

contacts conducted by the OCC and other regulatory agencies over the last two years. These contacts included organizations that focus primarily on LMI housing issues or the needs of small business owners and economic development.

State of Nebraska Full-Scope Areas

Lincoln, NE MSA #4360

Demographic Information for Full-Scope Area: Lincoln MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	52	5.77%	23.08%	46.15%	17.31%	7.69%
Population by Geography	213,641	4.61%	21.48%	53.56%	17.20%	3.15%
Owner-Occupied Housing by Geography	50,104	1.16%	15.35%	60.99%	22.50%	0.00%
Businesses by Geography	8,752	4.63%	18.57%	58.51%	17.08%	1.21%
Farms by Geography	477	0.42%	5.87%	75.05%	18.24%	0.42%
Family Distribution by Income Level	53,360	16.95%	18.47%	27.95%	36.62%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	18,901	6.15%	32.52%	54.59%	6.74%	NA
Median Family Income	= \$36,467	Median Housing Value		= \$58,822		
HUD Adjusted Median Family Income for 1999	= \$53,000	Unemployment Rate		= 1.96%		
Households Below the Poverty Level	= 11.04%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Lincoln Assessment Area consists of the entire MSA which is Lancaster County. The City of Lincoln is in the center of the county, surrounded by four large, rural census tracts that are all middle income. The assessment area includes four tracts that do not have a reported income level. These sites include the main campus of the University of Nebraska, an old air force base, the prison, and a youth correction center and health care center. Lincoln is the state's capital, its second largest city, and is located in the southeastern part of the state. The assessment area meets the definition of the regulation and does exclude any LMI geographies.

USB has twelve offices and twelve cash dispensing and sixteen deposit accepting ATMs within the assessment area. USB, with \$483 million in deposits, has the second highest volume of deposits in the area. This equates to a deposit market share of 15%. A locally owned bank, National Bank of Commerce Trust and Savings Association, dominates the market with 34% of all deposits. There is strong banking competition with 19 financial institutions operating 102 offices within Lancaster County. This information was obtained from June 30, 1999 FDIC Deposit Market Share Reports. Subsequent to this report, Wells Fargo Bank Nebraska, NA purchased National Bank of Commerce during summer 2000. The combined deposit market shares of these two institutions is nearly 40%.

The economy is strong. Unemployment runs well below the national average as well as the state of Nebraska's year-end 1999 unemployment rate of 2%. Major employers in the area include state government, the University of Nebraska, service industries, wholesale and retail trade, and manufacturing companies. The manufacturing base is well diversified and provides a stable source of employment. In addition, several large insurance companies and three other colleges are located in Lincoln. Outside the city of Lincoln, the area is highly dependent upon agriculture and ag-related industries.

The city of Lincoln has an Urban Development Department whose primary objective is the revitalization and maintenance of LMI neighborhoods. It coordinates federal, state, and local programs in its revitalization efforts. This department operates a Housing Rehabilitation & Real Estate section, a Jobs Training section, and a Community Development Division. The Community Development Division operates a program called the Heart of Lincoln that seeks to promote home ownership in the older sections of the city. This includes ten neighborhoods. The Heart of Lincoln was created to promote affordable housing, preserve historical architecture, provide close proximity for workers to many businesses, and maintain a healthy "core" city. The organization seeks private investments in the area. The steering committee includes representatives from the neighborhoods, business owners, bank officers, Realtors, and city staff. There is a Community Development Task Force that is given the responsibility of developing plans for the use of various funding sources in meeting housing needs, economic development, homeless assistance, and revitalization efforts. Some state organizations that promote affordable housing include the Nebraska Housing Resource, Nebraska Affordable Housing Trust Fund, and the Nebraska Investment Finance Authority. The Urban Development Department also used funds from a Nebraska Partnership for Economic Development grant to provide workshops that ultimately led to the formation of a new neighborhood based business association. These are some examples of the many community development opportunities available within the city.

Information from seven previously completed community contacts said that the most pressing housing credit needs include first-time homebuyer loans that also have flexible terms, down payment assistance, and loans for LMI multi-family housing. The main commercial credit need discussed included the need for small dollar working capital loans for small businesses and start-up businesses. These contacts were completed by the OCC and other regulatory agencies during the last two years.

State of Nevada Full-Scope Areas

Las Vegas, NV-AZ MSA #4120

Demographic Information for Full-Scope Area: Las Vegas MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	120	5.83%	17.50%	48.33%	28.33%	NA
Population by Geography	741,459	3.56%	15.58%	47.70%	33.16%	NA
Owner-Occupied Housing by Geography	149,007	0.99%	7.93%	47.26%	43.83%	NA
Businesses by Geography	36,618	4.24%	12.52%	45.02%	38.22%	NA
Farms by Geography	695	1.44%	5.90%	40.72%	51.94%	NA
Family Distribution by Income Level	191,468	17.35%	18.29%	23.36%	41.00%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	68,249	5.78%	23.57%	51.28%	19.37%	NA
Median Family Income	= \$33,965	Median Housing Value		= \$93,457		
HUD Adjusted Median Family Income for 1999	= \$48,900	Unemployment Rate		= 3.59%		
Households Below the Poverty Level	= 9.85%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Las Vegas Assessment Area consists of only the Clark County Nevada portion of MSA #4120. Nye County is not included because USB does not operate any ATMs or have any offices in the county. Nye County is sparsely populated and includes the Nevada nuclear test site and large sections of desert. Las Vegas is located in Southeastern Nevada and is the principal city in the state. It is a world famous vacation, entertainment, and gaming center. Outside the city of Las Vegas, the remainder of Clark County is made up of five, remote census tracts that encompass a large geographic territory. There is little agricultural activity in these remote areas. A military gunnery range and a large military air base are located north and northeast of the city. The assessment area meets the definition of the regulation and does not exclude any LMI geographies.

USB has 21 offices and six cash dispensing and 30 deposit accepting ATMs in the assessment area. USB ranks eighth in terms of deposits with \$409 million and a deposit market share of 4%. The market leader is Bank of America National Trust and Savings with a market share of 29%. Other competitors include Wells Fargo, NA; First Security Bank of Nevada; California Federal Bank, FSB; Pioneer Citizens Bank of Nevada; and Citibank (Nevada) NA. This information was obtained from June 30, 1999 FDIC Deposit Market Share Reports.

Tourism and the overall entertainment industry drive the economy in this

assessment area as well as the entire state. During 1999, there were nearly 34 million visitors to the area. Major employers include hotels, gaming, and service-related industries; government; retail trades; mining, manufacturing, and agriculture.

The city of Las Vegas has a newly reorganized Office of Business Development. The purpose of this office is to attract new businesses to the area, seek ways to diversify the economy, and revitalize the downtown area. As a part of this, the City Council adopted a Downtown Centennial Plan. The City Council recently provided funds for grass-roots neighborhood groups for projects that benefit the local neighborhoods. All wards within the city have at least one organization that has received funding. An organization that receives funding must provide a matching amount through cash donations or in-kind donations. Some of these projects would qualify as community development under CRA definitions.

Las Vegas has several community-based organizations with a community development purpose, particularly for small business development or affordable housing. Generally, these organizations have limited expertise in community development activities.

The area has a critical shortage of affordable housing units. The area has seen a rapid influx of people. Housing prices and rents have increased substantially faster than income levels. Although there has been significant job growth, most of these jobs are in the service or retail sectors and have low pay, often without benefits. The city has a large volume of substandard housing. Estimates are that there are 17,000 substandard rental units. A large population of homeless, many with chemical dependency, also puts pressure on city housing resources. These factors contribute to the overall housing need.

Virtually all community contacts commented on the lack of houses or rental units for LMI people. They said that the area's rapid growth far exceeds the number of available housing units. Because most of the new jobs that attract people to come to the area are minimum wage jobs, there is a widening gap in the ability to afford single family residences driven up by demand and general shortage of housing units. There is a great need for affordable multi-family rental units to accommodate the increase in population. Many contacts said that there is a general lack of banking services within the city. Several commented on the need for start-up financing for small businesses. Some contacts said that small business owners also need technical assistance from the financial institutions to understand basic banking and how to prepare a business plan. We reviewed eight community contacts made by the OCC and other regulatory agencies during the last two years. These contacts included representatives from local government, economic development organizations, organizations that focus on affordable housing issues, and organizations that provide needed social services to LMI people.

Reno, NV MSA #6720

Demographic Information for Full-Scope Area: Reno MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	58	1.72%	22.41%	36.41%	22.41%	17.24%
Population by Geography	254,667	0.18%	28.76%	45.46%	25.61%	0.00%
Owner-Occupied Housing by Geography	55,421	0.04%	18.19%	46.50%	35.28%	0.00%
Businesses by Geography	13,023	0.31%	44.14%	38.13%	17.42%	0.00%
Farms by Geography	235	0.43%	29.36%	37.87%	32.34%	0.00%
Family Distribution by Income Level	69,947	17.38%	19.05%	25.19%	38.38%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	23,661	0.19%	42.29%	43.79%	13.73%	NA
Median Family Income	= \$38,225	Median Housing Value				= \$117,350
HUD Adjusted Median Family Income for 1999	= \$55,300	Unemployment Rate				= 2.97%
Households Below the Poverty Level	= 8.67%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Reno Assessment Area is all of Washoe County. It is located in the northwest portion of the state, bordering the state of California. Reno is also a world-famous tourist area known for legalized gambling, entertainment industries, and access to the scenic Lake Tahoe recreation area. The city is in the southern edge of Washoe County. The northern two-thirds of the county is made up of one large middle-income census tract. The area has ten census tracts with income listed as NA. These center around Pyramid Lake. The assessment area meets the requirements of the regulation and does not exclude any LMI geographies.

USB has fourteen offices and four cash dispensing and fourteen deposit accepting ATMs in the assessment area. USB has generated \$684 million in deposits for a deposit market share of 20%. This is just slightly behind the market leader, Bank of America National Trust and Savings, with a 21% deposit market share. Wells Fargo Bank, NA is third with a 17% market share. Subsequent to this June 30, 1999 FDIC Deposit Market Share Report, which was the source of this information, Wells Fargo Bank was purchased by Norwest Bank Nevada, NA. The merged bank, operating under the Wells Fargo Bank, NA name, would have a combined deposit market share of 26%. In total, there are eleven banks operating 81 offices in this assessment area.

There are many opportunities to participate in various forms of community development initiatives in the city of Reno and throughout greater Washoe County. Washoe County has a Home Consortium that has been certified through HUD. The consortium is able to use state and federal money to develop affordable housing.

During the first four years of this group's operations, the Home Consortium produced over 1400 multi-family housing units. Along with other affordable housing programs, the Washoe County Human Services Consortium provides funds to service providers of emergency rental assistance. The Washoe County Comprehensive Plan lists several development regulations that relate directly to affordable housing and state that the county will work with public and private entities toward providing affordable housing. The county has a Department of Community Development that, among other things, will work with owners of land designated for multi-family housing units. The Reno Housing Authority serves Reno, Sparks, and the unincorporated portions of Washoe County. This agency focuses on public housing and Section 8 housing.

The Washoe County Assessor's office shows that fifty- percent of the existing single-family housing stock has a 1999 market value of less than \$150,000. The Reno/Sparks Association of Realtors reported that the 1999 median sales price of a new single-family residence was \$167,000. The Washoe County Affordable Housing Study found that the demand for housing to low-income households exceeds the supply. The study stated that by 2015, unincorporated Washoe County will need over 3,000 more housing units for households earning less than 80% of median income. The county will also need an additional 2,700 units for households earning between 80-110% of median income. The Housing Study identified twelve areas that relate to housing needs. Several of them specifically include reference to encouraging local lenders and financial institutions to make investments in or provide capital for affordable housing. This Housing Study illustrates some of the opportunities available for financial institutions to address affordable housing needs.

HUD reports that rural housing needs outside of the city of Reno include a reduction of overcrowded households, improvement of plumbing and structural problems, and improved weatherization. As in Las Vegas, the HUD report also shows a high level of homelessness.

State of North Dakota Full-Scope Areas

Bismarck, ND MSA #1010

Demographic Information for Full-Scope Area: Bismarck MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	20	NA	25.00%	65.00%	10.00%	NA
Population by Geography	83,831	NA	16.68%	68.52%	14.80%	NA
Owner-Occupied Housing by Geography	21,050	NA	20.27%	64.67%	15.05%	NA
Businesses by Geography	4,568	NA	17.97%	69.14%	12.89%	NA
Farms by Geography	458	NA	60.70%	33.62%	5.68%	NA
Family Distribution by Income Level	22,435	17.83%	19.63%	24.53%	38.01%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	8,404	NA	26.43%	64.48%	9.09%	NA
Median Family Income	= \$33,275	Median Housing Value		= \$59,407		
HUD Adjusted Median Family Income for 1999	= \$46,600	Unemployment Rate		= 2.52%		
Households Below the Poverty Level	= 11.99%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Bismarck Assessment Area consists of all of Burleigh and Morton Counties. This is the entire Bismarck, ND MSA #1010. Bismarck is located in central North Dakota and is the state's capital. According to the 1990 census, Bismarck is the third largest metropolitan area in the state. Mandan is located directly across the Missouri River from Bismarck. The assessment area does not have any low-income census tracts. It has five moderate-income tracts. One is located in the City of Bismarck. The other four moderate-income tracts are very large, rural tracts outside the city limits of Bismarck and Mandan. The assessment area has thirteen middle-income tracts, located in the city limits and immediately adjacent areas to the two cities. There are also two upper-income census tracts located in the northwestern portion of Bismarck and an adjacent, slightly more rural area. The assessment area meets the requirements of the regulation and does not arbitrarily exclude any LMI geographies.

USB has three offices located in the Burleigh County portion of the MSA. USB has four cash dispensing and four deposit accepting ATMs located throughout the Bismarck MSA. USB generated \$244 million of deposits in Burleigh County for a deposit market share of 29%. USB is the market leader in this county. However, within the consolidated MSA, Norwest Bank North Dakota, NA has \$275 million in deposits which leads the market with 25% deposit market share. On a combined

basis, USB falls to second place with a consolidated deposit market share of 22%. Other competitors within the assessment area are First Southwest Bank with 14% deposit market share, Bank Center First Bismarck with 12%, and BNC National Bank with 10% deposit market share. There are twelve banks operating 32 offices in the assessment area. This information was obtained from June 30, 1999 FDIC Deposit Market Share Reports.

Major employers in the assessment area are found in the service and retail sectors, as well as government. Wages are typically lower throughout North Dakota than in the rest of the United States. The state ranks 49th in average annual pay. The workforce in the state is regarded as well educated and highly productive. North Dakota workers have some of the lowest absentee rates in the country. The combination of low wage rates and strong work ethics has caught the attention of nationally based businesses seeking expansion or relocation. The state has created tax incentive programs to entice businesses into the state. Beyond state programs, there are few formal or organized non-profit groups that can provide financial or technical assistance to small businesses.

The assessment area does not have a high reliance on the agricultural sector in terms of direct farm employment. Agribusiness is, however, important to the state's overall economy. The depressed farm economy has had a negative impact on the overall economic health of the state. The community contacts made during the last two years expressed concern over the deteriorating farm economy and the migration of people from farms and small towns to the more urban areas.

Unemployment is low. Updated information from Job Service North Dakota shows that during the first six months of 2000, the Bismarck MSA has an unemployment rate of 2.3% which matches the state's year-end 1999 unemployment figures. Underemployment is considered a problem. There has been significant job growth in the lower paying retail and service industries in this assessment area as well as all of North Dakota.

Housing is generally very affordable. A new home on the Mandan side of the MSA can be purchased for under \$100,000. In Bismarck, new homes can be found in the low \$100's. There is, however, a misconception that these homes may not be affordable. As with the rest of North Dakota, there has been an influx of residents to the larger cities as the elderly, retirees, and people seeking better employment relocate from the farms or smaller towns to the larger cities. And, as previously stated, the generally low wages in the state have a limiting effect on the purchase of new homes.

We reviewed four contacts with community groups made by the OCC during the last two years. The groups included economic development organizations, a group that promotes the financing of LMI and first-time homes, and an official from a state-sponsored organization that promotes agriculture, commerce, and industry

throughout the state. Two contacts said that there was a need for more agricultural loans or banks willing to restructure debt for agricultural customers. One contact discussed a need for better bank representation on North Dakota Indian Reservations. Another contact said that there is a need for more start-up loans for small businesses.

State of Oregon Full-Scope Areas

Eastern OR Assessment Area

Demographic Information for Full-Scope Area: Eastern OR Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	113	NA	10.62%	76.11%	13.27%	NA
Population by Geography	364,901	NA	9.79%	74.16%	16.05%	NA
Owner-Occupied Housing by Geography	92,848	NA	8.75%	73.72%	17.53%	NA
Businesses by Geography	20,192	NA	8.62%	77.41%	13.97%	NA
Farms by Geography	2,759	NA	7.61%	85.32%	7.07%	NA
Family Distribution by Income Level	101,205	18.90%	18.76%	23.82%	38.52%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	38,112	NA	14.16%	75.47%	10.37%	NA
Median Family Income	= \$28,126	Median Housing Value		= \$55,112		
HUD Adjusted Median Family Income for 1999	= \$37,500	Unemployment Rate		= 3.68%		
Households Below the Poverty Level	= 14.32%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

This assessment area consists of the 18 counties located in the eastern two-thirds of the State of Oregon. The assessment area consists of Baker, Crook, Deschutes, Gilliam, Grant, Harney, Hood River, Jefferson, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, and Wheeler Counties. This is a nonmetropolitan area generally east of the Cascade Range. The area does not have any low-income BNAs. The assessment area meets the definition of the regulation and does not arbitrarily exclude any LMI geographies.

USB has 29 offices and 35 cash dispensing and 33 deposit accepting ATMs located in the assessment area. USB has generated \$869 million in deposits across the assessment area and is the market leader with a deposit market share of 21%. USB was the market leader in five of the individual counties (Grant, Harney, Hood River, Jefferson, and Lake). USB does not have offices in five counties (Gilliam, Morrow, Sherman, Wallowa, and Wheeler). There are 20 financial institutions operating 160 offices throughout the assessment area. Primary competitors are Klamath First Federal Savings and Loan, Washington Mutual Bank, and Bank of the Cascades. This information was obtained from June 30, 1999 FDIC Market Share Reports.

This portion of Oregon is primarily rural and agricultural. Although there are expansive wheat farms, much of the agricultural land is used in cattle ranching.

There are several national forests and other recreational areas within this assessment area which has led to an increase in tourism. As tourism has increased, there has been small business growth in the supporting service industries such as food, lodging, and related retail stores. Wood, wood products, and lumber are also significant segments of the economy in this part of Oregon as it is for the overall state.

The area is also home to four Native American Reservations.

The state has designated 18 Enterprise Zones within the assessment area. Crook, Gilliam, Hood River, and Wheeler Counties do not, however, have a designated zone. Several of the zones are co-sponsored by multiple cities within the county. Most counties, and many cities, also have active economic development organizations that focus on small business needs. Several cities offer special tax incentives that foster business growth and job creation. There are also welfare-to-work programs throughout nearly all communities.

Several cities have experienced rapid population growth, attracted to the area by generally more affordable housing than found in other west coast cities, the scenic nature of the area, and the overall quality of life factors. As a result of this growth, many cities have developed housing plans, transportation plans, downtown revitalization plans, and other economic plans to address business development and ensuring a living wage.

There are several organizations that promote affordable housing in many communities. The construction of a new state prison in the eastern part of the state triggered the need for the construction of additional affordable housing. There is a strong second home market in the state (primarily the recreational areas) which puts pressure on existing housing stock and can drive up housing costs in those sections of the state. Smaller towns have concerns for home maintenance on the older housing stock.

We reviewed two community contacts made by other regulatory agencies during the last two years. Both were economic development organizations. The contacts describe community development opportunities as limited to moderate. They said that they prefer to deal with financial institutions who can make credit underwriting decisions locally rather than waiting for a decision on a loan application that is reviewed outside the state.

State of South Dakota Full-Scope Areas

Rapid City, SD MSA #6660

Demographic Information for Full-Scope Area: Rapid City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	21	NA	33.33%	42.86%	23.81%	NA
Population by Geography	81,343	NA	34.56%	38.92%	26.52%	NA
Owner-Occupied Housing by Geography	18,751	NA	26.14%	43.26%	30.60%	NA
Businesses by Geography	4,355	NA	42.09%	37.20%	20.71%	NA
Farms by Geography	231	NA	22.51%	64.50%	12.99%	NA
Family Distribution by Income Level	22,050	17.46%	20.31%	24.40%	37.83%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	8,327	NA	49.10%	39.14%	11.76%	NA
Median Family Income	= \$29,570	Median Housing Value		= \$53,745		
HUD Adjusted Median Family Income for 1999	= \$42,100	Unemployment Rate		= 2.72%		
Households Below the Poverty Level	= 12.02%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Rapid City Assessment Area consists of the entire MSA which is Pennington County. Rapid City is located in the southwestern portion of the state on the edge of the Black Hills. There are no low-income census tracts in the MSA. The seven moderate-income tracts are located in the east and northeastern portions of Rapid City. The upper-income tracts are located in the southwestern portion of Rapid City. The remainder of the county is middle-income. The western portion of Pennington County is primarily forest land part of the Black Hills National Forest. The eastern portion of the county contains several small towns and a portion of the Badlands National Park. The assessment area meets the requirements of the regulation and does not arbitrarily exclude LMI geographies.

USB has four offices and nine cash dispensing and five deposit accepting ATMs in the assessment area. With \$234 million in deposits, USB has the second greatest concentrations of deposits with a 25% market share. The market leader is Norwest Bank South Dakota, NA with 32% deposit market share. There are ten financial institutions in the area.

The local economy is stable and has had moderate growth. The area has substantial tourism from the nearby Mount Rushmore National Monument and the Black Hills region. There is mining (gold, silver, feldspar, gypsum, mica and

uranium). The area also has lumber and agriculture. Rapid City has developed a strong medical, retail, and service trade area for western South Dakota in addition to manufacturing and electronics. The Ellsworth Air Force Base is outside of Rapid City. Low unemployment rates, just under 2% at year-end 1999, have resulted in a shortage of workers for the retail and service sectors.

There is a shortage of housing in the \$70,000 to \$100,000 range. There are properties less than \$70,000 but they are often in poor condition and would need substantial rehabilitation. As a result, financing these homes is often difficult. There are some Community Development Block Grant (CDBG) loans and funds provided by the city for rehab projects, but the size of the loan or grant is frequently not large enough to complete the necessary work. The city is concerned that there is not enough suitable, affordable housing for the elderly population. Existing Section 8 housing has a substantial waiting list with approximately 2,000 families.

The city and county each operate a SBDC. These provide opportunities for private participation to match funds. CDBG funds are also available for small business purposes which could also provide opportunities for private participation.

There are several organizations in Rapid City that provide assistance for LMI housing in terms of construction of affordable housing, rehabilitation of older homes, home buyer education and counseling, and general promotion for home ownership. The organizations, however, have not been able to provide larger development projects. There is somewhat limited space as well as some restrictive city zoning issues that impact construction and rehabilitation efforts.

The city also has organizations that promote community development and small business creation.

Sioux Falls, SD MSA #7760

Demographic Information for Full-Scope Area: Sioux Falls MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	33	NA	21.21%	57.58%	21.21%	NA
Population by Geography	139,236	NA	17.72%	63.40%	18.88%	NA
Owner-Occupied Housing by Geography	34,014	NA	13.58%	64.73%	21.69%	NA
Businesses by Geography	7,051	NA	34.30%	55.69%	10.01%	NA
Farms by Geography	962	NA	3.95%	91.27%	4.78%	NA
Family Distribution by Income Level	36,631	15.67%	19.70%	28.53%	36.10%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	12,957	NA	24.26%	67.25%	8.49%	NA
Median Family Income	= \$34,101	Median Housing Value		= \$57,234		
HUD Adjusted Median Family Income for 1999	= \$49,600	Unemployment Rate		= 1.52%		
Households Below the Poverty Level	= 9.34%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Sioux Falls Assessment Area consists of the entire MSA which is Lincoln and Minnehaha Counties. The City of Sioux Falls is located in Minnehaha County on the southwest edge of the state of South Dakota. The seven moderate-income census tracts are located in Sioux Falls. Outside the city limits, the remainder of Minnehaha County and all of Lincoln County are predominately rural farm land dotted by small farming communities. Sioux Falls is the largest city in the state. It is a major provider of medical and retail services. There are no low-income census tracts in the assessment area. The assessment area meets the definition of the regulation and does not exclude any LMI geographies.

USB has nine offices and nineteen cash dispensing and eight deposit accepting ATMs in the assessment area. USB is ranked seventh and has generated \$237 million in deposits for a deposit market share of five percent. The market leader is Citibank South Dakota, NA with a market share of 30%. This information was obtained from the June 30, 1999 FDIC Deposit Market Share Reports.

This assessment area has a highly competitive banking environment. There are 28 financial institutions and 15 credit unions. Because of South Dakota's liberal usury laws, Sioux Falls is the home of several nationally operated credit card banks that have limited purpose designations for CRA purposes. These institutions place significant pressure and strong competition on other financial institutions for deposits, loans, investments, and especially for community development loans.

With the presence of these financial institutions vying for the same business

opportunities and the strong economy in the Sioux Falls area, there are few unmet community development credit needs. Community contacts completed by the OCC and other regulators over the past two years discussed a need for affordable housing primarily for the elderly, access to capital and technical assistance for small business owners, and for social services that would support LMI individuals. The two contacts were a development foundation that focuses on the attraction of new businesses and an economic development association that promotes development of industrial and commercial businesses as well as affordable housing.

Updated unemployment figures provided by the State of South Dakota show very low unemployment rates. At year-end 1999, the unemployment rate for the MSA was 1.5%. The economy is well-diversified. Major employers include Sioux Valley and Avera McKennan Hospitals, Citibank, John Morrell (meatpacking company), Hutchinson Technology (software company), Gateway Computers, and the local school district. Farm land outside the City of Sioux Falls is at risk of being absorbed by the city for both commercial and residential properties. Land values in the adjacent areas are quite high because of the potential for development. Land that is in farm production has generally benefited from available farm programs. Despite low prices for farm products, yields have been high and farms are doing well.

State of Utah Full-Scope Areas

Salt Lake City-Ogden, UT MSA #7160

Demographic Information for Full-Scope Area: Salt Lake City-Ogden MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	230	4.78%	21.30%	52.17%	21.74%	NA
Population by Geography	1,072,227	1.80%	18.21%	57.37%	22.62%	NA
Owner-Occupied Housing by Geography	234,111	0.82%	14.89%	59.15%	25.14%	NA
Businesses by Geography	46,245	6.59%	26.45%	47.20%	19.76%	NA
Farms by Geography	877	2.50%	13.00%	60.55%	23.95%	NA
Family Distribution by Income Level	262,143	16.64%	19.60%	26.59%	37.16%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	95,015	3.50%	30.63%	55.34%	10.53%	NA
Median Family Income	= \$35,239	Median Housing Value		= \$72,830		
HUD Adjusted Median Family Income for 1999	= \$50,300	Unemployment Rate		= 2.31%		
Households Below the Poverty Level	= 9.58%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The assessment area consists of the entire Salt Lake City-Ogden MSA #7160 which is Davis, Salt Lake, and Weber Counties. The assessment area is located in north central Utah. Salt Lake City is the state's largest city and is also the capital.

This MSA contains over 60% of the state's population. Salt Lake City is located in the southern portion of the MSA (Salt Lake County) while Ogden is in the northern portion (Weber County). The low-income census tracts are located within these two cities. The majority of the assessment area's 49 moderate-income tracts are located in Salt Lake City. The assessment area meets the requirements of the regulation and does not arbitrarily exclude any LMI geographies.

USB has 25 offices and 83 cash dispensing and 24 deposit accepting ATMs located in the assessment area. With \$553 million in deposits, USB has the seventh highest volume of deposits in the assessment area for a deposit market share of 4%. The market leader is First Security Bank, NA with \$3.2 billion in deposits and a market share of 23%. Other major competitors are Zions First National Bank with a deposit market share of 13%, Merrill Lynch Bank USA with a deposit market share of 12%, and Bank One Utah with a deposit market share of 6%. There are 41 financial institutions operating 330 offices in the assessment area. This information was obtained from June 30, 1999 FDIC Deposit Market Share Reports. These numbers do not include the many credit unions and mortgage companies in the area that also compete for deposits and all types of

loans.

The economy is strong. There has been an influx of residents from other states and growth in several employment sectors. There has been increased employment in computer software and biomedical firms. The construction and service related industries have had significant growth because of the upcoming Winter Olympics in 2002. There are new hotels and food chains because of the upcoming Olympics. The city has had major construction projects involving a variety of infrastructure issues. Interstate 15 has been undergoing reconstruction and the city has added a light rail transit system. Tourism has traditionally been a strong part of the local economy with Utah's ski resorts and the national parks located in the state and is expected to thrive as a result of the Olympics.

HUD designated the City of Ogden as an Enterprise Community. The city has a ten-year strategy to provide incentives that would create opportunities and revitalize this targeted area. A section of Salt Lake City is a focus for revitalization by the Salt Lake City Neighborhood Housing Services, Inc. This organization is a member of a national, non-profit coalition that is dedicated to providing affordable housing and economic development in LMI areas. This organization is a CDFI and seeks equity investments. There are many other organizations that work for affordable housing and economic development issues in the assessment area.

A group of retail and commercial banks and credit card companies located in Utah have organized an association called the Utah Association of Financial Services. This group seeks to educate its members of available investment opportunities throughout the state that would promote affordable housing and community development issues.

Wages are generally lower than other parts of the US. Per capita incomes are among the lowest in the nation. Utah has high state tax rates which also has a negative impact on personal income.

Housing costs continue to escalate in the MSA. Within Salt Lake City, the 1999 average sales price of a home was \$165,000. Zoning issues exist as some areas do not allow home construction on lots under an acre. This puts additional pressure on what is already a limited supply of land, further pushing up prices. Affordable housing was often cited as a significant need within the assessment area. Although there are several affordable housing groups that are advocates for the creation of affordable housing units, there is some difficulty in obtaining results because of zoning restrictions. In recent years, available tax incentives were frequently extinguished for the creation of Olympic-related housing.

Community contacts said the most pressing need is construction of affordable housing and offering downpayment assistance for LMI or first-time homebuyers. Some contacts said that small businesses need working capital loans and more

start-up funding sources. There were comments that there are limited job opportunities for higher wage jobs and that many people need job or skills training to improve employment opportunities. We obtained this information from contacts with community groups made during the last two years. We reviewed twelve contacts made by the OCC and the Federal Reserve. These contacts were made to groups involved in small business creation, economic development, and housing for LMI individuals.

State of Washington Full-Scope Areas

Puget Sound Assessment Area

Demographic Information for Full-Scope Area: Puget Sound Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	630	3.49%	16.51%	59.21%	18.25%	2.54%
Population by Geography	2,970,328	2.43%	15.61%	63.14%	18.64%	0.18%
Owner-Occupied Housing by Geography	704,374	0.67%	10.73%	66.31%	22.30%	0.00%
Businesses by Geography	165,784	3.45%	18.57%	57.76%	20.21%	0.01%
Farms by Geography	4,932	1.28%	10.26%	69.70%	18.76%	0.00%
Family Distribution by Income Level	770,766	17.20%	18.89%	26.46%	37.46%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	278,144	3.76%	22.45%	63.60%	10.19%	0.00%
Median Family Income	= \$40,814	Median Housing Value		= \$124,708		
HUD Adjusted Median Family Income for 1998	= \$58,447	Unemployment Rate		= 2.53%		
Households Below the Poverty Level	= 8.39%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Puget Sound Assessment Area consists of four MSAs in the greater Seattle-Tacoma-Bremerton, WA Consolidated Metropolitan Statistical Area. Bremerton, WA MSA #1150 consists of Kitsap County. Olympia, WA MSA #5910 consists of Thurston County. Seattle-Bellevue-Everett, WA MSA #7600 consists of Island, King, and Snohomish Counties. Tacoma, WA MSA #8200 consists of Pierce County. This area contains a significant portion of the state's population as well as being the driving force behind the state's economy. Olympia is the state's capital. The assessment area meets the requirements of the regulation and does not exclude any LMI geographies.

USB has 113 offices and 96 cash dispensing and 152 deposit accepting ATMs in the assessment area. USB, with just over \$5 billion in deposits, has generated the third highest volume of deposits in the assessment area for a 13% market share. The market leader is Bank of America with nearly \$11 billion in deposits and a market share of 28%. Other major competitors in the assessment area are Washington Mutual Bank with a deposit market share of 19%, Keybank, NA with a deposit market share of 9%, and Wells Fargo Bank, NA with a deposit market share of 4%. There are a total of 68 banks operating 916 offices in the assessment area. This does not include credit unions or mortgage companies that also provide significant competition. This information was obtained from June 30, 1999 FDIC

Deposit Market Share Reports.

The area has a strong and greatly diversified economy. The area is a leading center for advanced technology, computer software, biomedical technology, electronics and medical equipment. The area is home to Microsoft and Boeing, both world leaders in their respective fields. The area has a strong military presence and ranks among the leading employers within the assessment area. Its ports are among the world's largest and provide access to Asian markets. Other major industries include tourism, lumber and wood products, telecommunications, food products, and fish processing.

There are estimates that the Puget Sound area has had an increase in population of over 350,000 since the 1990 census. People have been drawn to the area because of the strong economy, strong employment opportunities (unemployment is low averaging around 4% for the greater CMSA), and positive quality of life. This has, however, created a substantial increase in housing costs. Information from the National Association of Realtors shows that the median sales price of a single-family residence in 1998 was over \$175,000. Information from the spring of 1999 shows that the average two-bedroom apartment in King County rented for \$890 per month. While income levels continue to increase and are higher than the rest of the state, housing costs are rising faster than income. Seattle's mayor has made affordable housing one of the top priorities of his administration. Community contacts have said that there is a need for rehabilitation and construction of affordable homes and multi-family rental housing.

There are numerous opportunities for financial institutions to assist with affordable housing and community development efforts. HUD has designated portions of Seattle and Tacoma as Enterprise Communities. There are many non-profit organizations that seek to improve LMI housing and to provide financial assistance to small businesses throughout the area. Several portions of Island, King, Kitsap, Pierce, and Snohomish Counties have received designation as HUB Zones (historically underutilized business zones). Businesses in these areas may be eligible for specific programs to promote economic development efforts.

Other community contacts said that there should be more loan programs for small businesses and more technical assistance in preparing marketing or business plans. There is a need for more affordable housing as well as loan programs that would help LMI or first-time homebuyers obtain a home. One contact said specific neighborhoods would benefit from having multilingual bank staff to help customers and loan applicants who do not have English as their primary language. We reviewed six contacts with community groups. These groups represented small businesses, were involved in economic development activities, or promoted affordable housing issues. The OCC and other regulatory agencies made these contacts during the last two years.

State of Wisconsin Full-Scope Areas

Milwaukee-Waukesha, WI MSA #5080

Demographic Information for Full-Scope Area: Milwaukee-Waukesha MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	392	19.13%	17.35%	43.11%	19.64%	0.77%
Population by Geography	1,432,149	12.73%	13.58%	46.59%	27.05%	0.06%
Owner-Occupied Housing by Geography	319,660	4.71%	10.23%	51.28%	33.77%	0.00%
Businesses by Geography	49,235	7.39%	9.56%	47.92%	34.83%	0.30%
Farms by Geography	1,337	1.27%	3.66%	53.86%	41.14%	0.07%
Family Distribution by Income Level	372,335	19.55%	17.66%	25.59%	37.21%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	138,529	24.14%	20.22%	43.78%	12.86%	0.00%
Median Family Income	= \$39,005	Median Housing Value		= \$73,428		
HUD Adjusted Median Family Income for 1999	= \$57,600	Unemployment Rate		= 2.81%		
Households Below the Poverty Level	= 10.38%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The assessment area consists of the entire Milwaukee-Waukesha, WI MSA #5080 which is all of Milwaukee, Ozaukee, Washington, and Waukesha Counties. The area is located on the southeastern edge of the state on Lake Michigan. Milwaukee is the largest city in the state. The city has a significant number of low-income census tracts located in the central part of the city. Large portions of the moderate-income tracts are adjacent to these areas. The assessment area meets the requirements of the regulation and does not arbitrarily exclude LMI geographies.

USB has five offices and 21 cash dispensing and 13 deposit accepting ATMs in the assessment area. USB does not have offices in Ozaukee and Washington Counties. USB has generated \$288 million in deposits for a market share of one percent. This ranks USB 18th of all banks in the MSA. The market leaders are M&I Marshall & Ilsley Bank with a deposit market share of 19%, Firststar Bank Milwaukee, NA with a deposit market share of 18%, Bank One Wisconsin with a deposit market share of 11%, and Associated Bank Milwaukee with a deposit market share of 6%. Banking competition is strong and increasing. There are 62 banks operating 510 offices in the assessment area. There are numerous mortgage companies and credit unions in the area. Insurance companies are actively seeking customers that would ordinarily use traditional banks for financial services. The deposit information was obtained from the June 30, 1999 FDIC Deposit Market Share Reports.

Economic conditions are good. Manufacturing and service related jobs form the bulk of the employment base. The service industries have seen the most significant growth in the last five years, however, this has been typically outside of the City of Milwaukee. Major employers in the MSA include Quad Graphics Incorporated, Rockwell/Allen Bradley, Miller Brewing Company, Kohl's Corporation, GE Medical Systems, Briggs & Stratton, West Bend Company, and Regal Ware. Milwaukee is the home of Harley Davidson motorcycles and several professional sports teams. Tourism is an increasing source of revenue for the area.

The more suburban portions of the MSA have had growth in both the service sector and in manufacturing jobs. Suburban cities have used tax incentives to encourage business relocations or expansions. There is also generally adequate access to these new jobs by the interstate highway system. However, a downside of this suburban business expansion is that lower paid or hourly wage employees have a difficult time finding affordable housing near the jobs. Housing in the suburban areas is substantially higher than within the City of Milwaukee.

The 1999 average assessed value of single family residences in the city of Milwaukee was \$70,694. This information was obtained from the Milwaukee Department of City Development data sheet. Conversely, information from the Wisconsin Realtors Association reports that during 1999, the median sales prices for homes in Washington and Waukesha Counties were \$141,900 and \$166,100, respectively.

A statewide development organization (Wisconsin Housing and Economic Development) and Milwaukee's Department of City Development currently have programs to develop affordable housing projects in the central portion of Milwaukee. This is an area that is largely LMI and the projects should provide over 150 affordable housing units. Several former nonprofit organizations that sought to provide affordable housing have failed or have discontinued operations because they have lost reliable funding sources. The city has changed its allocation method for distributing Community Development Block Grants which was a major funding source for several of these nonprofit groups.

The City of Milwaukee has received HUD's designation as an Enterprise Community. There are two areas specified in the plan. The plan emphasizes jobs and business development as critical elements.

There are a wide variety of community development organizations that serve the greater Milwaukee area. These organizations serve small business development and financing needs, provide homeownership counseling and financial advice, develop LMI housing, provide needed social services to LMI families, and focus on job training efforts. There are also three low-income credit unions certified by the National Credit Union Administration. These groups provide financial institutions

with investment opportunities as well as involvement through lending programs.

State of Wyoming Full-Scope Areas

Cheyenne, WY MSA #1580

Demographic Information for Full-Scope Area: Cheyenne MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	18	NA	38.89%	38.89%	22.22%	NA
Population by Geography	73,142	NA	35.12%	43.92%	20.96%	NA
Owner-Occupied Housing by Geography	18,407	NA	29.11%	47.31%	23.57%	NA
Businesses by Geography	3,221	NA	53.09%	33.25%	13.66%	NA
Farms by Geography	137	NA	48.17%	18.25%	33.58%	NA
Family Distribution by Income Level	20,127	18.84%	19.00%	23.75%	38.41%	NA
Distribution of Low- and Moderate-Income Families throughout AA Geographies	7,616	NA	49.74%	38.16%	12.10%	NA
Median Family Income	= \$32,587	Median Housing Value		= \$69,831		
HUD Adjusted Median Family Income for 1999	= \$43,800	Unemployment Rate		= 3.21%		
Households Below the Poverty Level	= 10.69%					

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

Source: 1990 U.S. Census and 1999 HUD updated MFI.

The Cheyenne MSA consists of Laramie County and is the largest MSA in Wyoming by population. The bank's assessment area consists of the entire MSA.

Communities located in the assessment area include Albin, Burns, Cheyenne, and Pine Bluffs. Cheyenne is the state's capital. The MSA does not contain any low-income census tracts. One of the seven moderate-income census tracts consists of Warren Air Force Base and does not have any owner-occupied housing or small businesses. The assessment area meets the requirement of the regulation and does not arbitrarily exclude any moderate-income geographies.

USB has two branches and two cash dispensing and two deposit accepting ATMs in this assessment area.

USB faces competition in the MSA from branches of two other large regional banks (Community First National Bank and Wells Fargo Bank Wyoming, NA), seven community banks, a thrift, and eleven credit unions. USB generated \$70 million in deposits within the assessment area. In terms of deposit market share, USB ranks fourth with 11% of the deposits within the area. This is based on the June 30, 1999 FDIC Deposit Market Share Report. Community First National Bank is the market leader with a 24% deposit market share.

Federal, state, and local government employment dominates the local economy.

Warren Air Force Base is a significant factor. Other major economic sectors include service industries and retail trade. Tourism plays a supporting role. The annual Cheyenne Frontier Days celebration hosts one of the nation's largest rodeos. Major interstate highways and railroad lines pass through Cheyenne. The Cheyenne MSA has not experienced the severe economic fluctuations that some other parts of the state have had because government expenditures that benefit the Cheyenne assessment area are not as cyclical as other factors of the economy.

Information from the Bureau of Labor Statistics shows that unemployment declined from an average of 3.90% in 1997 to 3.0% as of October 1999. This is well below the national average. The Wyoming Housing and Demographic Data publication describes the housing market as improving recently, with rising values, increasing rents, and less rental units available. This information indicates that the local economy is stable and improving.

There are limited opportunities for financial institutions to find investments and community development loan projects. The state does not have the formal infrastructure that would provide the necessary financial support. Because of the state's small population base and because the state does not have corporate or personal income taxes, there are limits on available state-funded appropriations that would focus on community development related activities. Although there are community development related organizations operating in Cheyenne, the bulk of their funding is not from local or state government sources. Larger size affordable housing projects need more state or local subsidy supports or credit enhancements than are available. The City of Cheyenne has issued limited numbers of multi-family building permits in recent years. Cheyenne has issued only two low-income housing tax credits over the last four years. Local financial institutions aggressively seek any available community development loans or investments.

Community contacts said that there is generally an adequate supply of housing stock, but that there is a need for elderly or adult congregate living facilities. Several said that there is a need for more loan programs for small, start-up companies. One person commented that there should be more readily accessible ATMs. We reviewed six community contacts made by the OCC and other regulatory agencies during the last two years. These contacts included a representative from the Mayor's office, business associations, and economic development organizations.

Appendix D: Tables of Performance Data

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Content of Standardized Tables

A separate set of tables is provided for each state. All multi-state 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 Evaluation). For purposes of reviewing the Lending Test tables, the following are applicable: purchased loans are treated as originations/purchases; market rank is based on the number of loans originated and purchased by the bank as compared to all other lenders in the MSA/assessment area; 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 MSA/assessment area.

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 MSA/assessment area.
- 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 rank and 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 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 rank and market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-,

moderate-, middle- and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market rank and market share information based on the most recent aggregate market data available.

- Table 7. 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 MSA/assessment area. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 8. Borrower Distribution of Home Improvement Loans** - See Table 7.
- Table 9. Borrower Distribution of Home Mortgage Refinance Loans** - See Table 7.
- Table 10. 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 11. 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 12. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MSA/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 have been reported on schedule RC-L of the Call Reports as an off-balance sheet item.

Table 13. 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 MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

Table 14. Geographic and Borrower Distribution of Consumer Loans -
For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle- and upper-income geographies to the percentage distribution of the population within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle- and upper-income borrowers to the percentage of households by income level in each MSA/assessment area.

Table 1. Lending Volume

LENDING VOLUME		State: Multi-State MSAs						Evaluation Period: January 1, 1998 to December 31, 1999				
MSA/Assessment Area	% of Total USB Deposits in MSA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Fargo-Moorhead	100.0	572	35,135	601	29,923	2	550	4	2,133	1,179	67,741	100.00
Grand Forks	100.0	253	14,119	161	10,656	12	1,985	2	5,750	428	32,510	100.00
Minneapolis-St. Paul	100.0	13,108	827,392	11,971	740,852	17	1,966	39	74,553	25,135	1,644,763	100.00
Omarion	100.0	3,279	151,594	2,649	200,619	32	2,848	13	12,127	5,973	367,188	100.00
Portland-Vancouver	100.0	5,428	347,471	12,027	825,329	139	16,337	40	87,565	17,634	1,276,702	100.00

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE December 31, 1999			State: Multi-State MSAs						Evaluation Period: January 1, 1998 to							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Fargo-Moorhe	0.08	0.00	9.49	11.56	73.00	55.78	17.43	32.65	18	1.55	0.00	2.69	1.39	1.53	147	100.00
Grand For	0.00	0.00	12.93	4.35	70.66	78.26	16.41	17.39	17	1.22	0.00	0.00	1.40	1.03	46	100.00
Minneapolis-St. Pa	1.70	2.98	11.52	13.57	63.34	57.62	23.45	25.83	7	3.05	5.05	4.36	2.85	2.92	5,210	100.00
Oma	2.77	3.58	17.40	28.44	52.27	45.76	27.56	22.22	10	2.93	12.28	5.49	2.82	1.86	1,062	100.00
Portland-Vancouv	0.64	1.83	13.50	18.51	61.84	56.22	24.02	23.43	38	0.77	2.72	1.40	0.71	0.55	1,037	100.00

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT December 31, 1999				State: Multi-State MSAs				Evaluation Period: January 1, 1998 to								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Fargo-Moorhe	0.08	0.00	9.49	6.06	73.00	69.70	17.43	24.24	3	13.92	0.00	10.14	13.53	17.70	132	100.00
Grand Forks MSA	0.00	0.00	12.93	4.76	70.66	71.43	16.41	23.81	4	9.09	0.00	5.88	10.29	6.67	63	100.00
Minneapolis-St. Pa	1.70	2.18	11.52	10.04	63.34	58.95	23.45	28.81	2	12.31	15.12	11.12	11.10	16.38	3,666	100.00
Oma	2.77	4.67	17.40	28.93	52.27	44.20	27.56	22.19	1	14.87	23.68	27.42	12.99	9.54	1,113	100.00
Portland-Vancouv	0.64	1.07	13.50	17.21	61.84	55.63	24.02	26.09	2	16.34	10.20	16.23	15.68	18.62	2,522	100.00

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE December 31, 1999					State: Multi-State MSAs					Evaluation Period: January 1, 1998 to						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Fargo-Moorhe	0.08	0.00	9.49	11.34	73.00	64.26	17.43	24.40	11	3.85	0.00	7.84	3.86	3.15	291	100.00
Grand Forks MSA)	0.00	0.00	12.93	6.25	70.66	68.06	16.41	25.69	10	4.83	0.00	1.97	5.43	4.14	144	100.00
Minneapolis-St. Pa	1.70	1.95	11.52	10.28	63.34	58.44	23.45	29.33	12	1.78	2.90	2.29	1.63	1.94	4,211	100.00
Oma	2.77	2.81	17.40	20.42	52.27	52.45	27.56	24.32	9	2.53	4.46	5.38	2.82	1.56	1,102	100.00
Portland-Vancouv	0.64	0.49	13.50	15.60	61.84	64.19	24.02	19.72	19	1.25	0.68	1.60	1.32	0.92	1,846	100.00

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS December 31, 1999				State: Multi-State MSAs				Evaluation Period: January 1, 1998 to								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesse s	% USB Loans	% of Businesse s	% USB Loans	% of Businesse s	% USB Loans	% of Businesse s	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Fargo-Moorhe	0.21	0.00	35.15	37.27	50.66	44.09	13.97	18.64	4	9.75	0.00	8.81	10.23	10.96	601	100.00
Grand For	0.00	0.00	20.15	10.56	70.01	75.78	9.84	13.66	7	6.61	0.00	4.89	5.98	3.40	161	100.00
Minneapolis-St. Pa	4.95	4.23	11.08	8.22	61.35	58.35	22.60	29.19	1	26.82	31.65	25.95	26.06	26.02	11,971	100.00
Oma	5.27	3.85	15.29	12.23	46.62	41.83	32.82	42.09	2	13.90	10.19	11.63	13.60	13.53	2,649	100.00
Portland-Vancouv	1.23	1.41	20.93	20.76	59.98	57.67	17.85	20.16	1	27.69	30.36	26.09	26.02	27.39	12,027	100.00

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM December 31, 1999				State: Multi-State MSAs					Evaluation Period: January 1, 1998 to							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Fargo-Moorhe	0.00	0.00	3.76	0.00	90.11	100.00	6.13	0.00	16	0.10	0.00	0.00	0.00	0.00	2	100.00
Grand For	0.00	0.00	21.14	0.00	75.06	66.67	3.80	33.33	6	1.05	0.00	0.00	0.14	1.35	12	100.00
Minneapolis-St. Pa	0.71	0.00	20.15	17.65	67.85	64.71	11.29	17.65	11	1.57	0.00	1.40	0.95	6.82	17	100.00
Oma	0.35	0.00	17.64	3.13	67.05	75.00	14.96	21.88	8	3.90	0.00	1.20	3.12	7.55	32	100.00
Portland-Vancouv	0.12	0.00	12.69	20.86	70.24	66.91	16.96	12.23	2	23.61	0.00	35.48	18.58	25.93	139	100.00

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE December 31, 1999				State: Multi-State MSAs				Evaluation Period: January 1, 1998 to								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *		Overall	Low	Mod	Mid	Upp	#	% of Total** *
Fargo-Moorhe	17.44	8.84	17.71	24.49	26.34	22.45	38.52	44.22	18	1.55	2.29	1.74	1.35	2.15	147	100.00
Grand For	17.51	6.52	19.28	13.04	25.57	32.61	37.64	47.83	17	1.22	1.06	1.07	1.25	1.83	46	100.00
Minneapolis-St. Pa	16.76	10.21	18.60	24.89	27.78	30.00	36.86	34.84	7	3.05	2.91	2.96	3.50	4.59	5,210	100.00
Oma	17.58	15.63	18.77	28.53	26.16	31.64	37.50	24.20	10	2.93	4.59	3.80	3.25	2.88	1,062	100.00
Portland-Vancouv	17.68	6.17	18.51	21.60	25.39	28.35	38.43	43.59	38	0.77	1.83	1.19	0.84	0.79	1,037	100.00

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT December 31, 1999				State: Multi-State MSAs					Evaluation Period: January 1, 1998 to							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *		Overall	Low	Mod	Mid	Upp	#	% of Total** *
Fargo-Moorhe	17.44	3.03	17.71	17.42	26.34	31.82	38.52	47.73	3	13.92	9.52	8.26	13.43	19.91	132	100.00
Grand For	17.51	1.59	19.28	7.94	25.57	28.57	37.64	61.90	4	9.09	4.35	4.48	6.03	14.62	63	100.00
Minneapolis-St. Pa	16.76	8.70	18.60	19.23	27.78	30.71	36.86	41.33	2	12.31	10.52	10.51	12.59	16.10	3,666	100.00
Oma	17.58	16.44	18.77	24.80	26.16	31.27	37.50	27.49	1	14.87	22.39	18.76	15.19	10.82	1,113	100.00
Portland-Vancouv	17.68	4.80	18.51	14.51	25.39	28.31	38.43	52.34	2	16.34	10.67	14.05	17.03	19.64	2,522	100.00

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE December 31, 1999										State: Multi-State MSAs					Evaluation Period: January 1, 1998 to	
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *		Overall	Low	Mod	Mid	Upp	#	% of Total** *
Fargo-Moorhe	17.44	7.56	17.71	17.53	26.34	27.15	38.52	47.77	11	3.85	9.24	6.20	5.67	4.38	291	100.00
Grand For	17.51	4.86	19.28	9.72	25.57	26.39	37.64	59.03	10	4.83	3.45	3.90	7.98	6.66	144	100.00
Minneapolis-St. Pa	16.76	10.19	18.60	22.04	27.78	29.57	36.86	37.73	12	1.78	2.45	2.09	2.02	2.34	4,211	100.00
Oma	17.58	14.97	18.77	22.41	26.16	31.31	37.50	31.31	9	2.53	5.47	3.30	3.40	2.40	1,102	100.00
Portland-Vancouv	17.68	7.10	18.51	19.18	25.39	31.37	38.43	41.98	19	1.25	2.81	1.68	1.65	1.26	1,846	100.00

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS 1999		State: Multi-State MSAs				Evaluation Period: January 1, 1998 to December 31,			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Fargo-Moorhead	72.18	44.09	92.35	3.49	4.16	9.75	4.31	601	100.00
Grand Forks	70.01	39.75	86.96	5.59	7.45	6.61	2.62	161	100.00
Minneapolis-St. Paul	72.28	39.71	89.62	4.40	5.97	26.82	14.27	11,971	100.00
Omaha	68.59	50.77	87.77	5.40	6.83	13.90	7.93	2,649	100.00
Portland-Vancouver	74.87	52.76	88.92	5.17	5.90	27.69	21.94	12,027	100.00

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 45.34% of small loans to businesses originated and purchased by USB in the Fargo-Moorhead MSA, 47.20% in the Grand Forks MSA, 47.26% in the Minneapolis-St. Paul MSA, 39.03% in the Omaha MSA, and 30.15% in the Portland-Vancouver MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM December 31, 1999		State: Multi-State MSAs				Evaluation Period: January 1, 1998 to			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Fargo-Moorhe	96.13	100.00	0.00	50.00	50.00	0.10	0.11	2	100.00
Grand For	96.20	83.33	50.00	25.00	25.00	1.05	0.97	12	100.00
Minneapolis-St. Pa	95.56	41.18	64.71	23.53	11.76	1.57	0.85	17	100.00
Oma	93.23	65.63	68.75	21.88	9.38	3.90	2.95	32	100.00
Portland-Vancouv	93.25	76.98	64.03	25.90	10.07	23.61	29.01	139	100.00

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS December 31, 1999		State: Multi-State MSAs				Evaluation Period: January 1, 1998 to			
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Fargo-Moorhe	0	0	10	117	10	117	100.00	0	0
Grand For	0	0	6	1,477	6	1,477	100.00	0	0
Minneapolis-St. Pa	4	5,651	103	33,493	107	39,144	100.00	0	0
Oma	1	4,005	58	4,269	59	8,274	100.00	0	0
Portland-Vancouv	3	38,296	116	19,422	119	57,718	100.00	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				State: Multi-State MSAs				Evaluation Period:									
January 1, 1998 to December 31, 1999																	
MSA/Assessment Area	Deposits % of Total USB Deposits in MSA	Branches				Branch Openings/Closings				Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Fargo-Moorhead	100.0	6	100.00	0.00	50.00	33.33	16.67	0	0	0	0	0	0	2.12	13.49	68.79	15.60
Grand Forks	100.0	3	100.00	0.00	33.33	33.33	33.33	1	1	0	0	0	0	0.00	25.09	62.30	12.61
Minneapolis-St. Paul	100.0	69	100.00	4.35	8.70	62.32	24.64	4	4	0	0	0	0	5.24	13.16	60.82	20.66
Omar	100.0	33	100.00	3.03	12.12	48.48	36.36	1	2	0	0	0	1	5.05	20.66	48.00	26.29
Portland-Vancouver	100.0	107	100.00	0.93	24.30	61.68	13.08	10	19	0	- 1	10	0	1.09	17.56	60.77	20.56

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Multi-State MSAs		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Fargo-Moorhead	2.12	0.61	13.49	13.65	68.79	60.46	15.60	25.29	24.31	18.56	15.49	23.22	19.34	25.19	40.86	33.03	5,422	100.00			
Grand Forks	0.00	0.00	25.09	13.59	62.30	63.68	12.61	22.73	22.90	11.20	16.81	20.29	19.96	25.80	40.33	42.70	2,200	100.00			
Minneapolis-St. Paul	5.24	2.23	13.16	7.78	60.82	60.53	20.66	29.47	21.33	20.19	17.00	26.91	22.67	26.00	39.00	26.91	128,534	100.00			
Omaha	5.05	3.62	20.66	17.63	48.00	48.59	26.29	30.17	21.68	27.69	17.52	26.74	21.31	25.25	39.48	20.32	28,947	100.00			
Portland-Vancouver	1.09	1.17	17.56	18.50	60.77	57.20	20.56	23.13	21.80	21.26	17.02	24.46	21.34	24.66	39.83	29.62	39,826	100.00			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: California				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
East Bay Assessm	31.39	778	107,237	2,754	149,734	8	1,169	19	35,804	3,559	293,944	30.96
Sacrament	28.57	1,065	117,589	2,820	181,952	17	2,000	22	29,916	3,924	331,457	34.13
Limited Scope												
	2.28	116	9,666	203	10,528	6	1,165	2	1,870	327	23,229	2.84
	0.92	11	1,360	58	1,091	0	0	0	0	69	2,451	0.60
	4.33	155	15,503	354	21,666	11	1,715	2	300	522	39,184	4.54
Mc	1.31	43	2,910	71	3,493	4	112	0	0	118	6,515	1.03
	0.44	69	6,417	97	3,108	0	0	4	5,092	170	14,617	1.48
Not	8.88	299	20,721	277	14,399	23	1,620	1	100	600	36,840	5.22
	4.59	145	7,699	196	7,170	2	2	0	0	343	14,871	2.98
	3.07	265	54,773	338	13,994	4	1,013	3	13,525	610	83,305	5.31
	1.26	71	8,280	154	10,400	17	2,252	0	0	242	20,932	2.11
	6.83	221	15,780	144	6,062	12	844	1	500	378	23,186	3.29
	4.93	99	8,296	355	24,733	8	1,272	3	6,060	465	40,361	4.04
	1.19	55	4,647	107	7,198	5	1,095	2	775	169	13,715	1.47

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		State: California								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
East Bay Assessm	3.78	1.29	13.15	9.03	46.62	59.35	36.44	30.32	97	0.12	0.05	0.06	0.15	0.10	155	18.77
Sacramen	2.43	7.80	12.52	12.20	53.21	44.75	31.84	35.25	58	0.29	0.72	0.30	0.29	0.27	295	35.71
Limited Scope																
	0.00	0.00	14.88	5.26	66.68	68.42	18.44	26.32	40	0.47	0.00	0.25	0.55	0.42	38	4.60
	0.00	0.00	0.00	0.00	61.12	0.00	38.88	100.00	0	0.00	0.00	0.00	0.00	0.00	1	0.12
	0.27	0.00	14.34	2.38	57.80	61.90	27.58	35.71	65	0.21	0.00	0.10	0.12	0.40	42	5.08
Mc	0.00	0.00	0.00	0.00	89.49	100.00	10.51	0.00	96	0.10	0.00	0.00	0.11	0.00	12	1.45
	0.17	0.00	0.28	5.26	37.77	15.79	61.78	78.95	58	0.23	0.00	3.23	0.00	0.26	19	2.30
Nor	0.00	0.00	18.56	15.91	71.56	72.73	9.87	11.36	22	1.11	0.00	1.22	1.18	0.46	44	5.33
	0.00	0.00	9.27	13.33	75.62	66.67	15.11	20.00	37	0.54	0.00	0.94	0.56	0.30	30	3.63
	0.53	0.00	9.54	6.38	62.12	59.57	27.81	34.04	61	0.26	0.00	0.09	0.31	0.23	94	11.38
	0.00	0.00	2.27	0.00	51.32	42.31	46.41	57.69	81	0.17	0.00	0.00	0.30	0.11	26	3.15
	0.00	0.00	12.02	6.25	85.90	93.75	2.08	0.00	30	0.96	0.00	0.39	1.09	0.00	32	3.87
	0.06	0.00	23.63	24.00	38.67	44.00	37.64	32.00	47	0.32	0.00	0.38	0.26	0.37	25	3.03
	0.00	0.00	20.39	7.69	50.98	7.69	28.64	84.62	41	0.32	0.00	0.30	0.00	0.70	13	1.57

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: California				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
East Bay Assessment Area	3.78	0.00	13.15	6.54	46.62	47.31	36.44	45.77	13	1.28	0.00	0.40	1.44	1.89	260	24.21
Sacramento Assessment Area	2.43	0.83	12.52	6.91	53.21	44.20	31.84	48.07	9	2.84	3.41	2.98	2.85	2.79	362	33.71
Limited Scope																
	0.00	0.00	14.88	7.69	66.68	88.46	18.44	3.85	10	3.07	0.00	1.69	4.35	0.83	26	2.42
	0.00	0.00	0.00	0.00	61.12	83.33	38.88	16.67	22	0.53	0.00	0.00	0.88	0.00	6	0.56
	0.27	0.00	14.34	7.84	57.80	54.90	27.58	37.25	15	1.49	0.00	0.00	1.39	2.04	51	4.75
Modesto Assessment Area	0.00	0.00	0.00	0.00	89.49	92.31	10.51	7.69	6	3.45	0.00	0.00	3.50	3.23	13	1.21
	0.17	0.00	0.28	0.00	37.77	3.45	61.78	96.55	2	5.41	0.00	0.00	0.00	8.16	29	2.70
North Bay Assessment Area	0.00	0.00	18.56	23.53	71.56	63.73	9.87	12.75	2	17.14	0.00	23.40	15.21	25.00	102	9.50
	0.00	0.00	9.27	3.03	75.62	78.79	15.11	18.18	6	5.56	0.00	3.33	5.63	6.17	33	3.07
	0.53	0.00	9.54	10.00	62.12	61.43	27.81	28.57	13	1.74	0.00	1.79	1.70	1.83	70	6.52
	0.00	0.00	2.27	0.00	51.32	30.77	46.41	69.23	20	0.77	0.00	0.00	0.95	0.66	13	1.21
	0.00	0.00	12.02	8.16	85.90	89.80	2.08	2.04	2	10.20	0.00	6.98	10.94	0.00	49	4.56
	0.06	0.00	23.63	12.82	38.67	35.90	37.64	51.28	7	4.68	0.00	6.06	3.75	5.03	39	3.63
	0.00	0.00	20.39	19.05	50.98	61.90	28.64	19.05	8	4.72	0.00	8.82	5.65	2.08	21	1.96

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: California				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
East Bay Assessment Area	3.78	1.11	13.15	9.70	46.62	45.15	36.44	44.04	90	0.15	0.00	0.15	0.16	0.15	361	24.36
Sacramento Assessment Area	2.43	1.73	12.52	5.94	53.21	50.25	31.84	42.08	49	0.43	0.50	0.36	0.43	0.43	404	27.26
Limited Scope																
	0.00	0.00	14.88	13.46	66.68	67.31	18.44	19.23	26	0.78	0.00	1.17	0.86	0.49	52	3.51
	0.00	0.00	0.00	0.00	61.12	25.00	38.88	75.00	156	0.05	0.00	0.00	0.04	0.05	4	0.27
	0.27	0.00	14.34	4.84	57.80	66.13	27.58	29.03	61	0.33	0.00	0.20	0.41	0.24	62	4.18
Modesto Assessment Area	0.00	0.00	0.00	0.00	89.49	94.44	10.51	5.56	54	0.35	0.00	0.00	0.40	0.00	18	1.21
	0.17	0.00	0.28	0.00	37.77	14.29	61.78	85.71	53	0.29	0.00	0.00	0.08	0.37	21	1.42
North Bay Assessment Area	0.00	0.00	18.56	13.07	71.56	76.47	9.87	10.46	7	3.07	0.00	2.47	3.17	3.20	153	10.32
	0.00	0.00	9.27	3.66	75.62	85.37	15.11	10.98	24	1.10	0.00	0.69	1.23	0.83	82	5.53
	0.53	0.00	9.54	6.12	62.12	43.88	27.81	50.00	56	0.38	0.00	0.29	0.31	0.51	98	6.61
	0.00	0.00	2.27	0.00	51.32	28.13	46.41	71.88	69	0.24	0.00	0.00	0.19	0.28	32	2.16
	0.00	0.00	12.02	5.76	85.90	93.53	2.08	0.72	9	2.83	0.00	1.45	3.07	1.01	139	9.38
	0.06	0.00	23.63	11.43	38.67	65.71	37.64	22.86	43	0.51	0.00	0.29	0.84	0.29	35	2.36
	0.00	0.00	20.39	14.29	50.98	42.86	28.64	42.86	44	0.45	0.00	0.56	0.41	0.46	21	1.42

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS				State: California				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
East Bay Assessment	11.37	5.34	15.91	11.95	44.90	47.39	27.23	35.29	5	4.93	2.14	3.99	4.87	5.70	2,754	34.74
Sacramento	5.35	5.99	21.56	18.37	48.48	48.76	24.60	26.88	5	9.90	8.63	10.24	9.65	8.86	2,820	35.57
Limited Scope																
	0.00	0.00	24.63	14.29	55.26	58.62	20.11	27.09	7	5.10	0.00	3.56	5.31	4.95	203	2.56
	0.00	0.00	0.00	0.00	73.66	75.86	21.57	22.41	8	2.18	2.30	1.67	2.46	1.67	58	0.73
	1.21	0.85	22.53	19.77	57.42	55.93	18.72	23.45	6	5.89	6.25	5.44	5.63	5.92	354	4.47
Mod	0.00	0.00	0.00	0.00	93.64	92.96	6.36	7.04	7	6.03	0.00	0.00	4.97	3.17	71	0.90
	0.18	0.00	0.26	0.00	42.68	5.15	56.88	94.85	7	4.67	0.00	0.00	0.96	6.64	97	1.22
North	0.00	0.00	34.95	34.30	60.63	59.93	4.42	5.78	5	11.26	0.00	10.32	9.59	13.24	277	3.49
	0.00	0.00	18.27	9.18	71.01	78.57	10.72	12.24	9	3.70	0.00	2.98	3.39	2.98	196	2.47
	3.34	1.78	16.89	12.43	62.28	59.76	17.50	26.04	7	4.53	2.70	4.69	4.24	4.46	338	4.26
	0.00	0.00	3.71	1.30	48.17	48.05	48.12	50.65	10	3.56	0.80	1.75	3.89	4.75	154	1.94
	0.00	0.00	15.12	20.14	84.00	79.17	0.88	0.69	7	6.22	0.00	5.52	5.56	10.00	144	1.82
	0.69	0.28	37.29	39.72	45.09	38.31	16.93	21.69	4	10.48	0.00	7.30	9.33	12.75	355	4.48
	0.00	0.00	25.99	20.56	56.05	48.60	17.96	30.84	7	6.31	0.00	6.58	6.26	4.98	107	1.35

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: California								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
East Bay Assessm	5.16	0.00	11.64	12.50	46.90	25.00	36.17	62.50	2	16.67	0.00	50.00	11.11	20.00	8	6.84
Sacramen	1.37	0.00	10.97	5.88	62.99	52.94	24.67	41.18	1	14.91	0.00	0.00	7.14	37.50	17	14.53
Limited Scope																
	0.00	0.00	7.92	16.67	53.73	83.33	38.35	0.00	6	4.35	0.00	25.00	4.88	0.00	6	5.13
	0.00	0.00	0.00	0.00	60.00	0.00	40.00	0.00	12	4.55	0.00	0.00	8.33	0.00	0	0.00
	0.19	0.00	8.20	27.27	58.61	27.27	33.00	45.45	9	1.59	0.00	4.65	0.59	2.02	11	9.40
Mc	0.00	0.00	0.00	0.00	90.65	100.00	9.35	0.00	2	50.00	0.00	0.00	33.33	0.00	4	3.42
	0.00	0.00	0.00	0.00	56.08	0.00	43.92	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Nor	0.00	0.00	29.45	39.13	66.89	60.87	3.65	0.00	1	44.90	0.00	30.00	50.00	0.00	23	19.66
	0.00	0.00	5.31	0.00	77.78	100.00	16.91	0.00	0	0.00	0.00	0.00	0.00	0.00	2	1.71
	0.76	0.00	5.30	0.00	61.41	25.00	32.53	75.00	3	4.40	0.00	0.00	0.00	14.29	4	3.42
	0.00	0.00	11.90	0.00	55.15	52.94	32.95	47.06	7	4.51	0.00	0.00	2.71	7.38	17	14.53
	0.00	0.00	9.84	0.00	89.01	100.00	1.16	0.00	4	9.13	0.00	0.00	3.52	0.00	12	10.26
	0.20	0.00	18.43	12.50	67.84	62.50	13.53	25.00	8	3.61	0.00	0.00	2.75	9.09	8	6.84
	0.00	0.00	18.97	20.00	53.78	0.00	27.26	80.00	10	1.11	0.00	3.33	0.00	2.38	5	4.27

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: California								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
East Bay Assessment Area	20.34	7.10	17.35	14.19	23.48	24.52	38.83	53.55	97	0.12	0.25	0.13	0.16	0.16	155	18.77
Sacramento Assessment Area	20.17	12.88	18.02	24.07	23.02	17.97	38.79	44.75	58	0.29	0.51	0.30	0.29	0.43	295	35.71
Limited Scope																
	19.92	5.26	18.62	7.89	22.18	31.58	39.28	55.26	40	0.47	1.77	0.74	0.27	0.56	38	4.60
	12.31	0.00	19.31	0.00	28.10	0.00	40.28	100.00	0	0.00	0.00	0.00	0.00	0.00	1	0.12
	20.97	2.38	17.19	2.38	21.42	23.81	40.42	71.43	65	0.21	0.29	0.00	0.09	0.56	42	5.08
Modesto Assessment Area	16.53	0.00	17.94	8.33	22.64	33.33	42.90	58.33	96	0.10	0.00	0.00	0.30	0.09	12	1.45
	12.15	0.00	14.89	10.53	21.04	5.26	51.92	84.21	58	0.23	0.00	0.00	0.00	0.38	19	2.30
North Bay Assessment Area	22.56	2.27	18.94	25.00	21.08	22.73	37.42	50.00	22	1.11	1.61	1.44	0.40	1.75	44	5.33
	21.65	6.67	17.74	10.00	20.87	30.00	39.73	53.33	37	0.54	1.04	0.50	0.74	0.60	30	3.63
	17.94	4.26	17.89	9.57	25.91	19.15	38.27	67.02	61	0.26	0.33	0.24	0.24	0.47	94	11.38
	15.25	3.85	14.45	7.69	23.37	7.69	46.92	76.92	81	0.17	0.00	0.00	0.00	0.34	26	3.15
	22.24	9.38	20.48	0.00	21.19	25.00	36.09	65.63	30	0.96	0.00	0.00	1.07	1.58	32	3.87
	21.22	12.00	18.13	16.00	20.86	20.00	39.79	52.00	47	0.32	1.32	0.00	0.36	0.52	25	3.03
	20.32	0.00	18.62	7.69	20.11	0.00	40.94	92.31	41	0.32	0.00	0.00	0.00	0.76	13	1.57

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			State: California						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *		Overall	Low	Mod	Mid	Upp	#	% of Total** *
Full Scope																
East Bay Assessm	20.34	2.69	17.35	10.38	23.48	21.54	38.83	65.38	13	1.28	0.28	0.91	1.20	2.17	260	24.21
Sacramen	20.17	1.66	18.02	7.73	23.02	20.72	38.79	69.89	9	2.84	1.64	2.00	2.98	3.85	362	33.71
Limited Scope																
	19.92	3.85	18.62	11.54	22.18	23.08	39.28	61.54	10	3.07	4.00	5.26	1.01	3.46	26	2.42
	12.31	16.67	19.31	0.00	28.10	33.33	40.28	50.00	22	0.53	4.76	0.00	0.00	0.00	6	0.56
	20.97	0.00	17.19	7.84	21.42	15.69	40.42	76.47	15	1.49	0.00	2.17	0.55	2.12	51	4.75
Mc	16.53	15.38	17.94	7.69	22.64	30.77	42.90	46.15	6	3.45	40.00	5.00	6.25	0.96	13	1.21
	12.15	0.00	14.89	3.45	21.04	0.00	51.92	96.55	2	5.41	0.00	0.00	0.00	7.64	29	2.70
Nor	22.56	1.96	18.94	11.76	21.08	24.51	37.42	61.76	2	17.14	10.53	34.78	14.29	17.54	102	9.50
	21.65	9.09	17.74	6.06	20.87	21.21	39.73	63.64	6	5.56	11.11	0.00	5.41	6.64	33	3.07
	17.94	1.43	17.89	5.71	25.91	15.71	38.27	77.14	13	1.74	1.32	1.99	1.27	2.34	70	6.52
	15.25	0.00	14.45	0.00	23.37	15.38	46.92	84.62	20	0.77	0.00	0.00	0.00	1.12	13	1.21
	22.24	2.04	20.48	12.24	21.19	22.45	36.09	63.27	2	10.20	5.26	5.00	12.86	11.38	49	4.56
	21.22	0.00	18.13	10.26	20.86	15.38	39.79	74.36	7	4.68	0.00	4.35	4.21	6.49	39	3.63
	20.32	4.76	18.62	4.76	20.11	9.52	40.94	80.95	8	4.72	11.11	4.55	0.00	6.33	21	1.96

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE										State: California		Evaluation Period: January 1, 1998 to December 31, 1999					
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans		
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
East Bay Assessm	20.34	7.48	17.35	16.34	23.48	23.55	38.83	52.35	90	0.15	0.18	0.18	0.21	0.20	361	24.36	
Sacramen	20.17	6.68	18.02	17.82	23.02	21.04	38.79	53.96	49	0.43	0.85	0.66	0.48	0.63	404	27.26	
Limited Scope																	
	19.92	1.92	18.62	11.54	22.18	25.00	39.28	61.54	26	0.78	0.90	1.10	0.82	0.97	52	3.51	
	12.31	0.00	19.31	50.00	28.10	50.00	40.28	0.00	156	0.05	0.00	0.17	0.08	0.00	4	0.27	
	20.97	3.23	17.19	9.68	21.42	16.13	40.42	66.13	61	0.33	0.22	0.31	0.42	0.58	62	4.18	
Mc	16.53	5.56	17.94	11.11	22.64	16.67	42.90	66.67	54	0.35	0.00	0.79	0.41	0.40	18	1.21	
	12.15	0.00	14.89	4.76	21.04	23.81	51.92	71.43	53	0.29	0.00	0.39	0.68	0.30	21	1.42	
Nor	22.56	7.19	18.94	11.76	21.08	27.45	37.42	52.94	7	3.07	4.96	3.25	4.35	3.41	153	10.32	
	21.65	4.88	17.74	10.98	20.87	25.61	39.73	57.32	24	1.10	1.68	1.36	1.25	1.31	82	5.53	
	17.94	3.06	17.89	10.20	25.91	24.49	38.27	60.20	56	0.38	0.65	0.49	0.42	0.66	98	6.61	
	15.25	0.00	14.45	12.50	23.37	9.38	46.92	78.13	69	0.24	0.00	0.32	0.13	0.44	32	2.16	
	22.24	5.04	20.48	18.71	21.19	28.78	36.09	47.48	9	2.83	1.87	5.11	4.50	2.69	139	9.38	
	21.22	17.14	18.13	22.86	20.86	28.57	39.79	31.43	43	0.51	2.34	0.89	0.68	0.48	35	2.36	
	20.32	9.52	18.62	19.05	20.11	9.52	40.94	61.90	44	0.45	1.49	1.47	0.22	0.59	21	1.42	

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: California			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
East Bay Assessm	73.08	57.33	91.36	3.85	4.79	4.93	3.94	2,754	34.74
Sacrament	74.09	55.43	88.83	5.60	5.57	9.90	8.80	2,820	35.57
Limited Scope									
	79.19	67.49	89.16	6.90	3.94	5.10	4.32	203	2.56
	61.33	68.97	100.00	0.00	0.00	2.18	2.26	58	0.73
	73.97	53.95	88.42	7.63	3.95	5.89	4.92	354	4.47
Mc	83.09	61.97	95.77	0.00	4.23	6.03	4.96	71	0.90
	84.87	55.67	96.91	3.09	0.00	4.67	2.79	97	1.22
Not	76.46	64.26	92.78	3.61	3.61	11.26	10.10	277	3.49
	77.40	73.98	96.43	0.51	3.06	3.70	2.96	196	2.47
	75.54	57.69	92.90	4.44	2.66	4.53	3.74	338	4.26
	70.33	50.00	86.36	7.79	5.84	3.56	2.98	154	1.94
	76.95	66.67	95.14	1.39	3.47	6.22	3.98	144	1.82
	68.02	60.85	87.32	5.92	6.76	10.48	10.07	355	4.48
	75.59	56.07	89.72	2.80	7.48	6.31	4.11	107	1.35

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 27.74% of small loans to businesses originated and purchased by USB in the East Bay assessment area and 29.36% in the Sacramento MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: California				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
East Bay Assessm	91.22	62.50	50.00	25.00	25.00	16.67	28.57	8	6.84
Sacramen	92.05	64.71	58.82	35.29	5.88	14.91	11.11	17	14.53
Limited Scope									
	90.84	66.67	33.33	33.33	33.33	4.35	3.09	6	5.13
	100.00	0.00	0.00	0.00	0.00	4.55	8.33	0	0.00
	88.90	72.73	54.55	27.27	18.18	1.59	1.83	11	9.40
Mc	94.96	0.00	100.00	0.00	0.00	50.00	0.00	4	3.42
	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Nor	89.27	95.65	78.26	21.74	0.00	44.90	50.00	23	19.66
	87.44	0.00	100.00	0.00	0.00	0.00	0.00	2	1.71
	88.52	25.00	25.00	25.00	50.00	4.40	1.47	4	3.42
	81.69	76.47	64.71	17.65	17.65	4.51	4.56	17	14.53
	91.61	83.33	91.67	8.33	0.00	9.13	9.33	12	10.26
	77.45	37.50	75.00	0.00	25.00	3.61	1.57	8	6.84
	87.29	20.00	40.00	0.00	60.00	1.11	0.42	5	4.27

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: California				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
East Bay Assessm	0	0	19	7,713	19	7,713	23.90	0	0
Sacramen	0	0	61	15,166	61	15,166	47.00	0	0
Limited Scope									
	0	0	7	24	7	24	0.07	0	0
	0	0	3	3,510	3	3,510	10.88	0	0
	0	0	4	35	4	35	0.11	0	0
Mc	0	0	0	0	0	0	0.00	0	0
	0	0	1	844	1	844	2.62	0	0
Nor	0	0	2	7	2	7	0.02	0	0
	0	0	1	5	1	5	0.02	0	0
	0	0	4	1,778	4	1,778	5.51	0	0
	0	0	1	5	1	5	0.02	0	0
	0	0	3	746	3	746	2.31	0	0
	0	0	3	2,236	3	2,236	6.93	0	0
	0	0	2	200	2	200	0.62	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: California				Evaluation Period:			
January 1, 1998 to December 31, 1999																					
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
East Bay Assessm	31.39	20	23.53	5.00	10.00	50.00	35.00	5	1	0	0	-1	-3	8.58	20.10	43.13	27.70				
Sacramen	28.57	20	23.53	5.00	15.00	60.00	20.00	0	0	0	0	0	0	5.14	17.45	51.69	25.72				
Limited Scope																					

* The percentage of the population in the MSA/AA that resides in these geographies.

	2.28	4	4.71	0.00	50.00	50.00	0.00	0	0	0	0	0	0	0.00	20.01	60.51	19.48
	0.92	1	1.18	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	0.00	67.21	32.79
	4.33	5	5.88	0.00	40.00	60.00	0.00	0	0	0	0	0	0	0.80	19.56	57.51	22.08
Mc	1.31	2	2.35	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	90.27	9.73
	0.44	1	1.18	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.19	0.22	39.90	59.69
Nor	8.88	10	11.76	0.00	40.00	60.00	0.00	0	0	0	0	0	0	0.00	22.22	69.68	8.07
	4.59	4	4.71	0.00	25.00	75.00	0.00	0	0	0	0	0	0	0.00	12.71	73.35	13.94
	3.07	3	3.53	33.33	0.00	66.67	0.00	0	0	0	0	0	0	0.33	15.40	59.73	24.46
	1.26	1	1.18	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	3.84	54.68	41.47
	6.83	9	10.59	0.00	22.22	77.78	0.00	0	0	0	0	0	0	0.00	12.50	85.81	1.69
	4.93	4	4.71	0.00	25.00	50.00	25.00	0	0	0	0	0	0	3.68	27.44	34.91	33.97
	1.19	1	1.18	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	30.44	48.57	20.99

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: California		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
East Bay Assessm	8.58	3.25	20.10	13.49	43.13	47.74	27.70	35.36	23.00	27.26	16.96	28.15	19.95	20.55	40.09	24.05	13,058	35.77			
Sacramen	5.14	2.17	17.45	11.46	51.69	52.03	25.72	34.34	22.39	19.65	16.66	25.66	20.03	24.21	40.92	30.48	10,067	27.57			
Limited Scope																					
	0.00	0.00	20.01	16.65	60.51	61.09	19.48	22.26	23.06	16.14	16.82	21.19	18.66	24.08	41.47	38.59	1,123	3.08			
	0.00	0.00	0.00	0.00	67.21	54.08	32.79	45.65	12.58	39.84	16.04	26.65	23.92	20.88	47.46	12.64	368	1.01			
	0.80	0.11	19.56	9.88	57.51	60.42	22.08	29.59	23.72	10.25	16.34	21.25	19.91	28.61	40.03	39.89	1,862	5.10			
Mc	0.00	0.00	0.00	0.00	90.27	91.83	9.73	8.17	20.01	11.14	15.50	12.57	19.87	24.29	44.61	52.00	355	0.97			
	0.19	0.16	0.22	0.33	39.90	25.33	59.69	74.18	15.28	8.93	13.06	11.24	18.30	23.31	53.36	56.53	612	1.68			
Nor	0.00	0.00	22.22	19.08	69.68	70.42	8.07	10.50	27.04	19.45	16.78	19.84	18.41	26.14	37.76	34.58	2,123	5.82			
	0.00	0.00	12.71	6.95	73.35	80.02	13.94	13.03	24.14	14.54	16.61	18.13	17.63	30.88	41.61	36.45	1,021	2.80			
	0.33	0.24	15.40	8.94	59.73	64.19	24.46	26.63	21.12	18.35	16.70	26.25	23.27	24.95	38.90	30.45	2,058	5.64			
	0.00	0.00	3.84	0.98	54.68	46.80	41.47	52.22	17.27	10.00	13.47	17.25	19.35	27.14	49.90	45.60	923	2.53			
	0.00	0.00	12.50	13.40	85.81	84.86	1.69	1.74	25.21	14.07	17.84	18.80	19.20	27.26	37.75	39.86	1,037	2.84			
	3.68	0.71	27.44	22.52	34.91	36.88	33.97	39.89	24.50	30.68	16.33	24.16	17.26	22.71	41.91	22.44	1,128	3.09			
	0.00	0.00	30.44	19.28	48.57	45.92	20.99	34.80	22.07	9.38	18.08	18.89	18.34	25.63	41.51	46.10	773	2.12			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Colorado				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
Deny	76.85	5,558	313,194	12,293	522,402	19	1,577	23	33,758	17,893	870,931	64.85
Limited Scope												
	4.63	457	24,559	1,071	46,707	0	0	1	114	1,529	71,380	5.54
Ca	0.29	203	7,315	69	2,578	0	0	1	1,920	273	11,813	0.99
Colorado	7.55	968	53,258	1,914	75,937	2	530	3	4,711	2,887	134,436	10.46
For	1.49	261	13,246	892	28,262	1	54	1	470	1,155	42,032	4.19
Grand	2.31	175	8,809	530	22,743	1	250	5	4,405	711	36,207	2.58
	0.57	270	12,547	485	11,663	0	0	1	650	756	24,860	2.74
	0.52	208	9,414	44	1,254	0	0	0	0	252	10,668	0.91
	3.82	915	42,405	731	31,944	0	0	4	1,127	1,650	75,476	5.98
Roaring For	1.97	147	19,999	317	15,309	15	1,107	6	17,801	485	54,216	1.76

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			State: Colorado						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Denv	3.67	3.16	19.89	16.84	45.25	43.85	31.19	36.03	34	0.77	0.50	0.83	0.67	0.90	1,740	68.97
Limited Scope																
	0.02	0.00	15.38	17.78	52.22	51.67	32.38	30.56	44	0.65	0.00	0.58	0.54	0.95	180	7.13
Ca	0.00	0.00	36.22	33.33	63.78	66.67	0.00	0.00	38	0.36	0.00	0.31	0.39	0.00	6	0.24
Colorado	1.30	0.58	18.80	8.77	45.72	29.82	34.18	60.82	64	0.27	0.00	0.11	0.17	0.43	171	6.78
For	3.23	1.56	10.86	4.69	64.15	71.88	21.76	21.88	85	0.15	0.00	0.00	0.18	0.11	64	2.54
Grand	0.00	0.00	6.69	2.63	70.02	78.95	23.29	18.42	46	0.27	0.00	0.31	0.28	0.25	38	1.51
	1.87	1.03	20.83	21.65	54.17	55.67	23.13	21.65	43	0.57	1.32	0.92	0.48	0.47	97	3.84
	13.43	16.67	40.93	59.52	45.65	23.81	0.00	0.00	1	18.42	23.08	22.97	12.31	0.00	42	1.66
	2.58	4.32	23.59	32.72	41.92	41.98	31.92	20.99	9	2.40	5.00	5.09	2.05	1.30	162	6.42
Roaring For	0.00	0.00	0.00	0.00	28.64	43.48	71.36	56.52	51	0.27	0.00	0.00	0.29	0.26	23	0.91

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: Colorado				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Denv	3.67	8.50	19.89	34.04	45.25	32.48	31.19	24.99	2	10.24	16.27	18.45	6.99	8.95	1,989	61.89
Limited Scope																
	0.02	0.00	15.38	29.81	52.22	44.10	32.38	26.09	3	9.37	0.00	24.84	7.33	6.38	161	5.01
Ca	0.00	0.00	36.22	57.75	63.78	42.25	0.00	0.00	2	23.27	0.00	36.92	14.29	0.00	71	2.21
Colorado	1.30	1.79	18.80	24.55	45.72	34.78	34.18	38.87	2	8.08	8.89	11.61	6.01	8.78	391	12.17
For	3.23	1.71	10.86	11.97	64.15	65.81	21.76	20.51	7	5.05	4.76	7.52	4.90	4.41	117	3.64
Grand	0.00	0.00	6.69	26.56	70.02	54.69	23.29	18.75	4	5.91	0.00	17.50	4.43	6.72	64	1.99
	1.87	2.70	20.83	35.14	54.17	41.89	23.13	20.27	4	6.52	6.25	16.44	3.59	5.26	74	2.30
	13.43	13.33	40.93	53.33	45.65	33.33	0.00	0.00	1	37.25	33.33	39.13	37.50	0.00	30	0.93
	2.58	4.62	23.59	33.85	41.92	40.77	31.92	20.77	2	17.84	36.84	27.27	13.51	14.69	260	8.09
Roaring For	0.00	0.00	0.00	0.00	28.64	31.58	71.36	68.42	3	12.60	0.00	0.00	9.57	14.47	57	1.77

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: Colorado				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Denve	3.67	6.77	19.89	24.05	45.25	40.67	31.19	28.51	36	0.74	1.40	1.24	0.64	0.63	1,817	53.32
Limited Scope																
	0.02	0.00	15.38	25.22	52.22	50.43	32.38	24.35	58	0.38	0.00	0.96	0.28	0.35	115	3.37
Ca	0.00	0.00	36.22	42.06	63.78	57.94	0.00	0.00	3	5.83	0.00	7.00	5.19	0.00	126	3.70
Colorado	1.30	4.43	18.80	31.77	45.72	34.24	34.18	29.56	26	0.79	5.10	1.82	0.63	0.51	406	11.91
For	3.23	3.75	10.86	22.50	64.15	55.00	21.76	18.75	62	0.30	1.24	0.90	0.25	0.17	80	2.35
Grand	0.00	0.00	6.69	6.85	70.02	73.97	23.29	19.18	35	0.52	0.00	0.85	0.62	0.22	73	2.14
	1.87	2.02	20.83	39.39	54.17	37.37	23.13	21.21	34	0.77	2.33	2.01	0.41	0.77	99	2.90
	13.43	9.56	40.93	50.74	45.65	39.71	0.00	0.00	1	27.66	33.33	24.88	30.28	0.00	136	3.99
	2.58	4.70	23.59	32.31	41.92	34.56	31.92	28.43	4	4.92	8.33	8.21	3.78	4.42	489	14.35
Roaring For	0.00	0.00	0.00	0.00	28.64	35.82	71.36	64.18	19	1.08	0.00	0.00	1.60	0.93	67	1.97

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS		State: Colorado								Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans		
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Denv	9.18	7.78	23.86	21.59	36.04	36.56	30.70	33.86	1	24.81	23.17	23.78	24.75	23.37	12,293	67.01	
Limited Scope																	
	1.75	0.75	24.38	22.13	54.71	56.02	19.00	20.92	2	13.23	10.53	13.32	13.22	12.27	1,071	5.84	
Ca	0.00	0.00	51.07	44.93	48.14	55.07	0.00	0.00	3	13.37	0.00	12.50	13.40	0.00	69	0.38	
Colorado	2.37	1.62	32.40	29.10	36.46	35.06	28.77	34.22	1	21.90	14.89	19.22	23.76	21.20	1,914	10.43	
For	10.54	13.23	18.15	14.24	55.75	49.89	15.56	22.65	2	14.36	12.15	13.36	13.68	16.87	892	4.86	
Grand	0.00	0.00	20.19	21.32	64.01	58.11	15.80	20.57	3	16.64	0.00	16.36	15.71	14.89	530	2.89	
	14.26	6.39	21.99	24.12	45.92	36.70	17.65	32.78	3	11.04	4.81	9.26	10.30	14.70	485	2.64	
	19.41	4.55	52.23	72.73	28.35	22.73	0.00	0.00	3	20.83	16.67	27.59	14.29	0.00	44	0.24	
	16.89	12.59	26.65	22.57	37.39	36.66	18.86	28.04	1	29.16	20.51	28.04	26.05	34.60	731	3.98	
Roaring For	0.00	0.00	0.00	0.00	16.64	11.99	83.36	88.01	3	10.59	0.00	0.00	9.49	7.54	317	1.73	

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Colorado								Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans		
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Denv	4.36	0.00	17.68	31.58	43.13	42.11	34.71	26.32	2	12.90	0.00	9.09	13.04	10.71	19	50.00	
Limited Scope																	
	0.00	0.00	16.19	0.00	50.57	0.00	33.24	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00	
Ca	0.00	0.00	36.00	0.00	64.00	0.00	0.00	0.00	3	8.33	0.00	0.00	0.00	0.00	0	0.00	
Colorado	1.35	0.00	21.57	50.00	48.99	50.00	28.09	0.00	8	7.69	0.00	0.00	14.29	0.00	2	5.26	
For	5.94	0.00	7.79	0.00	65.57	100.00	20.70	0.00	13	1.09	0.00	0.00	1.56	0.00	1	2.63	
Grand	0.00	0.00	7.94	0.00	78.97	100.00	13.08	0.00	4	5.71	0.00	0.00	3.70	0.00	1	2.63	
	1.34	0.00	9.24	0.00	82.73	0.00	6.69	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00	
	9.92	0.00	35.11	0.00	54.96	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00	
	4.86	0.00	11.11	0.00	61.81	0.00	22.22	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00	
Roaring For	0.00	0.00	0.00	0.00	32.95	46.67	67.05	53.33	1	28.21	0.00	0.00	30.77	5.88	15	39.47	

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE			State: Colorado						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Denv	18.79	6.67	18.71	20.11	24.56	27.13	37.94	46.09	34	0.77	0.93	0.72	0.86	1.35	1,740	68.97
Limited Scope																
	18.09	2.22	18.09	13.33	25.55	26.67	38.28	57.78	44	0.65	0.00	0.44	0.51	1.39	180	7.13
Ca	23.50	16.67	22.24	0.00	21.09	0.00	33.17	83.33	38	0.36	0.00	0.00	0.00	1.11	6	0.24
Colorado	18.03	3.51	19.64	12.87	23.31	19.30	39.02	64.33	64	0.27	0.16	0.17	0.18	0.57	171	6.78
For	18.55	6.25	19.21	15.63	23.98	42.19	38.27	35.94	85	0.15	0.20	0.07	0.32	0.13	64	2.54
Grand	19.47	2.63	18.04	21.05	22.68	23.68	39.81	52.63	46	0.27	0.00	0.27	0.37	0.43	38	1.51
	20.07	0.00	18.18	12.37	22.96	29.90	38.78	57.73	43	0.57	0.00	0.37	0.70	0.94	97	3.84
	31.10	16.67	19.52	28.57	20.74	23.81	28.63	30.95	1	18.42	50.00	30.00	16.67	24.24	42	1.66
	21.89	4.94	16.82	19.75	21.67	29.63	39.63	45.06	9	2.40	2.84	2.76	3.10	3.45	162	6.42
Roaring For	11.66	4.35	11.67	8.70	21.94	0.00	54.73	86.96	51	0.27	0.00	0.63	0.00	0.44	23	0.91

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				State: Colorado				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Denv	18.79	6.89	18.71	23.98	24.56	29.66	37.94	39.47	2	10.24	8.89	11.14	9.93	11.30	1,989	61.89
Limited Scope																
	18.09	7.45	18.09	18.01	25.55	33.54	38.28	40.99	3	9.37	8.11	9.40	10.63	9.53	161	5.01
Ca	23.50	8.45	22.24	15.49	21.09	22.54	33.17	53.52	2	23.27	28.57	7.14	26.32	33.33	71	2.21
Colorado	18.03	4.35	19.64	14.32	23.31	25.32	39.02	56.01	2	8.08	7.05	6.32	7.55	9.78	391	12.17
For	18.55	3.42	19.21	12.82	23.98	35.04	38.27	48.72	7	5.05	3.57	4.29	6.59	4.92	117	3.64
Grand	19.47	3.13	18.04	17.19	22.68	28.13	39.81	51.56	4	5.91	3.13	7.61	5.83	6.34	64	1.99
	20.07	1.35	18.18	4.05	22.96	43.24	38.78	51.35	4	6.52	2.50	1.63	10.00	7.10	74	2.30
	31.10	13.33	19.52	20.00	20.74	26.67	28.63	40.00	1	37.25	23.08	36.36	33.33	57.14	30	0.93
	21.89	6.15	16.82	17.31	21.67	26.54	39.63	50.00	2	17.84	20.97	17.69	17.98	18.37	260	8.09
Roaring For	11.66	0.00	11.67	3.51	21.94	26.32	54.73	70.18	3	12.60	0.00	5.88	17.86	12.74	57	1.77

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE				State: Colorado				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Denv	18.79	10.68	18.71	24.05	24.56	30.60	37.94	34.56	36	0.74	1.35	1.12	1.14	0.89	1,817	53.32
Limited Scope																
	18.09	8.70	18.09	24.35	25.55	31.30	38.28	35.65	58	0.38	0.47	0.66	0.59	0.42	115	3.37
Ca	23.50	3.97	22.24	15.08	21.09	30.95	33.17	50.00	3	5.83	6.06	7.08	7.74	8.06	126	3.70
Colorado	18.03	7.14	19.64	17.24	23.31	30.30	39.02	45.07	26	0.79	1.58	1.44	1.39	1.08	406	11.91
For	18.55	6.25	19.21	26.25	23.98	37.50	38.27	30.00	62	0.30	0.26	0.62	0.51	0.25	80	2.35
Grand	19.47	9.59	18.04	24.66	22.68	30.14	39.81	35.62	35	0.52	3.01	0.51	1.18	0.40	73	2.14
	20.07	5.05	18.18	13.13	22.96	28.28	38.78	53.54	34	0.77	1.19	0.77	0.96	1.10	99	2.90
	31.10	5.15	19.52	27.94	20.74	27.21	28.63	39.71	1	27.66	12.50	32.05	33.72	40.18	136	3.99
	21.89	7.16	16.82	17.38	21.67	32.72	39.63	42.54	4	4.92	6.35	6.58	8.66	5.21	489	14.35
Roaring For	11.66	2.99	11.67	11.94	21.94	19.40	54.73	64.18	19	1.08	2.00	2.06	1.42	1.46	67	1.97

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Colorado			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Deny	72.67	64.78	96.22	1.81	1.97	24.81	22.66	12,293	67.01
Limited Scope									
	77.50	63.49	96.08	1.59	2.33	13.23	10.40	1,071	5.84
Ca	81.71	78.26	98.55	0.00	1.45	13.37	11.68	69	0.38
Colorado	76.04	66.51	96.13	2.19	1.67	21.90	20.38	1,914	10.43
For	77.81	66.93	99.44	0.34	0.22	14.36	11.47	892	4.86
Grand	75.95	67.55	93.58	3.96	2.45	16.64	13.43	530	2.89
	74.40	70.93	99.79	0.21	0.00	11.04	8.83	485	2.64
	70.50	77.27	97.73	2.27	0.00	20.83	16.67	44	0.24
	74.62	70.18	94.94	3.69	1.37	29.16	26.37	731	3.98
Roaring For	79.67	65.62	94.95	1.58	3.47	10.59	8.53	317	1.73

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 23.96% of small loans to businesses originated and purchased by USB in the Denver MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM			State: Colorado			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Denver	91.40	63.16	73.68	21.05	5.26	12.90	11.27	19	50.00
Limited Scope									
	92.61	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Cañon City	94.00	0.00	0.00	0.00	0.00	8.33	8.33	0	0.00
Colorado Springs	92.13	0.00	50.00	0.00	50.00	7.69	0.00	2	5.26
Fort Collins	91.80	100.00	100.00	0.00	0.00	1.09	1.39	1	2.63
Grand Junction	92.52	0.00	0.00	100.00	0.00	5.71	0.00	1	2.63
	85.01	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
	86.26	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
	95.83	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Roaring Fork	92.05	93.33	86.67	6.67	6.67	28.21	30.30	15	39.47

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: Colorado				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Deny	2	5,568	164	17,863	166	23,431	75.12	0	0
Limited Scope									
	0	0	11	156	11	156	0.50	0	0
Ca	0	0	1	56	1	56	0.18	0	0
Colorado	0	0	29	986	29	986	3.16	0	0
For	0	0	5	4,287	5	4,287	13.74	0	0
Grand	0	0	11	1,706	11	1,706	5.47	0	0
	0	0	6	28	6	28	0.09	0	0
	0	0	1	2	1	2	0.01	0	0
	0	0	13	260	13	260	0.83	0	0
Roaring For	0	0	4	280	4	280	0.90	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Colorado				Evaluation Period:			
January 1, 1998 to December 31, 1999																					
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
Denv	76.85	50	59.52	4.00	20.00	38.00	38.00	0	8	0	0	3	5	6.86	23.97	43.35	25.82				
Limited Scope																					
	4.63	7	8.33	0.00	28.57	57.14	14.29	0	2	0	0	1	1	3.03	17.92	51.96	26.62				
Ca	0.29	1	1.19	0.00	100.00	0.00	0.00	0	2	0	0	1	1	0.00	43.15	54.66	0.00				
Colorado	7.55	9	10.71	0.00	22.22	44.44	33.33	0	3	0	0	2	1	1.81	25.89	44.03	28.27				
For	1.49	5	5.95	0.00	20.00	40.00	40.00	0	2	0	0	1	1	5.68	14.04	61.44	18.84				
Grand	2.31	2	2.38	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	8.84	72.03	19.13				
	0.57	1	1.19	0.00	0.00	0.00	100.00	0	0	0	0	0	0	3.47	27.07	50.19	19.27				
	0.52	1	1.19	0.00	100.00	0.00	0.00	0	0	0	0	0	0	14.48	41.41	44.11	0.00				
	3.82	5	5.95	20.00	0.00	40.00	40.00	0	0	0	0	0	0	4.40	27.17	39.43	28.11				
Roaring For	1.97	3	3.57	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	0.00	31.48	68.52				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Colorado		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total* *			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Denv	6.86	4.46	23.97	19.27	43.35	44.26	25.82	31.83	22.11	19.79	16.74	28.67	20.59	26.17	40.56	25.38	82,382	68.15			
Limited Scope																					
	3.03	0.59	17.92	16.76	51.96	57.68	26.62	24.93	23.13	29.32	16.75	30.12	20.40	19.84	39.73	20.72	7,406	6.13			
Ca	0.00	0.00	43.15	40.18	54.66	59.82	0.00	0.00	30.30	15.03	18.19	22.48	19.38	29.93	32.13	32.55	769	0.64			
Colorado	1.81	1.62	25.89	19.29	44.03	41.95	28.27	37.13	20.46	14.86	18.62	26.12	21.36	26.19	39.55	32.83	11,708	9.69			
For	5.68	2.07	14.04	8.75	61.44	66.35	18.84	22.83	23.33	18.60	17.01	28.39	18.59	29.22	41.07	23.78	4,879	4.04			
Grand	0.00	0.00	8.84	8.54	72.03	66.47	19.13	24.99	27.76	14.67	18.83	22.11	21.06	24.25	32.36	38.98	3,069	2.54			
	3.47	1.60	27.07	23.41	50.19	35.34	19.27	39.64	23.35	14.17	16.26	21.07	19.54	29.96	40.85	34.80	2,742	2.27			
	14.48	11.21	41.41	54.53	44.11	34.25	0.00	0.00	34.49	20.43	17.81	30.19	17.80	24.61	29.90	24.77	651	0.54			
	4.40	2.49	27.17	20.22	39.43	46.09	28.11	31.05	25.52	11.95	15.22	17.54	17.95	30.96	41.30	39.55	6,271	5.19			
Roaring For	0.00	0.00	0.00	0.00	31.48	19.96	68.52	80.04	13.65	7.40	11.89	22.70	18.13	22.49	56.33	47.42	1,007	0.83			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Idaho				Evaluation Period: 01/01/1998 TO 12/31/1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Scope												
Bo	47.17	1,781	117,810	2,896	214,680	280	27,365	7	25,265	4,964	385,120	39.71
Limited Scope												
	1.81	116	5,787	214	9,574	15	1,285	8	4,414	353	21,060	2.82
	11.50	514	32,712	702	46,390	306	24,116	3	3,932	1,525	107,150	12.20
	10.45	673	43,886	749	47,254	495	41,886	2	360	1,919	133,386	15.35
	21.02	1,301	82,969	1,347	89,550	146	12,343	0	0	2,794	184,862	22.35
Sc	2.64	101	4,946	104	5,224	34	2,718	0	0	239	12,888	1.91
	5.40	227	14,083	348	16,555	132	11,461	1	915	708	43,014	5.66

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			State: Idaho						Evaluation Period: 01/01/1998 TO 12/31/1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bo	1.07	2.25	15.08	11.04	55.50	61.26	28.36	25.45	17	1.59	4.08	1.90	1.47	1.70	444	49.22
Limited Scope																
	0.00	0.00	14.72	15.00	64.76	65.00	20.51	20.00	26	0.47	0.00	0.43	0.33	0.88	20	2.22
	0.00	0.00	15.10	9.52	72.33	67.62	12.57	22.86	13	1.77	0.00	1.59	1.79	1.79	105	11.64
	0.00	0.00	4.10	0.99	67.08	59.41	28.82	39.60	17	1.87	0.00	0.98	1.79	2.17	101	11.20
	0.00	0.00	8.30	6.88	72.54	67.20	19.16	25.93	17	1.50	0.00	1.68	1.42	1.74	189	20.95
Sc	0.00	0.00	33.08	46.67	39.73	53.33	27.19	0.00	22	0.72	0.00	1.67	0.46	0.00	15	1.66
	0.00	0.00	21.04	7.14	78.96	92.86	0.00	0.00	22	1.14	0.00	0.00	1.36	0.00	28	3.10

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: Idaho				Evaluation Period: 01/01/1998 TO 12/31/1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bo	1.07	0.71	15.08	14.98	55.50	59.91	28.36	24.39	1	25.13	10.00	24.08	26.60	23.36	701	44.34
Limited Scope																
	0.00	0.00	14.72	6.25	64.76	64.58	20.51	29.17	1	16.15	0.00	6.67	15.57	25.00	48	3.04
	0.00	0.00	15.10	14.77	72.33	74.43	12.57	10.80	1	23.58	0.00	17.91	25.39	21.74	176	11.13
	0.00	0.00	4.10	0.53	67.08	70.53	28.82	28.95	1	23.90	0.00	0.00	24.74	23.26	190	12.02
	0.00	0.00	8.30	4.79	72.54	73.24	19.16	21.97	1	25.47	0.00	27.03	24.46	28.97	355	22.45
Sc	0.00	0.00	33.08	62.86	39.73	28.57	27.19	8.57	1	24.29	0.00	28.57	21.43	0.00	35	2.21
	0.00	0.00	21.04	13.16	78.96	86.84	0.00	0.00	1	25.57	0.00	13.51	28.78	0.00	76	4.81

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: Idaho				Evaluation Period: 01/01/1998 TO 12/31/1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bo	1.07	1.27	15.08	12.82	55.50	55.54	28.36	30.38	10	2.30	2.03	2.96	2.19	2.31	632	28.44
Limited Scope																
	0.00	0.00	14.72	10.42	64.76	56.25	20.51	33.33	24	1.03	0.00	1.54	0.98	0.95	48	2.16
	0.00	0.00	15.10	11.59	72.33	73.82	12.57	14.59	5	2.82	0.00	3.66	3.42	1.13	233	10.49
	0.00	0.00	4.10	1.84	67.08	67.98	28.82	30.18	5	4.48	0.00	2.65	4.29	5.20	381	17.15
	0.00	0.00	8.30	4.11	72.54	75.36	19.16	20.53	3	5.67	0.00	4.42	5.92	5.21	755	33.98
Sc	0.00	0.00	33.08	45.10	39.73	45.10	27.19	9.80	5	5.01	0.00	6.91	4.25	0.00	51	2.30
	0.00	0.00	21.04	2.46	78.96	97.54	0.00	0.00	3	4.38	0.00	0.87	5.09	0.00	122	5.49

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS		State: Idaho								Evaluation Period: 01/01/1998 TO 12/31/1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans		
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Bo	11.02	7.32	14.97	14.33	56.29	59.88	17.70	18.47	1	33.54	23.71	31.79	30.93	37.97	2,896	45.53	
Limited Scope																	
	0.00	0.00	34.28	27.57	56.45	59.81	9.27	12.62	1	26.23	0.00	19.51	24.52	25.93	214	3.36	
	0.00	0.00	25.20	20.09	51.64	56.55	23.16	23.36	1	29.41	0.00	25.31	22.65	21.83	702	11.04	
	0.00	0.00	10.43	7.34	60.09	68.62	29.48	24.03	2	20.60	0.00	19.90	19.96	14.97	749	11.78	
	0.00	0.00	21.16	16.70	66.33	67.41	12.51	15.89	1	27.52	0.00	28.00	21.68	19.97	1,347	21.18	
Sc	0.00	0.00	35.07	41.35	48.64	50.96	16.28	7.69	1	39.04	0.00	25.00	24.74	32.00	104	1.64	
	0.00	0.00	18.34	8.05	81.66	91.95	0.00	0.00	1	34.21	0.00	15.63	32.29	0.00	348	5.47	

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Idaho								Evaluation Period: 01/01/1998 TO 12/31/1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans		
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Bo	1.69	2.86	23.86	36.07	63.52	55.71	10.93	5.36	1	31.86	60.00	33.89	26.12	26.19	280	19.89	
Limited Scope																	
	0.00	0.00	9.09	13.33	78.79	73.33	12.12	13.33	1	29.79	0.00	25.00	23.08	16.67	15	1.07	
	0.00	0.00	10.38	1.96	84.96	95.10	4.67	2.94	2	27.44	0.00	12.50	16.99	33.33	306	21.73	
	0.00	0.00	2.03	1.21	84.62	89.49	13.35	9.29	2	19.95	0.00	17.39	17.66	10.00	495	35.16	
	0.00	0.00	9.88	5.48	79.50	84.93	10.63	9.59	1	45.98	0.00	27.27	29.28	26.67	146	10.37	
Sc	0.00	0.00	47.32	55.88	45.85	44.12	6.83	0.00	2	34.98	0.00	12.60	11.46	6.67	34	2.41	
	0.00	0.00	18.66	7.58	81.34	92.42	0.00	0.00	2	26.36	0.00	8.70	29.55	0.00	132	9.38	

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: Idaho								Evaluation Period: 01/01/1998 TO 12/31/1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans		
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Bo	16.83	17.12	19.74	33.78	24.27	20.05	39.16	29.05	17	1.59	3.77	2.25	1.32	1.59	444	49.22	
Limited Scope																	
	19.88	5.00	17.47	30.00	25.38	25.00	37.28	40.00	26	0.47	0.62	0.60	0.27	0.64	20	2.22	
	18.71	13.33	20.71	17.14	24.48	21.90	36.11	47.62	13	1.77	4.48	1.59	1.43	2.50	105	11.64	
	15.69	3.96	17.83	14.85	23.22	26.73	43.25	54.46	17	1.87	0.00	1.44	2.42	2.85	101	11.20	
	18.46	5.82	19.14	18.52	23.67	27.51	38.74	48.15	17	1.50	2.53	1.37	1.73	1.75	189	20.95	
Sc	19.96	20.00	25.75	20.00	23.85	26.67	30.44	33.33	22	0.72	0.00	1.01	0.00	1.58	15	1.66	
	23.74	7.14	22.49	10.71	24.03	25.00	29.73	57.14	22	1.14	0.00	0.59	1.08	2.13	28	3.10	

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				State: Idaho				Evaluation Period: 01/01/1998 TO 12/31/1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bo	16.83	5.42	19.74	16.69	24.27	33.67	39.16	44.08	1	25.13	18.63	20.41	29.88	27.15	701	44.34
Limited Scope																
	19.88	2.08	17.47	12.50	25.38	37.50	37.28	47.92	1	16.15	0.00	13.79	19.35	20.27	48	3.04
	18.71	7.95	20.71	14.20	24.48	26.70	36.11	51.14	1	23.58	16.00	23.33	20.83	28.49	176	11.13
	15.69	3.16	17.83	12.11	23.22	26.32	43.25	58.42	1	23.90	15.38	24.53	20.37	30.46	190	12.02
	18.46	4.23	19.14	12.96	23.67	26.48	38.74	56.34	1	25.47	10.53	25.84	23.96	28.68	355	22.45
Sc	19.96	20.00	25.75	11.43	23.85	31.43	30.44	37.14	1	24.29	66.67	16.67	21.74	22.22	35	2.21
	23.74	3.95	22.49	21.05	24.03	34.21	29.73	40.79	1	25.57	15.38	27.59	27.42	25.35	76	4.81

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		State: Idaho								Evaluation Period: 01/01/1998 TO 12/31/1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans		
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Bo	16.83	8.54	19.74	20.89	24.27	30.06	39.16	40.35	10	2.30	3.73	3.05	2.89	2.59	632	28.44	
Limited Scope																	
	19.88	8.33	17.47	31.25	25.38	14.58	37.28	45.83	24	1.03	3.15	2.19	0.52	1.17	48	2.16	
	18.71	4.29	20.71	14.59	24.48	27.90	36.11	53.22	5	2.82	3.09	4.07	3.05	3.37	233	10.49	
	15.69	4.99	17.83	13.12	23.22	21.78	43.25	59.84	5	4.48	6.33	5.48	4.26	5.40	381	17.15	
	18.46	5.17	19.14	16.56	23.67	28.21	38.74	49.54	3	5.67	6.96	8.80	6.73	5.89	755	33.98	
Sc	19.96	5.88	25.75	21.57	23.85	25.49	30.44	45.10	5	5.01	1.47	10.13	6.87	7.46	51	2.30	
	23.74	7.38	22.49	18.03	24.03	25.41	29.73	49.18	3	4.38	8.70	5.88	4.72	4.64	122	5.49	

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Idaho			Evaluation Period: 01/01/1998 TO 12/31/1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Bo	71.33	60.39	85.29	7.73	6.98	33.54	30.41	2,896	45.53
Limited Scope									
	69.83	62.15	91.59	5.61	2.80	26.23	23.63	214	3.36
	75.72	60.97	85.33	8.83	5.84	29.41	24.74	702	11.04
	71.71	55.94	86.92	8.54	4.54	20.60	15.92	749	11.78
	77.05	59.54	87.97	6.38	5.64	27.52	22.48	1,347	21.18
Sc	73.80	71.15	93.27	3.85	2.88	39.04	36.29	104	1.64
	79.41	66.38	91.38	5.75	2.87	34.21	23.95	348	5.47

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 24.72% of small loans to businesses originated and purchased by USB in the Boise MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM			State: Idaho			Evaluation Period: 01/01/1998 TO 12/31/1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Bo	91.45	85.71	70.00	20.00	10.00	31.86	30.59	280	19.89
Limited Scope									
	93.18	80.00	80.00	13.33	6.67	29.79	34.21	15	1.07
	89.90	92.48	77.45	17.32	5.23	27.44	27.94	306	21.73
	88.97	83.64	73.54	19.60	6.87	19.95	19.00	495	35.16
	92.38	84.25	73.97	21.23	4.79	45.98	44.58	146	10.37
Sc	90.24	88.24	67.65	29.41	2.94	34.98	33.76	34	2.41
	88.52	89.39	75.00	16.67	8.33	26.36	25.36	132	9.38

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS									
State: Idaho									
Evaluation Period: 01/01/1998 TO 12/31/1999									
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Bo	0	0	46	3,205	46	3,205	43.43	0	0
Limited Scope									
	0	0	5	109	5	109	1.48	0	0
	0	0	8	2,048	8	2,048	27.75	0	0
	0	0	9	58	9	58	0.79	0	0
	0	0	9	46	9	46	0.62	0	0
Sc	1	1,898	1	5	1	1,903	25.79	0	0
	0	0	1	10	1	10	0.14	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Idaho				Evaluation Period:			
01/01/1998 TO 12/31/1999																					
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
Bo	47.17	33	34.02	12.12	15.15	51.52	21.21	4	5	- 1	- 2	3	1	2.23	17.49	53.76	26.43				
Limited Scope																					
	1.81	3	3.09	0.00	66.67	33.33	0.00	0	0	0	0	0	0	0.00	16.42	64.33	19.25				
	11.50	16	16.49	0.00	31.25	56.25	12.50	1	1	0	0	0	0	0.00	15.52	72.72	11.76				
	10.45	14	14.43	0.00	14.29	64.29	21.43	0	0	0	0	0	0	0.00	5.17	67.84	26.99				
	21.02	21	21.65	0.00	14.29	76.19	9.52	1	0	0	0	- 1	0	0.00	11.16	70.67	18.17				
Sc	2.64	5	5.15	0.00	60.00	40.00	0.00	0	0	0	0	0	0	0.00	47.24	34.28	18.47				
	5.40	5	5.15	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	21.27	78.73	0.00				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Idaho		Evaluation Period: 01/01/1998 TO 12/31/1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Bo	2.23	1.86	17.49	20.47	53.76	57.56	26.43	20.11	20.79	23.81	18.06	24.74	21.32	24.98	39.83	26.47	11,104	47.46			
Limited Scope																					
	0.00	0.77	16.42	19.47	64.33	61.60	19.25	18.16	30.31	23.50	17.92	26.55	21.89	23.84	29.88	26.10	914	3.91			
	0.00	0.00	15.52	39.33	72.72	55.14	11.76	5.53	22.38	27.59	17.98	28.12	21.10	22.58	38.54	21.71	2,080	8.89			
	0.00	0.00	5.17	27.88	67.84	53.54	26.99	18.58	18.55	21.71	15.66	24.29	19.99	25.50	45.81	28.50	3,364	14.38			
	0.00	0.00	11.16	34.88	70.67	50.33	18.17	14.79	23.64	23.75	16.78	23.47	20.18	25.38	39.40	27.40	4,381	18.73			
Sc	0.00	0.00	47.24	52.39	34.28	30.28	18.47	17.33	21.25	23.98	22.07	23.17	20.37	29.47	36.32	23.37	502	2.15			
	0.00	0.00	21.27	51.95	78.73	48.05	0.00	0.00	27.37	17.96	18.88	28.83	21.39	26.89	32.36	26.31	1,051	4.49			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Illinois				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
Chica	100.00	372	32,894	2,415	74,140	5	1,047	5	8,450	2,797	116,531	100.00

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			State: Illinois						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Chica	3.61	9.43	14.32	25.00	47.17	40.57	34.91	25.00	210	0.04	0.04	0.07	0.04	0.04	212	100.00

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: Illinois				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Chicago	3.61	7.46	14.32	14.93	47.17	41.79	34.91	35.82	75	0.13	0.11	0.10	0.13	0.15	67	100.00

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: Illinois				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Chica	3.61	6.74	14.32	21.35	47.17	42.70	34.91	29.21	351	0.02	0.03	0.04	0.01	0.01	89	100.00

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS				State: Illinois				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Chica	5.76	4.68	13.92	15.82	38.82	44.47	39.83	34.45	7	2.90	3.33	4.16	3.20	2.14	2,415	100.00

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM			State: Illinois						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Chica	1.49	0.00	6.84	0.00	43.85	20.00	47.32	60.00	5	5.26	0.00	0.00	5.26	6.45	5	100.00

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE			State: Illinois						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Chica	21.67	7.08	17.68	32.55	23.39	29.25	37.26	30.66	210	0.04	0.03	0.07	0.07	0.04	212	100.00

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				State: Illinois				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Chica	21.67	2.99	17.68	14.93	23.39	35.82	37.26	46.27	75	0.13	0.05	0.09	0.24	0.16	67	100.00

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			State: Illinois						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Chica	21.67	11.24	17.68	24.72	23.39	25.84	37.26	38.20	351	0.02	0.03	0.02	0.02	0.03	89	100.00

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Illinois			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Chica	70.33	61.49	96.31	0.95	2.73	2.90	2.81	2,415	100.00

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only.

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 33.29% of small loans to businesses originated and purchased by USB in the Chicago MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: Illinois				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Chica	90.72	60.00	40.00	40.00	20.00	5.26	4.35	5	100.00

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS									
State: Illinois									
Evaluation Period: January 1, 1998 to December 31, 1999									
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Chica	0	0	26	8,942	26	8,942	100.00	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Illinois				Evaluation Period:			
January 1, 1998 to December 31, 1999																					
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
Chica	100.00	7	100.00	0.00	14.29	42.86	42.86	1	0	- 1	0	0	0	11.80	21.75	40.03	26.39				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Illinois		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Chica	11.80	3.16	21.75	12.99	40.03	39.17	26.39	44.65	24.87	20.63	16.33	30.07	20.58	26.62	38.23	22.68	37,442	100.00			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Iowa				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Scope												
Des Moines	43.64	405	17,127	263	9,454	7	383	0	0	675	26,964	35.28
Maquokette	34.91	261	12,607	56	1,632	0	0	1	1,650	318	15,889	20.79
Limited Scope												
Dubuque	0.21	20	1,097	40	330	0	0	0	0	60	1,427	1.87
Decorah	8.04	91	3,909	83	3,230	74	3,369	0	0	248	10,508	13.75
Rockwell	4.90	27	1,270	40	2,203	113	6,498	1	105	181	10,076	13.18
Sheldahl	8.30	31	1,553	84	2,435	206	7,576	0	0	321	11,564	15.13

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			State: Iowa						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Des Moines	1.89	4.41	11.10	12.50	60.42	63.24	26.58	19.85	30	0.50	2.99	1.10	0.60	0.19	136	57.63
Marion	0.00	0.00	0.00	0.00	83.42	81.40	16.58	18.60	7	5.65	0.00	0.00	5.38	6.38	43	18.22
Limited Scope																
Des Moines	1.57	12.50	8.73	0.00	62.12	62.50	27.58	25.00	76	0.08	0.00	0.00	0.05	0.16	8	3.39
	0.00	5.56	0.00	0.00	42.20	44.44	57.80	50.00	16	1.16	0.00	0.00	1.29	1.09	36	15.25
Rochester	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	11	2.63	0.00	0.00	2.63	0.00	7	2.97
Sibley	0.00	0.00	0.00	0.00	89.53	83.33	10.47	16.67	17	1.31	0.00	0.00	1.47	0.00	6	2.54

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: Iowa				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Des Moines	1.89	0.00	11.10	5.65	60.42	66.94	26.58	27.42	9	3.53	0.00	0.45	3.84	4.39	124	60.78
Marion	0.00	0.00	0.00	0.00	83.42	85.71	16.58	14.29	2	20.87	0.00	0.00	20.43	22.73	56	27.45
Limited Scope																
Des Moines	1.57	0.00	8.73	0.00	62.12	50.00	27.58	50.00	0	0.00	0.00	0.00	0.00	0.00	2	0.98
	0.00	0.00	0.00	0.00	42.20	69.23	57.80	30.77	9	3.30	0.00	0.00	8.82	0.00	13	6.37
Rochester	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	3	7.14	0.00	0.00	7.14	0.00	4	1.96
Seymour	0.00	0.00	0.00	0.00	89.53	100.00	10.47	0.00	6	6.12	0.00	0.00	6.98	0.00	5	2.45

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			State: Iowa			Evaluation Period: January 1, 1998 to December 31, 1999										
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Des Moines	1.89	0.69	11.10	5.52	60.42	70.34	26.58	23.45	32	0.65	0.00	0.40	0.79	0.52	145	36.71
Marion	0.00	0.00	0.00	0.00	83.42	83.95	16.58	16.05	4	9.55	0.00	0.00	10.57	6.25	162	41.01
Limited Scope																
Des Moines	1.57	0.00	8.73	20.00	62.12	50.00	27.58	30.00	129	0.03	0.00	0.00	0.00	0.09	10	2.53
	0.00	0.00	0.00	0.00	42.20	80.95	57.80	19.05	10	2.00	0.00	0.00	5.50	0.53	42	10.63
Rochester	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	3	7.19	0.00	0.00	7.19	0.00	16	4.05
Seymour	0.00	0.00	0.00	0.00	89.53	90.00	10.47	10.00	9	3.61	0.00	0.00	3.53	4.35	20	5.06

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS				State: Iowa				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Des Moines	15.24	6.08	9.63	4.18	43.11	55.89	32.02	33.84	9	3.36	1.38	1.91	4.24	3.45	263	46.47
Ma	0.00	0.00	0.00	0.00	91.90	91.07	8.10	8.93	5	8.38	0.00	0.00	8.60	6.56	56	9.89
Limited Scope																
D	5.44	2.50	16.55	7.50	53.56	55.00	24.44	35.00	12	1.20	0.00	0.97	1.36	1.25	40	7.07
	0.31	0.00	0.00	0.00	45.70	68.67	51.42	31.33	5	4.03	0.00	0.00	5.34	1.86	83	14.66
Roc	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	1	24.39	0.00	0.00	24.39	0.00	40	7.07
S	0.00	0.00	0.00	0.00	89.59	91.67	10.41	8.33	3	14.89	0.00	0.00	10.00	4.55	84	14.84

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Iowa								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Des Moines	1.21	0.00	3.77	0.00	63.66	71.43	31.36	28.57	18	0.53	0.00	0.00	1.30	0.00	7	1.75
Ma	0.00	0.00	0.00	0.00	90.72	0.00	9.28	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Limited Scope																
D	0.18	0.00	1.47	0.00	86.56	0.00	11.79	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
	0.34	0.00	0.00	0.00	60.77	70.27	38.38	29.73	2	21.76	0.00	0.00	41.18	8.47	74	18.50
Roc	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	2	35.00	0.00	0.00	34.06	0.00	113	28.25
S	0.00	0.00	0.00	0.00	92.00	77.67	8.00	22.33	3	24.36	0.00	0.00	13.29	90.91	206	51.50

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: Iowa								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Des Moir	16.81	15.44	18.43	41.18	26.55	28.68	38.21	14.71	30	0.50	0.73	1.01	0.44	0.23	136	57.63
Ma	13.65	6.98	19.36	18.60	25.27	39.53	41.72	34.88	7	5.65	4.55	7.06	5.10	6.25	43	18.22
Limited Scope																
D	18.98	25.00	15.80	37.50	23.29	25.00	41.93	12.50	76	0.08	0.38	0.00	0.25	0.00	8	3.39
	14.07	5.56	13.54	5.56	21.78	38.89	50.61	50.00	16	1.16	6.45	1.36	0.72	1.23	36	15.25
Roc	14.45	14.29	20.33	42.86	29.63	14.29	35.59	28.57	11	2.63	0.00	0.00	0.00	7.69	7	2.97
S	13.59	16.67	18.36	16.67	27.35	16.67	40.70	50.00	17	1.31	5.88	2.50	0.00	1.33	6	2.54

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				State: Iowa				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Des Moir	16.81	13.71	18.43	24.19	26.55	25.81	38.21	36.29	9	3.53	2.87	3.20	3.96	4.00	124	60.78
Ma	13.65	8.93	19.36	17.86	25.27	30.36	41.72	42.86	2	20.87	21.43	19.05	30.77	17.31	56	27.45
Limited Scope																
D	18.98	0.00	15.80	0.00	23.29	50.00	41.93	50.00	0	0.00	0.00	0.00	0.00	0.00	2	0.98
	14.07	7.69	13.54	7.69	21.78	46.15	50.61	38.46	9	3.30	0.00	0.00	6.67	3.39	13	6.37
Roc	14.45	25.00	20.33	25.00	29.63	25.00	35.59	25.00	3	7.14	100.00	0.00	0.00	11.11	4	1.96
S	13.59	0.00	18.36	40.00	27.35	40.00	40.70	20.00	6	6.12	0.00	16.67	5.88	4.55	5	2.45

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE				State: Iowa				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Des Moir	16.81	13.79	18.43	26.21	26.55	26.90	38.21	33.10	32	0.65	0.88	0.92	0.86	0.57	145	36.71
Ma	13.65	6.17	19.36	22.84	25.27	30.86	41.72	40.12	4	9.55	8.06	15.60	11.68	8.20	162	41.01
Limited Scope																
D	18.98	10.00	15.80	10.00	23.29	20.00	41.93	60.00	129	0.03	0.00	0.00	0.00	0.08	10	2.53
	14.07	2.38	13.54	19.05	21.78	33.33	50.61	45.24	10	2.00	3.85	5.77	2.83	1.52	42	10.63
Roc	14.45	6.25	20.33	18.75	29.63	50.00	35.59	25.00	3	7.19	0.00	9.09	11.86	3.57	16	4.05
S	13.59	10.00	18.36	15.00	27.35	25.00	40.70	50.00	9	3.61	7.69	2.13	4.50	5.06	20	5.06

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Iowa			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Des Moines	64.82	62.36	96.20	1.14	2.66	3.36	3.03	263	46.47
Mason City	71.24	44.64	96.43	3.57	0.00	8.38	5.68	56	9.89
Limited Scope									
Des Moines	65.08	72.50	100.00	0.00	0.00	1.20	0.98	40	7.07
Mason City	67.84	40.96	92.77	6.02	1.20	4.03	2.55	83	14.66
Rochester	73.94	45.00	82.50	12.50	5.00	24.39	9.76	40	7.07
Spirit Lake	76.76	36.90	92.86	7.14	0.00	14.89	3.28	84	14.84

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 30.80% of small loans to businesses originated and purchased by USB in the Des Moines MSA and 48.21% in the Mason City assessment area.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM			State: Iowa			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Des Moines	87.35	100.00	85.71	14.29	0.00	0.53	0.99	7	1.75
Ma	91.98	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Limited Scope									
D	93.55	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
	91.25	17.57	87.84	10.81	1.35	21.76	2.78	74	18.50
Roc	90.15	68.14	85.84	13.27	0.88	35.00	52.05	113	28.25
S	92.62	23.30	90.78	8.25	0.97	24.36	4.71	206	51.50

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS									
State: Iowa									
Evaluation Period: January 1, 1998 to December 31, 1999									
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Des Moir	0	0	3	80	3	80	100.00	0	0
Ma	0	0	0	0	0	0	0.00	0	0
Limited Scope									
D	0	0	0	0	0	0	0.00	0	0
	0	0	0	0	0	0	0.00	0	0
Roc	0	0	0	0	0	0	0.00	0	0
S	0	0	0	0	0	0	0.00	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Iowa				Evaluation Period:			
January 1, 1998 to December 31, 1999																					
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
Des Moir	43.64	9	52.94	11.11	0.00	55.56	33.33	0	0	0	0	0	0	4.55	13.22	57.48	24.75				
Ma	34.91	3	17.65	0.00	0.00	66.67	33.33	1	0	0	0	- 1	0	0.00	0.00	83.30	16.70				
Limited Scope																					
D	0.21	1	5.88	0.00	0.00	0.00	100.00	0	0	0	0	0	0	3.86	12.08	58.96	25.10				
	8.04	1	5.88	0.00	0.00	100.00	0.00	0	0	0	0	0	0	4.27	0.00	38.91	49.73				
Roc	4.90	1	5.88	0.00	0.00	100.00	0.00	1	0	0	0	- 1	0	0.00	0.00	100.00	0.00				
S	8.30	2	11.76	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	90.38	9.62				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Iowa		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Des Moir	4.55	1.39	13.22	7.65	57.48	55.77	24.75	35.19	21.53	20.61	16.94	31.13	22.22	26.43	39.31	21.83	3,893	55.46			
Ma	0.00	0.00	0.00	0.00	83.30	76.88	16.70	23.12	21.72	17.38	16.06	22.08	19.78	28.27	42.44	32.26	1,289	18.36			
Limited Scope																					
D	3.86	1.99	12.08	12.50	58.96	59.18	25.10	26.33	22.01	24.43	15.54	25.37	18.56	26.32	43.89	23.89	752	10.71			
	4.27	0.00	0.00	0.00	38.91	68.03	49.73	31.97	22.03	16.09	14.61	21.45	17.42	23.36	45.94	39.10	585	8.33			
Roc	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	18.11	16.55	16.38	23.94	23.16	31.34	42.35	28.17	289	4.12			
S	0.00	0.00	0.00	0.00	90.38	97.17	9.62	2.83	18.72	24.15	15.09	26.57	22.93	24.64	43.26	24.64	212	3.02			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Minnesota				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Scope												
Duluth	24.86	1,280	66,012	537	32,432	0	0	8	6,094	1,825	104,538	25.72
St. Cloud	16.40	491	25,947	458	29,519	5	832	5	1,920	959	58,218	13.51
Limited Scope												
Laurens	0.42	16	531	13	532	0	0	0	0	29	1,063	0.41
North	10.57	662	38,622	263	13,171	13	531	0	0	938	52,324	13.22
Northern	3.73	292	15,165	95	4,272	0	0	0	0	387	19,437	5.45
Northern	6.20	317	16,610	87	5,352	2	50	0	0	406	22,012	5.72
Rochester	11.49	492	44,297	291	26,956	1	1	2	1,235	786	72,489	11.08
South	9.42	381	17,672	183	13,816	1	15	1	740	566	32,243	7.98
St. Paul	13.96	628	30,611	307	21,514	18	1,544	1	1,800	954	55,469	13.44
St. Paul	2.96	144	6,837	101	5,274	0	0	1	650	246	12,761	3.47

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			State: Minnesota						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Duluth	1.36	3.66	13.15	24.09	68.37	53.66	17.13	18.60	7	4.48	11.90	9.39	3.67	3.75	328	28.70
St. Cloud	0.03	0.00	3.07	2.04	83.57	78.23	13.33	19.73	9	2.79	0.00	0.00	2.72	3.27	147	12.86
Limited Scope																
Lake Superior	0.00	0.00	0.00	0.00	81.35	100.00	18.65	0.00	7	3.19	0.00	0.00	4.69	0.00	5	0.44
North Shore	0.00	0.00	21.37	19.08	75.27	77.10	3.36	3.82	11	2.37	0.00	3.26	2.32	0.61	131	11.46
Northwest	0.00	0.00	4.90	2.53	86.41	89.87	8.69	7.59	8	5.41	0.00	5.00	5.58	3.64	79	6.91
Northwest	0.00	0.00	9.11	5.26	85.63	85.96	5.26	8.77	13	2.06	0.00	2.74	2.20	0.70	57	4.99
Rock	0.00	0.00	14.39	9.96	66.29	64.50	19.32	25.54	6	4.04	0.00	3.53	3.57	6.01	231	20.21
South	0.00	0.00	2.98	1.61	68.54	77.42	28.48	20.97	6	2.58	0.00	0.84	3.44	1.48	62	5.42
South	0.00	0.00	3.90	2.38	73.74	61.90	22.36	35.71	9	2.52	0.00	1.54	2.57	2.55	84	7.35
South	0.00	0.00	0.00	0.00	77.85	89.47	22.15	10.53	7	2.51	0.00	0.00	2.63	2.11	19	1.66

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: Minnesota				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Duluth	1.36	1.68	13.15	23.11	68.37	57.98	17.13	17.23	2	9.46	11.76	14.29	8.70	8.65	238	23.43
St. Cloud	0.03	0.85	3.07	0.00	83.57	73.73	13.33	25.42	2	10.46	100.00	0.00	8.29	23.24	118	11.61
Limited Scope																
La Crosse	0.00	0.00	0.00	0.00	81.35	100.00	18.65	0.00	2	11.11	0.00	0.00	11.11	0.00	2	0.20
North	0.00	0.00	21.37	20.86	75.27	74.85	3.36	4.29	2	14.07	0.00	22.89	12.20	16.67	163	16.04
Nor	0.00	0.00	4.90	1.61	86.41	88.71	8.69	9.68	1	30.92	0.00	11.11	37.72	10.34	62	6.10
Nor	0.00	0.00	9.11	0.00	85.63	94.44	5.26	5.56	1	23.50	0.00	0.00	25.70	6.25	72	7.09
Rochester	0.00	0.00	14.39	2.86	66.29	54.29	19.32	42.86	8	4.55	0.00	1.39	3.83	9.18	35	3.44
South	0.00	0.00	2.98	1.63	68.54	77.24	28.48	21.14	2	24.71	0.00	5.56	30.07	19.32	123	12.11
Sou	0.00	0.00	3.90	3.52	73.74	67.61	22.36	28.87	2	19.58	0.00	18.52	19.92	19.12	142	13.98
	0.00	0.00	0.00	0.00	77.85	73.77	22.15	26.23	2	26.45	0.00	0.00	24.44	32.26	61	6.00

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: Minnesota				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Duluth	1.36	1.40	13.15	12.36	68.37	71.77	17.13	14.47	4	6.36	8.45	7.91	6.60	4.74	712	28.13
St. Cloud	0.03	0.00	3.07	4.87	83.57	82.74	13.33	12.39	5	4.48	11.11	3.49	4.31	5.10	226	8.93
Limited Scope																
Lake Superior	0.00	0.00	0.00	0.00	81.35	100.00	18.65	0.00	10	2.31	0.00	0.00	3.23	0.00	9	0.36
North Shore	0.00	0.00	21.37	16.62	75.27	76.57	3.36	6.81	6	3.41	0.00	3.55	3.23	5.26	367	14.50
Northwest	0.00	0.00	4.90	1.99	86.41	88.08	8.69	9.93	6	5.93	0.00	5.13	6.09	4.97	151	5.97
Northwest	0.00	0.00	9.11	3.19	85.63	93.09	5.26	3.19	6	4.78	0.00	4.44	5.03	2.31	188	7.43
Rock	0.00	0.00	14.39	11.93	66.29	58.72	19.32	29.36	15	2.19	0.00	3.98	1.67	3.19	218	8.61
South	0.00	0.00	2.98	1.53	68.54	81.12	28.48	17.35	4	5.86	0.00	0.00	8.13	2.76	196	7.74
South	0.00	0.00	3.90	3.50	73.74	73.25	22.36	23.25	3	8.82	0.00	10.78	10.65	5.62	400	15.80
	0.00	0.00	0.00	0.00	77.85	76.56	22.15	23.44	7	2.83	0.00	0.00	2.62	3.52	64	2.53

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS		State: Minnesota								Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans		
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Duluth	17.82	25.14	17.90	14.71	55.89	48.23	8.40	11.92	2	18.62	27.04	14.18	15.69	17.47	537	23.00	
St. Cloud	4.48	6.11	2.57	1.31	80.96	79.04	12.00	13.54	1	21.53	26.67	11.63	17.88	19.07	458	19.61	
Limited Scope																	
La Crosse	0.00	0.00	0.00	0.00	76.90	69.23	23.10	30.77	4	5.04	0.00	0.00	3.23	2.56	13	0.56	
North	0.00	0.00	22.65	7.22	72.22	85.93	5.13	6.84	3	11.65	0.00	4.00	11.05	5.23	263	11.26	
Northern	0.00	0.00	4.71	1.05	89.15	81.05	6.14	17.89	1	25.91	0.00	25.00	18.89	45.83	95	4.07	
Northern	0.00	0.00	6.61	1.15	90.32	96.55	3.06	2.30	5	3.69	0.00	2.38	3.20	2.63	87	3.73	
Rochester	0.00	0.00	13.83	7.90	71.81	76.98	14.16	15.12	3	11.65	0.00	8.70	10.73	8.90	291	12.46	
South	0.00	0.00	10.76	9.84	64.25	63.93	24.99	26.23	2	11.39	0.00	6.19	11.55	8.80	183	7.84	
South	0.00	0.00	10.35	7.49	74.69	66.45	14.95	26.06	2	17.41	0.00	8.75	13.25	22.29	307	13.15	
	0.00	0.00	0.00	0.00	85.37	79.21	14.63	20.79	3	15.32	0.00	0.00	13.01	14.29	101	4.33	

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Minnesota						Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Dulu	3.37	0.00	10.11	0.00	78.65	0.00	7.87	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
St. Clo	0.06	0.00	12.82	20.00	81.41	80.00	5.71	0.00	10	0.33	0.00	0.00	0.41	0.00	5	12.50
Limited Scope																
La	0.00	0.00	0.00	0.00	90.36	0.00	9.64	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
North	0.00	0.00	11.92	0.00	86.24	100.00	1.84	0.00	9	0.58	0.00	0.00	0.00	0.00	13	32.50
N	0.00	0.00	7.48	0.00	90.65	0.00	1.87	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
N	0.00	0.00	14.24	0.00	82.75	100.00	3.01	0.00	0	0.00	0.00	0.00	0.00	0.00	2	5.00
R	0.00	0.00	30.06	0.00	63.20	100.00	6.74	0.00	0	0.00	0.00	0.00	0.00	0.00	1	2.50
South	0.00	0.00	2.47	0.00	84.63	100.00	12.90	0.00	6	0.51	0.00	0.00	0.00	0.00	1	2.50
S	0.00	0.00	1.65	0.00	92.44	94.44	5.91	5.56	3	3.20	0.00	0.00	0.74	0.00	18	45.00
	0.00	0.00	0.00	0.00	83.37	0.00	16.63	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: Minnesota								Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans		
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Duluth	19.35	17.99	17.95	36.28	23.37	17.99	39.33	27.74	7	4.48	7.72	5.94	3.75	5.24	328	28.70	
St. Cloud	17.06	6.80	18.59	22.45	26.92	29.93	37.43	40.82	9	2.79	2.21	2.06	3.23	4.33	147	12.86	
Limited Scope																	
Laurens	19.20	40.00	20.23	40.00	25.71	20.00	34.86	0.00	7	3.19	16.67	7.69	4.00	0.00	5	0.44	
North	23.22	2.29	19.98	16.03	22.26	23.66	34.53	58.02	11	2.37	1.09	1.58	2.65	3.52	131	11.46	
Northern	21.08	2.53	18.95	31.65	22.43	26.58	37.54	37.97	8	5.41	2.00	8.26	5.00	7.56	79	6.91	
Northern	20.65	5.26	20.31	8.77	25.38	24.56	33.67	61.40	13	2.06	0.00	1.46	2.49	3.82	57	4.99	
Rochester	15.48	19.91	19.43	41.56	28.55	16.45	36.54	22.08	6	4.04	4.35	5.87	2.70	4.43	231	20.21	
South	15.84	6.45	15.81	19.35	24.53	30.65	43.82	43.55	6	2.58	1.37	2.41	2.62	3.75	62	5.42	
South	14.45	4.76	17.24	17.86	25.61	26.19	42.70	51.19	9	2.52	0.75	2.10	3.07	3.64	84	7.35	
	16.33	0.00	16.76	21.05	25.44	15.79	41.48	63.16	7	2.51	0.00	1.45	1.96	5.22	19	1.66	

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		State: Minnesota								Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans		
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Duluth	19.35	9.24	17.95	17.65	23.37	30.25	39.33	42.86	2	9.46	14.16	8.85	9.30	9.79	238	23.43	
St. Cloud	17.06	4.24	18.59	16.10	26.92	27.12	37.43	52.54	2	10.46	5.08	8.04	8.49	16.67	118	11.61	
Limited Scope																	
Lake Superior	19.20	0.00	20.23	50.00	25.71	0.00	34.86	50.00	2	11.11	0.00	100.00	0.00	25.00	2	0.20	
North Shore	23.22	7.98	19.98	14.11	22.26	29.45	34.53	48.47	2	14.07	17.95	8.24	16.11	15.84	163	16.04	
Northwest	21.08	8.06	18.95	14.52	22.43	40.32	37.54	37.10	1	30.92	55.56	36.36	46.15	24.24	62	6.10	
Northwest	20.65	4.17	20.31	19.44	25.38	30.56	33.67	45.83	1	23.50	14.29	24.14	30.77	24.18	72	7.09	
Rock	15.48	5.71	19.43	11.43	28.55	17.14	36.54	65.71	8	4.55	2.63	2.17	3.85	11.01	35	3.44	
South	15.84	4.07	15.81	19.51	24.53	35.77	43.82	40.65	2	24.71	28.57	28.57	37.10	20.54	123	12.11	
South	14.45	4.93	17.24	21.13	25.61	32.39	42.70	41.55	2	19.58	16.67	18.82	26.47	18.52	142	13.98	
	16.33	3.28	16.76	11.48	25.44	31.15	41.48	54.10	2	26.45	25.00	17.65	30.30	28.33	61	6.00	

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE																
State: Minnesota																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Duluth	19.35	6.04	17.95	20.22	23.37	28.09	39.33	45.65	4	6.36	5.39	9.06	6.96	6.99	712	28.13
St. Cloud	17.06	9.73	18.59	19.91	26.92	32.30	37.43	38.05	5	4.48	4.12	4.28	4.75	6.57	226	8.93
Limited Scope																
Lake Superior	19.20	22.22	20.23	33.33	25.71	33.33	34.86	11.11	10	2.31	20.00	6.67	3.03	3.13	9	0.36
North Shore	23.22	3.81	19.98	14.71	22.26	28.88	34.53	52.32	6	3.41	2.55	3.50	3.84	4.26	367	14.50
Northwest	21.08	8.61	18.95	19.21	22.43	26.49	37.54	45.70	6	5.93	7.45	7.39	6.28	6.49	151	5.97
Northwest	20.65	6.91	20.31	16.49	25.38	31.38	33.67	44.68	6	4.78	8.33	5.50	6.73	6.00	188	7.43
Rochester	15.48	11.47	19.43	21.56	28.55	28.90	36.54	38.07	15	2.19	1.54	2.41	2.62	2.93	218	8.61
South	15.84	4.59	15.81	20.92	24.53	33.67	43.82	40.82	4	5.86	7.45	8.87	7.22	5.74	196	7.74
South	14.45	4.50	17.24	22.50	25.61	30.00	42.70	43.00	3	8.82	5.50	13.95	10.73	9.17	400	15.80
South	16.33	6.25	16.76	14.06	25.44	31.25	41.48	48.44	7	2.83	9.38	3.15	3.30	3.65	64	2.53

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Minnesota			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Duluth	73.46	40.60	88.27	5.96	5.77	18.62	7.49	537	23.00
St. Cloud	74.71	33.41	86.90	6.77	6.33	21.53	18.51	458	19.61
Limited Scope									
Lake Superior	76.47	53.85	92.31	0.00	7.69	5.04	2.52	13	0.56
North Shore	79.63	43.73	92.40	3.04	4.56	11.65	5.58	263	11.26
Northwest	77.43	53.68	90.53	6.32	3.16	25.91	17.32	95	4.07
Northwest	80.29	42.53	87.36	5.75	6.90	3.69	1.12	87	3.73
Red Lake	72.73	36.77	82.13	7.56	10.31	11.65	3.36	291	12.46
South	76.61	45.90	87.43	5.46	7.10	11.39	3.67	183	7.84
South	75.94	45.28	87.30	5.54	7.17	17.41	6.71	307	13.15
South	77.17	48.51	95.05	2.97	1.98	15.32	8.17	101	4.33

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 50.65%% of small loans to businesses originated and purchased by USB in the Duluth MSA and 55.02% in the St. Cloud MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM			State: Minnesota			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Duluth	94.38	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
St. Cloud	97.59	60.00	40.00	40.00	20.00	0.33	0.34	5	12.50
Limited Scope									
Lake	98.31	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
North	97.29	15.38	84.62	15.38	0.00	0.58	0.00	13	32.50
Northern	97.20	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Northwest	96.39	100.00	100.00	0.00	0.00	0.00	0.00	2	5.00
Redwood	96.72	100.00	100.00	0.00	0.00	0.00	0.00	1	2.50
South	96.83	100.00	100.00	0.00	0.00	0.51	0.00	1	2.50
Southwest	97.48	50.00	83.33	11.11	5.56	3.20	1.52	18	45.00
St. Louis	95.84	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS									
State: Minnesota									
Evaluation Period: January 1, 1998 to December 31, 1999									
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Duluth	0	0	27	593	27	593	8.90	0	0
St. Cloud	0	0	17	3,282	17	3,282	49.25	0	0
Limited Scope									
La Crosse	0	0	3	465	3	465	6.98	0	0
North	0	0	9	443	9	443	6.65	0	0
Northern	0	0	0	0	0	0	0.00	0	0
North	0	0	20	977	20	977	14.66	0	0
Rochester	0	0	14	355	14	355	5.33	0	0
South	0	0	5	94	5	94	1.41	0	0
Southern	0	0	14	48	14	48	0.72	0	0
	0	0	5	407	5	407	6.11	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Minnesota				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
Duluth	24.86	9	24.32	33.33	22.22	33.33	11.11	0	0	0	0	0	0	0	3.92	15.61	63.64	16.82			
St. Cloud	16.40	5	13.51	20.00	0.00	60.00	20.00	0	3	0	0	2	1	0.35	2.62	82.26	14.77				
Limited Scope																					
Lake Superior	0.42	1	2.70	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	82.60	17.40				
North Shore	10.57	6	16.22	0.00	16.67	83.33	0.00	0	2	0	0	2	0	0.00	20.10	75.74	4.16				
Northwest	3.73	2	5.41	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	4.50	87.40	8.11				
Northwest	6.20	2	5.41	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	8.52	86.49	4.99				
Rochester	11.49	3	8.11	0.00	0.00	100.00	0.00	0	1	0	0	1	0	0.00	17.00	65.42	16.78				
South	9.42	4	10.81	0.00	25.00	50.00	25.00	0	0	0	0	0	0	0.00	6.93	67.85	25.22				
South	13.96	4	10.81	0.00	25.00	75.00	0.00	0	0	0	0	0	0	0.00	4.53	73.14	22.33				
	2.96	1	2.70	0.00	0.00	100.00	0.00	1	1	0	0	0	0	0.00	0.00	79.68	20.32				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Minnesota		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total* *			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Duluth	3.92	3.30	15.61	12.18	63.64	59.99	16.82	24.53	25.48	14.71	15.26	23.80	16.65	29.00	42.61	32.48	6,931	30.17			
St. Cloud	0.35	0.26	2.62	0.61	82.26	78.50	14.77	20.63	22.15	12.67	16.35	21.76	22.03	29.87	39.48	35.70	4,581	19.94			
Limited Scope																					
Lake Superior	0.00	0.00	0.00	0.00	82.60	64.52	17.40	35.48	24.55	11.48	16.52	22.95	21.24	19.67	37.69	45.90	62	0.27			
North Shore	0.00	0.00	20.10	5.91	75.74	83.41	4.16	10.68	26.88	11.87	16.88	22.57	18.60	29.48	37.64	36.08	1,929	8.40			
Northern	0.00	0.00	4.50	1.53	87.40	79.85	8.11	18.62	25.69	12.04	15.85	20.91	17.47	31.64	40.98	35.42	1,305	5.68			
Northwest	0.00	0.00	8.52	1.20	86.49	91.90	4.99	6.90	26.65	12.18	16.60	22.82	19.85	27.23	36.90	37.77	1,000	4.35			
Red Lake	0.00	0.00	17.00	11.44	65.42	66.02	16.78	22.53	21.37	21.65	16.53	31.62	22.82	23.19	39.28	23.55	3,102	13.50			
South	0.00	0.00	6.93	10.33	67.85	68.84	25.22	20.83	20.96	19.28	15.37	24.53	18.97	24.59	44.70	31.60	1,714	7.46			
Southern	0.00	0.00	4.53	2.95	73.14	58.73	22.33	38.32	19.66	13.37	15.36	25.94	20.13	26.06	44.86	34.63	1,764	7.68			
St. Louis	0.00	0.00	0.00	0.00	79.68	70.82	20.32	29.18	22.64	10.71	14.92	19.17	18.57	22.80	43.87	47.32	586	2.55			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Nebraska				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
Linc	51.10	836	40,544	902	44,560	3	608	12	3,691	1,753	89,403	43.11
Limited Scope												
	3.09	62	2,129	19	1,152	0	0	0	0	81	3,281	1.99
	11.40	391	18,012	216	11,429	10	880	2	5,432	619	35,753	15.22
Nor	1.44	42	1,505	32	2,788	0	0	0	0	74	4,293	1.82
N	20.70	400	16,826	354	16,944	13	1,025	1	696	768	35,491	18.89
Sc	12.27	523	23,962	150	20,035	95	7,095	3	1,004	771	52,096	18.96

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			State: Nebraska						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Lincoln	1.16	5.47	15.35	25.78	60.99	57.03	22.50	11.33	14	1.60	11.69	2.78	1.61	0.44	256	31.88
Limited Scope																
	0.00	0.00	6.80	16.67	93.20	83.33	0.00	0.00	7	4.49	0.00	7.69	3.95	0.00	18	2.24
	0.00	0.00	0.85	0.00	65.84	73.10	33.31	26.90	7	5.07	0.00	0.00	5.29	4.80	171	21.30
North Platte	0.00	0.00	2.22	0.00	48.65	75.00	49.13	25.00	11	1.59	0.00	0.00	2.58	0.57	12	1.49
North Omaha	0.00	0.00	0.00	0.00	77.18	91.60	22.82	8.40	6	3.97	0.00	0.00	4.85	1.32	119	14.82
Scottsbluff	0.00	0.00	15.83	23.79	75.80	71.81	8.37	4.41	1	34.69	0.00	51.79	31.92	31.03	227	28.27

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: Nebraska				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Linc	1.16	2.91	15.35	37.38	60.99	48.06	22.50	11.65	2	11.93	26.67	26.34	8.81	5.56	206	46.19
Limited Scope																
	0.00	0.00	6.80	13.33	93.20	86.67	0.00	0.00	3	11.54	0.00	20.00	10.64	0.00	15	3.36
	0.00	0.00	0.85	0.00	65.84	65.00	33.31	35.00	2	16.35	0.00	0.00	15.38	19.23	40	8.97
Nor	0.00	0.00	2.22	13.33	48.65	60.00	49.13	26.67	3	17.95	0.00	33.33	17.39	15.38	15	3.36
N	0.00	0.00	0.00	0.00	77.18	82.35	22.82	17.65	1	36.26	0.00	0.00	37.09	32.26	102	22.87
Sc	0.00	0.00	15.83	14.71	75.80	77.94	8.37	7.35	1	35.37	0.00	28.57	34.78	50.00	68	15.25

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: Nebraska				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Lincoln	1.16	1.63	15.35	20.92	60.99	59.78	22.50	17.66	14	2.16	2.17	4.16	2.50	1.04	368	36.98
Limited Scope																
	0.00	0.00	6.80	10.34	93.20	89.66	0.00	0.00	4	8.26	0.00	3.85	8.80	0.00	29	2.91
	0.00	0.00	0.85	1.67	65.84	75.00	33.31	23.33	7	5.11	0.00	22.22	6.23	3.44	180	18.09
North Platte	0.00	0.00	2.22	6.67	48.65	53.33	49.13	40.00	8	2.29	0.00	0.00	3.98	1.20	15	1.51
North Platte	0.00	0.00	0.00	0.00	77.18	76.97	22.82	23.03	5	5.45	0.00	0.00	6.36	3.98	178	17.89
Scottsbluff	0.00	0.00	15.83	15.56	75.80	73.78	8.37	10.67	1	29.36	0.00	43.48	29.25	20.83	225	22.61

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS				State: Nebraska				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Lincoln	4.63	4.99	18.57	21.29	58.51	55.99	17.08	17.29	4	10.87	17.92	12.72	9.54	9.33	902	53.92
Limited Scope																
	0.00	0.00	27.56	36.84	72.44	63.16	0.00	0.00	3	7.28	0.00	0.00	4.67	0.00	19	1.14
	0.00	0.00	1.99	2.31	70.23	57.41	27.78	40.28	8	5.81	0.00	6.00	3.88	7.01	216	12.91
North Platte	0.00	0.00	19.83	21.88	42.23	50.00	37.93	28.13	6	4.08	0.00	4.00	4.12	2.40	32	1.91
North Platte	0.00	0.00	0.00	0.00	81.60	74.86	18.40	25.14	3	12.09	0.00	0.00	9.23	8.58	354	21.16
Scottsbluff	0.00	0.00	15.47	13.33	71.69	75.33	12.84	11.33	2	20.57	0.00	12.77	16.31	23.81	150	8.97

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM			State: Nebraska						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Lincoln	0.42	0.00	5.87	0.00	75.05	100.00	18.24	0.00	0	0.00	0.00	0.00	0.00	0.00	3	2.48
Limited Scope																
	0.00	0.00	8.95	0.00	91.05	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
	0.00	0.00	0.10	0.00	85.87	50.00	14.02	50.00	8	0.62	0.00	0.00	0.25	1.20	10	8.26
North	0.00	0.00	1.37	0.00	37.88	0.00	60.75	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
North	0.00	0.00	0.00	0.00	89.68	84.62	10.32	15.38	11	1.44	0.00	0.00	0.20	0.30	13	10.74
South	0.00	0.00	20.70	41.05	67.83	51.58	11.46	7.37	3	19.00	0.00	23.81	10.14	21.05	95	78.51

* Based on 1998 Aggregate Small Business Data Only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: Nebraska								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Lincoln	16.95	21.48	18.47	36.72	27.95	23.05	36.62	18.75	14	1.60	4.99	2.92	0.86	1.07	256	31.88
Limited Scope																
	16.98	0.00	18.87	27.78	25.44	50.00	38.71	22.22	7	4.49	0.00	6.67	9.62	0.00	18	2.24
	13.62	5.85	16.90	23.98	25.09	35.67	44.39	34.50	7	5.07	3.80	8.30	7.34	7.55	171	21.30
North Platte	16.80	16.67	15.04	8.33	21.36	25.00	46.79	50.00	11	1.59	4.17	1.61	0.98	2.36	12	1.49
North	13.53	5.88	17.39	21.85	25.60	42.86	43.48	29.41	6	3.97	6.76	4.19	6.48	2.13	119	14.82
Scottsbluff	20.95	7.49	19.89	25.11	23.68	33.04	35.48	34.36	1	34.69	34.62	43.04	39.82	47.52	227	28.27

* Based on 1998 Aggregate HMDA Data Only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT																
State: Nebraska																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Lincoln	16.95	22.82	18.47	27.67	27.95	26.21	36.62	23.30	2	11.93	22.91	13.16	10.37	8.02	206	46.19
Limited Scope																
	16.98	6.67	18.87	13.33	25.44	46.67	38.71	33.33	3	11.54	25.00	15.38	5.56	13.33	15	3.36
	13.62	2.50	16.90	15.00	25.09	50.00	44.39	32.50	2	16.35	10.00	7.14	29.79	16.36	40	8.97
North Platte	16.80	0.00	15.04	0.00	21.36	33.33	46.79	66.67	3	17.95	0.00	0.00	17.65	44.44	15	3.36
North Platte	13.53	4.90	17.39	16.67	25.60	33.33	43.48	45.10	1	36.26	66.67	40.63	33.33	39.73	102	22.87
Scottsbluff	20.95	8.82	19.89	17.65	23.68	29.41	35.48	44.12	1	35.37	40.00	28.57	25.00	55.88	68	15.25

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE				State: Nebraska				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Lincoln	16.95	12.23	18.47	24.18	27.95	35.05	36.62	27.99	14	2.16	5.41	3.65	3.28	1.65	368	36.98
Limited Scope																
	16.98	13.79	18.87	17.24	25.44	31.03	38.71	37.93	4	8.26	27.27	8.33	8.20	10.84	29	2.91
	13.62	5.00	16.90	23.33	25.09	36.67	44.39	35.00	7	5.11	10.87	15.34	9.02	4.07	180	18.09
North Platte	16.80	13.33	15.04	26.67	21.36	20.00	46.79	33.33	8	2.29	20.00	6.90	4.23	1.08	15	1.51
North Platte	13.53	8.99	17.39	16.29	25.60	32.58	43.48	42.13	5	5.45	20.00	6.94	7.68	4.75	178	17.89
Scottsbluff	20.95	8.89	19.89	21.78	23.68	30.67	35.48	38.67	1	29.36	65.00	44.07	49.41	34.81	225	22.61

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS		State: Nebraska				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Lincoln	70.29	59.76	92.46	4.21	3.33	10.87	5.83	902	53.92
Limited Scope									
	74.11	73.68	84.21	10.53	5.26	7.28	3.05	19	1.14
	72.92	59.26	93.06	3.70	3.24	5.81	4.05	216	12.91
North	73.23	34.38	81.25	9.38	9.38	4.08	2.25	32	1.91
North	73.68	51.69	94.07	2.82	3.11	12.09	6.82	354	21.16
South	72.20	37.33	72.67	11.33	16.00	20.57	8.03	150	8.97

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 32.93%% of small loans to businesses originated and purchased by USB in the Lincoln MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM			State: Nebraska			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Linc	94.97	33.33	33.33	33.33	33.33	0.00	0.00	3	2.48
Limited Scope									
	98.40	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
	94.92	30.00	80.00	20.00	0.00	0.62	0.24	10	8.26
Non	94.54	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
N	96.27	61.54	84.62	7.69	7.69	1.44	0.97	13	10.74
Sc	92.68	63.16	72.63	26.32	1.05	19.00	12.12	95	78.51

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data Only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS									
State: Nebraska									
Evaluation Period: January 1, 1998 to December 31, 1999									
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Linc	0	0	30	2,658	30	2,658	72.86	0	0
Limited Scope									
	0	0	3	102	3	102	2.80	0	0
	0	0	18	235	18	235	6.44	0	0
Nor	0	0	2	101	2	101	2.77	0	0
N	0	0	20	340	20	340	9.32	0	0
Sc	0	0	11	212	11	212	5.81	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Nebraska				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
Linc	51.10	12	40.00	0.00	0.00	83.33	16.67	0	1	0	0	1	0	4.61	21.48	53.56	17.20				
Limited Scope																					
	3.09	5	16.67	0.00	0.00	80.00	20.00	0	0	0	0	0	0	0.00	2.16	67.84	30.00				
	11.40	12	40.00	0.00	0.00	83.33	16.67	0	1	0	0	1	0	4.61	21.48	53.56	17.20				
Nor	1.44	1	3.33	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	3.91	49.50	46.58				
N	20.70	7	23.33	0.00	0.00	85.71	14.29	0	0	0	0	0	0	0.00	0.00	76.96	23.04				
Sc	12.27	4	13.33	0.00	0.00	75.00	25.00	0	0	0	0	0	0	0.00	19.21	73.54	7.25				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Nebraska		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Lincoln	4.61	3.03	21.48	17.60	53.56	42.75	17.20	36.20	22.55	23.40	17.09	23.19	20.48	26.19	39.88	27.23	11,304	56.78			
Limited Scope																					
	0.00	0.00	9.64	3.32	90.36	96.68	0.00	0.00	23.87	16.25	14.87	29.17	20.00	25.42	41.26	29.17	241	1.21			
	0.00	0.00	2.16	0.79	67.84	66.21	30.00	32.99	20.07	16.21	15.89	26.30	19.43	27.55	44.61	29.95	3,152	15.83			
North	0.00	0.00	3.91	4.39	49.50	51.46	46.58	44.15	22.17	17.46	13.91	16.86	16.31	28.40	47.60	37.28	342	1.72			
North	0.00	0.00	0.00	0.00	76.96	74.52	23.04	25.48	18.74	22.15	15.75	27.51	20.33	25.94	45.18	24.41	3,340	16.78			
South	0.00	0.00	19.21	21.52	73.54	69.39	7.25	9.09	25.16	21.06	17.46	23.70	19.24	25.08	38.13	30.17	1,529	7.68			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Nevada				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
Las Vegas	32.16	807	129,225	2,021	101,047	0	0	19	27,987	2,847	258,259	58.22
Re	53.77	523	47,698	799	48,021	0	0	3	11,525	1,325	107,244	27.10
Limited Scope												
Car	7.11	114	8,010	310	14,478	0	0	1	30	425	22,518	8.69
C	1.31	15	1,093	52	1,979	1	125	0	0	68	3,197	1.39
	5.65	122	8,180	93	4,921	10	1,370	0	0	225	14,471	4.60

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE				State: Nevada				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Las Vegas MSA	0.99	0.00	7.93	4.36	47.26	34.56	43.83	61.07	88	0.19	0.00	0.29	0.22	0.18	298	56.33
Reno MSA	0.04	0.00	18.19	21.20	46.50	55.98	35.28	22.83	28	0.87	0.00	1.46	0.95	0.53	184	34.78
Limited Scope																
Carson City	0.00	0.00	3.56	5.00	83.04	85.00	13.40	10.00	40	0.43	0.00	0.00	0.42	0.51	20	3.78
Churchill	0.00	0.00	19.34	50.00	80.66	50.00	0.00	0.00	50	0.22	0.00	1.03	0.00	0.00	4	0.76
Northern	2.01	0.00	8.11	13.04	57.27	69.57	32.61	17.39	15	1.14	0.00	3.80	1.47	0.22	23	4.35

1* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT																State: Nevada		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans				
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**			
Full Scope																			
Las Vegas MSA	0.99	0.00	7.93	2.03	47.26	23.58	43.83	74.39	12	1.73	0.00	0.55	1.68	1.87	246	49.00			
Reno MSA	0.04	0.00	18.19	8.54	46.50	49.39	35.28	42.07	5	8.29	0.00	4.72	7.05	11.20	164	32.67			
Limited Scope																			
Carson City	0.00	0.00	3.56	2.00	83.04	84.00	13.40	14.00	2	13.19	0.00	25.00	13.71	8.82	50	9.96			
Churchill	0.00	0.00	19.34	0.00	80.66	100.00	0.00	0.00	6	3.90	0.00	0.00	5.77	0.00	4	0.80			
Northern	2.01	0.00	8.11	0.00	57.27	65.79	32.61	34.21	3	13.53	0.00	0.00	11.84	17.31	38	7.57			

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE																
State: Nevada										Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Las Vegas MSA	0.99	0.77	7.93	3.83	47.26	26.05	43.83	69.35	67	0.30	0.00	0.18	0.26	0.33	261	47.89
Reno MSA	0.04	0.00	18.19	10.98	46.50	46.82	35.28	42.20	33	0.81	0.00	0.96	0.74	0.85	173	31.74
Limited Scope																
Carson City	0.00	0.00	3.56	9.09	83.04	75.00	13.40	15.91	38	0.57	0.00	2.13	0.51	0.62	44	8.07
Churchill	0.00	0.00	19.34	28.57	80.66	71.43	0.00	0.00	24	0.94	0.00	1.38	0.81	0.00	7	1.28
Northern	2.01	0.00	8.11	1.67	57.27	68.33	32.61	30.00	10	2.35	0.00	0.00	3.09	1.84	60	11.01

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS																
State: Nevada																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Las Vegas MSA	4.24	2.92	12.52	8.76	45.02	38.89	38.21	49.43	5	10.34	10.54	8.54	9.53	10.75	2,021	61.71
Reno MSA	0.31	0.13	44.14	42.68	38.13	35.42	17.41	21.78	4	10.91	6.25	10.92	9.86	9.23	799	24.40
Limited Scope																
Carson City	0.00	0.00	8.75	8.39	76.39	80.32	14.86	11.29	4	12.22	0.00	6.17	11.19	5.77	310	9.47
Churchill	0.00	0.00	13.94	15.38	86.06	84.62	0.00	0.00	4	16.13	0.00	13.64	15.53	0.00	52	1.59
Northern	0.80	0.00	5.49	0.00	68.68	78.49	25.03	21.51	4	14.91	0.00	0.00	14.43	11.36	93	2.84

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Nevada								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Las Vegas MSA	1.44	0.00	5.90	0.00	40.72	0.00	51.94	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Reno MSA	0.43	0.00	29.36	0.00	37.87	0.00	32.34	0.00	4	11.76	0.00	0.00	0.00	0.00	0	0.00
Limited Scope																
Carson City	0.00	0.00	3.77	0.00	89.62	0.00	6.60	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Churchill	0.00	0.00	40.21	0.00	59.79	100.00	0.00	0.00	4	12.50	0.00	0.00	33.33	0.00	1	9.09
Northern	1.50	0.00	20.30	0.00	62.41	100.00	15.79	0.00	1	27.16	0.00	0.00	24.24	0.00	10	90.91

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: Nevada		Evaluation Period: January 1, 1998 to December 31, 1999												
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Las Vegas MSA	17.36	8.05	18.29	20.47	23.35	31.54	41.00	39.93	88	0.19	0.35	0.23	0.27	0.27	298	56.33
Reno MSA	17.38	19.02	19.05	45.65	25.18	14.67	38.39	20.65	28	0.87	2.22	2.02	0.48	0.57	184	34.78
Limited Scope																
Carson City	16.04	5.00	18.19	45.00	25.36	10.00	40.41	40.00	40	0.43	0.00	0.93	0.17	0.59	20	3.78
Churchill	20.16	50.00	20.88	0.00	28.48	25.00	30.48	25.00	50	0.22	2.94	0.00	0.00	0.00	4	0.76
Northern	16.57	4.35	16.04	13.04	25.21	60.87	42.18	21.74	15	1.14	1.79	0.42	2.17	0.86	23	4.35

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT																
State: Nevada																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Las Vegas MSA	17.36	1.63	18.29	10.57	23.35	23.17	41.00	64.63	12	1.73	1.07	1.32	1.92	2.60	246	49.00
Reno MSA	17.38	1.83	19.05	10.98	25.18	28.66	38.39	58.54	5	8.29	1.52	4.37	8.24	12.90	164	32.67
Limited Scope																
Carson City	16.04	2.00	18.19	16.00	25.36	26.00	40.41	56.00	2	13.19	5.88	16.13	10.00	16.07	50	9.96
Churchill	20.16	0.00	20.88	0.00	28.48	50.00	30.48	50.00	6	3.90	0.00	0.00	5.26	5.56	4	0.80
Northern	16.57	0.00	16.04	7.89	25.21	23.68	42.18	68.42	3	13.53	0.00	7.14	9.30	24.07	38	7.57

* As a percentage of loans with borrower income information available.

** Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE																
State: Nevada																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *		Overall	Low	Mod	Mid	Upp	#	% of Total** *
Full Scope																
Las Vegas MSA	17.36	12.26	18.29	15.33	23.35	26.82	41.00	44.44	67	0.30	0.86	0.38	0.47	0.44	261	47.89
Reno MSA	17.38	11.56	19.05	19.08	25.18	28.32	38.39	40.46	33	0.81	2.01	1.04	1.11	0.99	173	31.74
Limited Scope																
Carson City	16.04	9.09	18.19	25.00	25.36	29.55	40.41	36.36	38	0.57	0.67	1.20	0.67	0.57	44	8.07
Churchill	20.16	14.29	20.88	0.00	28.48	57.14	30.48	28.57	24	0.94	2.50	0.00	1.80	0.91	7	1.28
Northern	16.57	6.67	16.04	10.00	25.21	35.00	42.18	48.33	10	2.35	4.88	1.81	2.87	2.91	60	11.01

* As a percentage of loans with borrower income information available.

** Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Nevada			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Las Vegas MSA	70.23	57.05	93.02	3.96	3.02	10.34	7.72	2,021	61.71
Reno MSA	70.83	55.94	90.36	5.51	4.13	10.91	7.34	799	24.40
Limited Scope									
Carson City	75.20	62.58	94.84	2.58	2.58	12.22	8.79	310	9.47
Churchill	75.84	57.69	96.15	1.92	1.92	16.13	12.87	52	1.59
Northern	66.95	56.99	91.40	6.45	2.15	14.91	11.72	93	2.84

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 28.30% of small loans to businesses originated and purchased by USB in the Las Vegas MSA and 28.04% in the Reno MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: Nevada		Evaluation Period: January 1, 1998 to December 31, 1999					
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Las Vegas MSA	88.92	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Reno MSA	91.91	0.00	0.00	0.00	0.00	11.76	15.38	0	0.00
Limited Scope									
Carson City	99.06	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Churchill	88.66	100.00	0.00	100.00	0.00	12.50	20.00	1	9.09
Northern	88.72	90.00	60.00	30.00	10.00	27.16	27.03	10	90.91

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only.

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: Nevada		Evaluation Period: January 1, 1998 to December 31, 1999					
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Las Vegas MSA	0	0	16	1,770	16	1,770	21.22	0	0
Reno MSA	0	0	20	6,549	20	6,549	78.51	0	0
Limited Scope									
Carson City	0	0	5	23	5	23	0.28	0	0
Churchill	0	0	0	0	0	0	0.00	0	0
Northern	0	0	1	#	0	0	0.00	0	0

Charitable donation of \$100.

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
										State: Nevada				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in MSA/AA	# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Scope:																	
Las Vegas MSA	32.16	21	48.84	4.76	4.76	19.05	71.43	1	6	0	0	2	3	3.56	15.58	47.70	33.16
Reno MSA	53.77	14	32.56	0.00	28.57	57.14	14.29	0	1	0	0	1	0	0.18	28.76	45.46	25.61
Limited Scope:																	
Carson City	7.11	4	9.30	0.00	25.00	50.00	25.00	0	1	0	0	1	0	0.00	2.83	83.76	13.41
Churchill	1.31	1	2.33	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	23.97	76.03	0.00
Northern	5.65	3	6.98	0.00	0.00	66.67	33.33	1	1	0	0	0	0	2.23	10.53	56.63	30.61

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Nevada		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Las Vegas MSA	3.56	1.17	15.58	9.42	47.70	33.32	33.16	56.09	20.55	11.90	17.27	28.34	21.23	26.21	40.95	33.54	11,968	63.71			
Reno MSA	0.18	0.00	28.76	12.74	45.46	43.06	25.61	44.20	20.96	16.35	17.56	25.17	21.48	26.23	40.00	32.25	4,405	23.45			
Limited Scope																					
Carson City	0.00	0.00	2.83	1.74	83.76	69.38	13.41	28.88	19.10	12.52	16.42	25.49	22.04	30.99	42.44	30.99	1,610	8.57			
Churchill	0.00	0.00	23.97	4.27	76.03	70.73	0.00	25.00	24.63	14.81	16.98	28.40	22.73	24.69	35.66	32.10	164	0.87			
Northern	2.23	0.00	10.53	0.16	56.63	43.89	30.61	55.96	19.88	14.63	14.61	19.08	21.50	29.89	44.01	36.41	638	3.40			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: North Dakota				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
Bismarck-Mand	35.56	279	17,542	360	20,831	13	1,247	3	381	655	40,001	53.14
Limited Scope												
N	11.26	143	6,174	69	2,023	0	0	1	625	213	8,822	11.72
N	25.21	204	8,314	133	2,549	0	0	0	0	337	10,863	14.43
S	27.96	203	9,603	108	2,833	25	2,550	2	596	338	15,582	20.71

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			State: North Dakota						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bismarck-Mand	0.00	0.00	20.27	2.56	64.67	71.79	15.05	25.64	18	0.74	0.00	0.77	0.86	0.28	39	27.08
Limited Scope																
N	0.00	0.00	11.69	0.00	69.25	83.78	19.07	16.22	5	7.00	0.00	0.00	8.43	4.84	37	25.69
N	0.00	0.00	0.92	0.00	64.95	44.44	34.13	55.56	17	1.28	0.00	0.00	1.41	1.14	27	18.75
S	0.00	0.00	2.92	2.44	69.38	63.41	27.69	34.15	10	2.79	0.00	11.11	2.85	2.23	41	28.47

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: North Dakota				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bismarck-Mand	0.00	0.00	20.27	11.76	64.67	73.53	15.05	14.71	3	12.13	0.00	6.98	12.41	14.52	68	31.48
Limited Scope																
N	0.00	0.00	11.69	7.14	69.25	75.00	19.07	17.86	3	18.42	0.00	20.00	22.22	11.54	28	12.96
N	0.00	0.00	0.92	0.00	64.95	51.47	34.13	48.53	3	11.02	0.00	0.00	9.13	14.08	68	31.48
S	0.00	0.00	2.92	0.00	69.38	67.31	27.69	32.69	4	14.03	0.00	0.00	14.47	13.04	52	24.07

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: North Dakota				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bismarck-Mand	0.00	0.00	20.27	5.81	64.67	66.28	15.05	27.91	10	3.73	0.00	2.06	3.70	4.10	172	36.67
Limited Scope																
N	0.00	0.00	11.69	10.26	69.25	65.38	19.07	24.36	1	14.21	0.00	10.87	16.44	11.21	78	16.63
N	0.00	0.00	0.92	0.00	64.95	52.29	34.13	47.71	7	4.42	0.00	0.00	4.50	4.32	109	23.24
S	0.00	0.00	2.92	0.00	69.38	73.64	27.69	26.36	5	8.80	0.00	0.00	9.55	7.56	110	23.45

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS				State: North Dakota				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bismarck-Mand	0.00	0.00	17.97	15.28	69.13	71.11	12.89	13.61	3	18.77	0.00	13.89	17.98	21.09	360	53.73
Limited Scope																
N	0.00	0.00	18.92	21.74	62.98	57.97	18.10	20.29	4	10.00	0.00	6.74	9.88	7.84	69	10.30
N	0.00	0.00	1.04	3.76	66.55	58.65	32.41	37.59	5	6.72	0.00	100.00	5.87	6.25	133	19.85
S	0.00	0.00	2.67	1.85	71.93	67.59	25.40	30.56	6	6.50	0.00	100.00	6.64	6.33	108	16.12

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: North Dakota						Evaluation Period: January 1, 1998 to December 31, 1999					Total Small Farm Loans			
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					#	% of Total**
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp		
Full Scope																
Bismarck-Mand	0.00	0.00	60.70	46.15	33.62	53.85	5.68	0.00	8	0.33	0.00	0.00	0.82	0.00	13	34.21
Limited Scope																
N	0.00	0.00	12.11	0.00	79.00	0.00	8.90	0.00	12	0.12	0.00	0.00	0.00	0.00	0	0.00
N	0.00	0.00	1.08	0.00	79.77	0.00	19.15	0.00	12	0.07	0.00	0.00	0.00	0.00	0	0.00
S	0.00	0.00	5.26	0.00	70.86	72.00	23.88	28.00	7	1.04	0.00	0.00	0.65	0.95	25	65.79

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: North Dakota						Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bismarck-Mand	17.83	12.82	19.63	17.95	24.54	23.08	38.00	46.15	18	0.74	0.65	1.01	0.34	1.17	39	27.08
Limited Scope																
N	18.60	8.11	19.21	13.51	22.82	45.95	39.37	32.43	5	7.00	22.22	4.76	10.39	6.19	37	25.69
N	17.06	0.00	17.27	14.81	22.33	37.04	43.34	48.15	17	1.28	0.00	0.95	1.90	1.63	27	18.75
S	15.74	2.44	17.16	19.51	23.74	29.27	43.36	48.78	10	2.79	3.70	3.31	1.79	3.72	41	28.47

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				State: North Dakota				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bismarck-Mand	17.83	7.35	19.63	22.06	24.54	29.41	38.00	41.18	3	12.13	10.71	16.18	10.43	12.58	68	31.48
Limited Scope																
N	18.60	7.14	19.21	14.29	22.82	28.57	39.37	50.00	3	18.42	0.00	15.38	27.78	18.92	28	12.96
N	17.06	1.47	17.27	7.35	22.33	29.41	43.34	61.76	3	11.02	0.00	6.00	15.53	11.34	68	31.48
S	15.74	3.85	17.16	11.54	23.74	19.23	43.36	65.38	4	14.03	0.00	17.39	6.45	19.17	52	24.07

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE																
State: North Dakota																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Bismarck-Mand	17.83	2.91	19.63	14.53	24.54	30.81	38.00	51.74	10	3.73	2.25	5.60	3.87	4.07	172	36.67
Limited Scope																
N	18.60	0.00	19.21	14.10	22.82	34.62	39.37	51.28	1	14.21	0.00	15.00	22.89	14.71	78	16.63
N	17.06	6.42	17.27	8.26	22.33	22.02	43.34	63.30	7	4.42	7.69	4.79	5.37	5.32	109	23.24
S	15.74	1.82	17.16	12.73	23.74	30.00	43.36	55.45	5	8.80	7.69	11.63	11.46	10.13	110	23.45

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: North Dakota			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Bismarck-Mandan	71.43	47.22	91.39	5.28	3.33	18.77	12.15	360	53.73
Limited Scope									
N	73.36	39.13	98.55	0.00	1.45	10.00	1.52	69	10.30
N	73.77	43.61	96.99	3.01	0.00	6.72	1.90	133	19.85
S	75.02	50.00	97.22	2.78	0.00	6.50	2.29	108	16.12

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 38.33% of small loans to businesses originated and purchased by the bank in the Bismarck-Mandan MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM			State: North Dakota			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Bismarck-Mand	98.69	76.92	84.62	7.69	7.69	0.33	0.33	13	34.21
Limited Scope									
N	96.46	0.00	0.00	0.00	0.00	0.12	0.13	0	0.00
N	98.23	0.00	0.00	0.00	0.00	0.07	0.07	0	0.00
S	97.23	100.00	60.00	28.00	12.00	1.04	1.06	25	65.79

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: North Dakota				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Bismarck-Mand	0	0	5	27	5	27	84.38	0	0
Limited Scope									
N	0	0	1	1	1	1	3.12	0	0
N	0	0	0	0	0	0	0.00	0	0
S	0	0	2	4	2	4	12.50	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								State: North Dakota				Evaluation Period: January 1, 1998 to December 31, 1999					
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings				Population					
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Scope																	
Bismarck-Mand	35.56	3	20.00	0.00	0.00	100.00	0.00	1	0	0	0	- 1	0	0.00	16.68	68.52	14.80
Limited Scope																	
N	11.26	3	20.00	0.00	0.00	33.33	66.67	0	0	0	0	0	0	0.00	15.88	64.93	19.19
N	25.21	5	33.33	0.00	0.00	80.00	20.00	0	0	0	0	0	0	0.00	7.67	59.69	32.64
S	27.96	4	26.67	0.00	0.00	75.00	25.00	0	0	0	0	0	0	0.00	2.31	67.62	30.07

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: North Dakota		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Bismarck-Mand	0.00	0.00	16.68	17.77	68.52	75.14	14.80	7.09	22.38	18.06	16.85	21.06	20.30	27.15	40.47	33.73	3,314	45.45			
Limited Scope																					
N	0.00	0.00	15.88	6.89	64.93	80.54	19.19	12.57	22.37	11.09	17.02	20.82	19.91	29.79	40.70	38.30	668	9.16			
N	0.00	0.00	7.67	15.00	59.69	61.11	32.64	23.89	21.05	9.88	15.36	19.95	19.00	27.82	44.59	42.35	2,227	30.54			
S	0.00	0.00	2.31	7.21	67.62	76.25	30.07	16.54	21.77	13.15	15.90	21.46	18.31	26.59	44.01	38.81	1,082	14.84			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Oregon				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
	29.10	1,282	74,780	1,893	115,568	311	34,082	6	6,148	3,492	230,578	28.83
Limited Scope												
Eugene-Sp	16.09	613	39,284	1,361	78,430	30	2,724	1	1,260	2,005	121,698	16.55
Medford-	8.04	236	15,069	527	47,901	4	457	3	4,145	770	67,572	6.36
N	15.38	774	47,421	1,196	53,071	39	5,106	3	554	2,012	106,152	16.61
	19.40	996	54,673	1,624	79,766	124	21,584	4	1,212	2,748	157,235	22.69
S	11.99	446	23,306	625	26,614	12	965	2	11,848	1,085	62,733	8.96

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE																
State: Oregon																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
	0.00	0.00	8.75	13.10	73.72	70.31	17.53	16.59	24	1.18	0.00	1.60	1.27	0.84	229	36.41
Limited Scope																
Eugene-Sp	0.61	2.74	13.67	15.07	66.21	61.64	19.51	20.55	60	0.36	3.70	0.40	0.35	0.29	73	11.61
Medford-	0.38	0.00	10.10	3.23	68.70	58.06	20.81	38.71	46	0.33	0.00	0.23	0.20	0.79	31	4.93
N	0.00	0.00	2.11	0.98	74.30	88.24	23.58	10.78	23	1.02	0.00	0.65	1.21	0.42	102	16.22
	0.00	0.00	7.01	7.52	71.15	61.65	21.84	30.83	29	0.89	0.00	0.92	0.69	1.40	133	21.14
Sc	0.00	0.00	17.84	11.48	73.92	72.13	8.24	16.39	32	0.72	0.00	0.70	0.77	0.49	61	9.70

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT																
State: Oregon																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
	0.00	0.00	8.75	7.94	73.72	69.63	17.53	22.43	2	19.88	0.00	21.11	19.66	20.16	428	25.04
Limited Scope																
Eugene-Sp	0.61	0.00	13.67	7.09	66.21	76.38	19.51	16.54	2	16.11	0.00	4.48	18.11	18.60	254	14.86
Medford-	0.38	1.12	10.10	7.87	68.70	65.17	20.81	25.84	3	7.16	25.00	9.80	6.21	9.03	89	5.21
N	0.00	0.00	2.11	3.38	74.30	71.08	23.58	25.54	2	16.11	0.00	6.25	15.92	17.28	325	19.02
	0.00	0.00	7.01	5.96	71.15	70.87	21.84	23.17	1	18.89	0.00	20.24	18.72	19.05	436	25.51
S	0.00	0.00	17.84	9.04	73.92	80.79	8.24	10.17	3	13.40	0.00	8.70	14.40	15.12	177	10.36

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			State: Oregon			Evaluation Period: January 1, 1998 to December 31, 1999					Market Share by Geography*					Total Home Mortgage Refinance Loans	
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Overall	Low	Mod	Mid	Upp	#	% of Total**	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans									
Full Scope																	
	0.00	0.00	8.75	9.47	73.72	77.85	17.53	12.68	5	3.51	0.00	3.42	4.19	1.89	623	31.15	
Limited Scope																	
Eugene-Sp	0.61	0.00	13.67	10.25	66.21	69.96	19.51	19.79	21	1.41	0.00	1.50	1.50	1.13	283	14.15	
Medford-	0.38	0.00	10.10	7.76	68.70	73.28	20.81	18.97	22	1.12	0.00	1.00	1.17	1.07	116	5.80	
N	0.00	0.00	2.11	2.88	74.30	82.71	23.58	14.41	10	2.02	0.00	2.10	2.26	1.23	347	17.35	
	0.00	0.00	7.01	5.91	71.15	69.03	21.84	25.06	10	1.91	0.00	1.56	1.97	1.83	423	21.15	
Sc	0.00	0.00	17.84	12.50	73.92	70.67	8.24	16.83	15	1.82	0.00	1.28	1.86	2.29	208	10.40	

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS		State: Oregon						Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
	0.00	0.00	8.62	6.81	77.41	72.85	13.97	20.34	1	29.18	0.00	16.72	26.41	25.97	1,893	26.20
Limited Scope																
Eugene-Sp	6.63	7.86	27.58	19.40	49.64	55.25	16.14	17.49	1	22.43	23.16	18.29	22.22	20.81	1,361	18.83
Medford-	10.50	10.06	11.47	13.28	63.98	61.86	14.05	14.80	2	16.16	15.67	14.45	15.95	13.41	527	7.29
N	0.00	0.00	9.87	11.54	77.58	70.90	12.55	17.56	1	23.38	0.00	16.75	21.09	20.95	1,196	16.55
	0.00	0.00	17.96	16.81	68.41	67.86	13.63	15.33	1	29.26	0.00	29.80	28.25	24.60	1,624	22.47
Sc	0.00	0.00	15.33	8.96	78.42	82.08	6.25	8.96	3	16.60	0.00	8.54	15.18	13.25	625	8.65

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Oregon						Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
	0.00	0.00	7.61	8.04	85.32	88.10	7.07	3.86	2	30.45	0.00	20.00	18.79	27.27	311	59.81
Limited Scope																
Eugene-Sp	0.90	0.00	12.72	33.33	74.55	63.33	11.83	3.33	1	41.18	0.00	100.00	30.77	20.00	30	5.77
Medford-	2.96	0.00	6.45	0.00	76.61	100.00	13.98	0.00	2	6.25	0.00	0.00	7.14	0.00	4	0.77
N	0.00	0.00	2.45	2.56	80.96	69.23	16.59	28.21	3	13.49	0.00	100.00	9.81	29.41	39	7.50
	0.00	0.00	3.05	0.81	83.11	89.52	13.84	9.68	3	16.64	0.00	1.79	18.50	6.45	124	23.85
Sc	0.00	0.00	20.54	16.67	67.83	66.67	11.62	16.67	2	15.00	0.00	2.00	16.67	100.00	12	2.31

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: Oregon						Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
	18.90	5.68	18.76	17.90	23.83	26.20	38.51	50.22	24	1.18	2.24	1.50	1.12	1.42	229	36.41
Limited Scope																
Eugene-Sp	19.15	6.85	18.55	13.70	24.03	23.29	38.27	56.16	60	0.36	0.92	0.30	0.35	0.48	73	11.61
Medford-	19.73	9.68	18.12	9.68	23.82	16.13	38.33	64.52	46	0.33	1.85	0.55	0.10	0.49	31	4.93
N	17.28	2.94	17.10	8.82	22.28	19.61	43.35	68.63	23	1.02	1.20	1.03	0.77	1.42	102	16.22
	17.83	7.52	19.49	15.79	24.43	30.08	38.25	46.62	29	0.89	1.54	0.90	1.02	0.98	133	21.14
S	22.29	6.56	19.69	14.75	23.61	26.23	34.40	52.46	32	0.72	1.40	1.01	0.90	0.70	61	9.70

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT																
State: Oregon																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
	18.90	2.57	18.76	10.98	23.83	23.60	38.51	62.85	2	19.88	11.94	17.39	17.88	23.76	428	25.04
Limited Scope																
Eugene-Sp	19.15	4.72	18.55	8.66	24.03	22.05	38.27	64.57	2	16.11	8.70	8.97	15.28	20.89	254	14.86
Medford-	19.73	2.25	18.12	13.48	23.82	21.35	38.33	62.92	3	7.16	2.50	7.08	6.71	8.02	89	5.21
N	17.28	5.54	17.10	7.38	22.28	19.38	43.35	67.69	2	16.11	17.31	12.62	14.74	18.25	325	19.02
	17.83	4.59	19.49	12.39	24.43	30.50	38.25	52.52	1	18.89	16.22	16.49	20.31	20.25	436	25.51
Sc	22.29	2.82	19.69	6.21	23.61	30.51	34.40	60.45	3	13.40	4.55	6.25	16.39	15.57	177	10.36

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE																
State: Oregon																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
	18.90	4.49	18.76	14.61	23.83	26.16	38.51	54.57	5	3.51	5.45	4.82	4.38	4.10	623	31.15
Limited Scope																
Eugene-Sp	19.15	4.59	18.55	16.61	24.03	30.39	38.27	48.41	21	1.41	1.93	2.24	1.98	1.44	283	14.15
Medford-	19.73	7.76	18.12	16.38	23.82	27.59	38.33	48.28	22	1.12	3.25	1.79	1.46	1.25	116	5.80
N	17.28	4.03	17.10	12.39	22.28	25.07	43.35	58.50	10	2.02	3.86	2.61	2.51	2.34	347	17.35
	17.83	7.33	19.49	15.60	24.43	25.06	38.25	51.77	10	1.91	5.00	1.77	1.86	2.34	423	21.15
Sc	22.29	6.73	19.69	15.87	23.61	27.88	34.40	49.52	15	1.82	3.72	1.65	2.25	2.13	208	10.40

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Oregon			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
	76.59	56.47	89.28	5.97	4.75	29.18	20.07	1,893	26.20
Limited Scope									
Eugene-Sp	75.43	59.00	91.40	4.41	4.19	22.43	17.04	1,361	18.83
Medford	78.21	51.04	81.40	7.97	10.63	16.16	9.69	527	7.29
N	78.44	60.54	94.06	2.59	3.34	23.38	17.15	1,196	16.55
	77.21	59.17	92.92	4.13	2.96	29.26	21.74	1,624	22.47
Sc	80.35	64.32	95.52	1.12	3.36	16.60	15.35	625	8.65

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 30.22% of small loans to businesses originated and purchased by the bank in the Eastern assessment area.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: Oregon				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
	93.08	90.68	63.67	25.40	10.93	30.45	30.06	311	59.81
Limited Scope									
Eugene-Sp	93.37	40.00	73.33	13.33	13.33	41.18	25.00	30	5.77
Medford-	92.20	25.00	50.00	25.00	25.00	6.25	1.67	4	0.77
N	92.87	69.23	69.23	12.82	17.95	13.49	11.42	39	7.50
	90.21	65.32	45.97	31.45	22.58	16.64	17.04	124	23.85
Sc	94.59	50.00	75.00	25.00	0.00	15.00	4.76	12	2.31

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS									
State: Oregon									
Evaluation Period: January 1, 1998 to December 31, 1999									
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
	0	0	17	4,844	17	4,844	29.86	0	0
Limited Scope									
Eugene-Sp	0	0	12	4,242	12	4,242	26.15	0	0
Medford-	0	0	12	2,523	12	2,523	15.55	0	0
N	0	0	11	1,073	11	1,073	6.61	0	0
	0	0	10	1,416	10	1,416	8.73	0	0
Sc	0	0	11	2,124	11	2,124	13.09	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Oregon				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
	29.10	29	30.21	0.00	10.34	89.66	0.00	0	1	0	0	1	0	0.00	9.79	74.16	16.05				
Limited Scope																					
Eugene-Sp	16.09	16	16.67	18.75	25.00	50.00	6.25	0	2	0	0	2	0	3.35	17.44	62.34	16.88				
Medford-	8.04	9	9.38	33.33	11.11	33.33	22.22	0	2	0	0	1	1	1.30	12.49	66.95	19.26				
N	15.38	14	14.58	0.00	14.29	78.57	7.14	0	0	0	0	0	0	0.00	5.36	73.77	20.86				
	19.40	18	18.75	0.00	11.11	72.22	16.67	1	0	0	0	- 1	0	0.00	10.05	70.37	19.58				
Sc	11.99	10	10.42	0.00	0.00	90.00	10.00	0	0	0	0	0	0	0.00	17.81	74.43	7.74				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Oregon		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
	0.00	0.00	9.79	8.65	74.16	70.28	16.05	21.07	22.65	12.61	16.51	20.20	19.93	26.81	40.91	40.37	6,057	22.52			
Limited Scope																					
Eugene-Sp	3.35	2.71	17.44	11.14	62.34	64.21	16.88	21.94	23.85	19.88	15.66	21.99	19.63	25.01	40.86	33.12	5,387	20.03			
Medford	1.30	0.79	12.49	9.02	66.95	65.35	19.26	24.84	24.01	15.79	15.88	22.36	19.40	24.77	40.71	37.08	2,150	7.99			
N	0.00	0.00	5.36	3.73	73.77	72.39	20.86	23.88	22.53	14.70	15.88	19.05	18.27	27.18	43.32	39.08	3,672	13.65			
	0.00	0.00	10.05	6.92	70.37	67.47	19.58	25.61	21.79	17.74	17.24	20.07	21.02	28.72	39.95	33.47	7,209	26.80			
Sc	0.00	0.00	17.81	12.13	74.43	76.48	7.74	11.39	25.13	15.50	17.14	20.17	20.10	27.76	37.63	36.58	2,423	9.01			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: South Dakota				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
Rapid C	40.67	329	19,609	686	57,887	7	1,114	4	3,006	1,026	81,616	32.76
Sioux Fa	41.22	561	33,251	769	64,068	270	17,679	4	4,383	1,604	119,381	51.21
Limited Scope												
A	14.10	230	11,044	155	15,651	12	2,133	1	511	398	29,339	12.71
	2.72	42	2,085	25	555	0	0	0	0	67	2,640	2.14
	1.29	8	467	28	346	1	442	0	0	37	1,255	1.18

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		State: South Dakota								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Rapid C	0.00	0.00	26.14	28.99	43.26	34.78	30.60	36.23	11	2.12	0.00	1.89	2.04	2.39	69	41.32
Sioux Fa	0.00	0.00	13.58	12.31	64.73	56.92	21.69	30.77	22	0.55	0.00	0.82	0.40	0.88	65	38.92
Limited Scope																
A	0.00	0.00	0.00	0.00	53.53	35.71	46.47	64.29	11	2.67	0.00	0.00	1.28	3.79	28	16.77
	0.00	0.00	0.00	0.00	76.84	100.00	23.16	0.00	8	1.96	0.00	0.00	2.91	0.00	4	2.40
	0.00	0.00	0.00	0.00	34.08	0.00	65.92	100.00	0	0.00	0.00	0.00	0.00	0.00	1	0.60

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: South Dakota				Evaluation Period: January 1, 1998 to December 31, 1999				Total Home Improvement Loans				
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					#	% of Total**
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp		
Full Scope																
Rapid C	0.00	0.00	26.14	8.14	43.26	38.37	30.60	53.49	4	8.59	0.00	1.85	6.80	14.86	86	26.14
Sioux Fa	0.00	0.00	13.58	16.38	64.73	63.84	21.69	19.77	3	8.89	0.00	10.95	8.71	8.18	177	53.80
Limited Scope																
A	0.00	0.00	0.00	0.00	53.53	55.36	46.47	44.64	2	22.39	0.00	0.00	26.09	18.46	56	17.02
	0.00	0.00	0.00	0.00	76.84	66.67	23.16	33.33	2	6.12	0.00	0.00	5.00	11.11	6	1.82
	0.00	0.00	0.00	0.00	34.08	50.00	65.92	50.00	4	8.00	0.00	0.00	28.57	4.65	4	1.22

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: South Dakota				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Rapid C	0.00	0.00	26.14	17.44	43.26	36.63	30.60	45.93	6	5.58	0.00	6.38	5.69	5.24	172	25.63
Sioux Fa	0.00	0.00	13.58	10.66	64.73	60.19	21.69	29.15	10	3.39	0.00	4.21	3.34	3.25	319	47.54
Limited Scope																
A	0.00	0.00	0.00	0.00	53.53	43.45	46.47	56.55	2	12.84	0.00	0.00	14.12	11.83	145	21.61
	0.00	0.00	0.00	0.00	76.84	75.00	23.16	25.00	5	8.70	0.00	0.00	10.00	6.09	32	4.77
	0.00	0.00	0.00	0.00	34.08	66.67	65.92	33.33	13	0.49	0.00	0.00	0.96	0.33	3	0.45

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS		State: South Dakota								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Rapid C	0.00	0.00	42.09	38.63	37.20	36.59	20.71	24.78	2	34.43	0.00	29.70	30.45	32.49	686	41.25
Sioux Fa	0.00	0.00	34.29	30.69	55.69	57.35	10.01	11.96	3	16.45	0.00	14.77	16.14	14.76	769	46.24
Limited Scope																
A	0.00	0.00	0.00	0.00	71.17	54.84	28.83	45.16	2	23.20	0.00	0.00	16.50	24.39	155	9.32
	0.00	0.00	0.00	0.00	77.18	84.00	22.82	16.00	2	14.09	0.00	0.00	13.22	12.50	25	1.50
	0.00	0.00	0.00	0.00	56.50	67.86	43.50	32.14	3	10.87	0.00	0.00	15.00	8.20	28	1.68

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: South Dakota								Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans		
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Rapid C	0.00	0.00	22.51	14.29	64.50	71.43	12.99	14.29	4	6.78	0.00	0.00	5.56	9.09	7	2.41	
Sioux Fa	0.00	0.00	3.95	0.37	91.27	97.04	4.78	2.59	3	16.71	0.00	0.00	14.45	8.82	270	93.10	
Limited Scope																	
A	0.00	0.00	0.00	0.00	86.87	83.33	13.13	16.67	3	2.19	0.00	0.00	0.34	5.00	12	4.14	
	0.00	0.00	0.00	0.00	89.17	0.00	10.83	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00	
	0.00	0.00	0.00	0.00	61.59	100.00	38.41	0.00	7	2.27	0.00	0.00	4.17	0.00	1	0.34	

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: South Dakota								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Rapid C	17.46	8.70	20.31	10.14	24.41	30.43	37.82	49.28	11	2.12	2.78	0.22	2.21	3.61	69	41.32
Sioux Fa	15.67	4.62	19.70	10.77	28.51	33.85	36.11	49.23	22	0.55	0.20	0.47	0.51	1.05	65	38.92
Limited Scope																
A	14.04	3.57	15.97	21.43	22.27	21.43	47.72	53.57	11	2.67	0.00	2.73	1.59	5.14	28	16.77
	13.95	0.00	19.02	25.00	25.88	50.00	41.15	25.00	8	1.96	0.00	0.00	3.77	2.00	4	2.40
	10.81	0.00	12.68	0.00	19.87	0.00	56.65	100.00	0	0.00	0.00	0.00	0.00	0.00	1	0.60

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			State: South Dakota				Evaluation Period: January 1, 1998 to December 31, 1999									
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Rapid C	17.46	2.33	20.31	15.12	24.41	12.79	37.82	69.77	4	8.59	0.00	7.34	3.05	15.08	86	26.14
Sioux Fa	15.67	8.47	19.70	11.86	28.51	38.42	36.11	41.24	3	8.89	4.31	5.02	11.86	11.42	177	53.80
Limited Scope																
A	14.04	7.14	15.97	8.93	22.27	25.00	47.72	58.93	2	22.39	40.00	8.33	23.53	26.87	56	17.02
	13.95	0.00	19.02	16.67	25.88	16.67	41.15	66.67	2	6.12	0.00	10.00	0.00	11.76	6	1.82
	10.81	0.00	12.68	0.00	19.87	0.00	56.65	100.00	4	8.00	0.00	0.00	0.00	13.79	4	1.22

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE																
State: South Dakota																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Rapid C	17.46	5.23	20.31	15.12	24.41	27.33	37.82	52.33	6	5.58	7.37	6.80	7.30	6.45	172	25.63
Sioux Fa	15.67	3.45	19.70	14.42	28.51	33.23	36.11	48.90	10	3.39	2.67	4.38	4.43	4.67	319	47.54
Limited Scope																
A	14.04	2.76	15.97	14.48	22.27	27.59	47.72	55.17	2	12.84	14.29	21.31	18.06	14.81	145	21.61
	13.95	0.00	19.02	18.75	25.88	21.88	41.15	59.38	5	8.70	0.00	16.13	10.17	11.05	32	4.77
	10.81	0.00	12.68	33.33	19.87	33.33	56.65	33.33	13	0.49	0.00	4.00	0.00	0.42	3	0.45

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: South Dakota			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Rapid C	70.91	54.66	81.78	11.52	6.71	34.43	24.23	686	41.25
Sioux Fa	68.95	45.51	85.83	6.63	7.54	16.45	9.38	769	46.24
Limited Scope									
A	70.30	43.23	75.48	13.55	10.97	23.20	12.39	155	9.32
	73.22	48.00	100.00	0.00	0.00	14.09	7.22	25	1.50
	64.99	50.00	100.00	0.00	0.00	10.87	4.24	28	1.68

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 26.53% of small loans to businesses originated and purchased by the bank in the Rapid City MSA and 39.66% in the Sioux Falls MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: South Dakota				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Rapid C	95.67	71.43	42.86	42.86	14.29	6.78	5.56	7	2.41
Sioux Fa	91.68	81.48	82.22	14.07	3.70	16.71	15.31	270	93.10
Limited Scope									
A	91.41	91.67	58.33	8.33	33.33	2.19	2.37	12	4.14
	95.54	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
	93.29	0.00	0.00	0.00	100.00	2.27	0.00	1	0.34

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS									
State: South Dakota									
Evaluation Period: January 1, 1998 to December 31, 1999									
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Rapid C	0	0	10	65	10	65	29.68	0	0
Sioux Fa	0	0	13	135	13	135	61.64	0	0
Limited Scope									
A	0	0	4	11	4	11	5.02	0	0
	0	0	1	4	1	4	1.83	0	0
	0	0	2	5	2	5	2.28	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: South Dakota				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
Rapid C	40.67	4	25.00	0.00	25.00	25.00	50.00	0	0	0	0	0	0	0.00	34.56	38.92	26.52				
Sioux Fa	41.22	9	56.25	0.00	44.44	55.56	0.00	0	0	0	0	0	0	0.00	17.72	63.40	18.88				
Limited Scope																					
A	14.10	1	6.25	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	53.15	46.85				
	2.72	1	6.25	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	0.00	76.04	23.96				
	1.29	1	6.25	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	34.78	65.22				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: South Dakota		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Rapid C	0.00	0.00	34.56	32.69	38.92	40.69	26.52	26.62	20.01	19.65	18.82	22.84	21.35	27.78	39.82	29.73	2,588	30.24			
Sioux Fa	0.00	0.00	17.72	17.65	63.40	62.75	18.88	19.60	21.09	15.45	17.51	23.34	21.74	27.86	39.66	33.36	4,679	54.67			
Limited Scope																					
A	0.00	0.00	0.00	6.54	53.15	57.00	46.85	36.47	19.97	11.72	15.77	20.53	17.72	23.55	46.54	44.20	872	10.19			
	0.00	0.00	0.00	0.00	76.04	91.51	23.96	8.49	22.74	11.65	16.18	22.33	20.99	31.55	40.09	34.47	212	2.48			
	0.00	0.00	0.00	0.00	34.78	43.75	65.22	56.25	15.93	8.21	14.10	22.22	15.79	20.77	54.18	48.79	208	2.43			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Utah				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
Salt Lake C	91.55	736	51,454	2,264	156,694	2	260	4	5,969	3,006	214,377	81.24
Limited Scope												
P	0.96	19	2,591	82	6,870	0	0	0	0	101	9,461	2.73
Pro	1.40	77	3,905	235	13,362	2	81	1	1,980	315	19,328	8.51
St	6.08	72	5,618	204	17,756	1	19	1	759	278	24,152	7.51

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE																
State: Utah																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Salt Lake C	0.82	0.00	14.89	13.74	59.15	56.49	25.14	29.77	82	0.20	0.00	0.08	0.18	0.34	131	71.98
Limited Scope																
F	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	74	0.16	0.00	0.00	0.00	0.16	8	4.40
Proy	1.43	3.70	5.67	14.81	58.59	59.26	34.31	22.22	97	0.14	0.39	0.59	0.09	0.10	27	14.84
St	0.00	0.00	20.76	12.50	70.91	81.25	8.33	6.25	43	0.55	0.00	0.68	0.53	0.49	16	8.79

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			State: Utah			Evaluation Period: January 1, 1998 to December 31, 1999					Market Share by Geography*					Total Home Improvement Loans	
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Overall	Low	Mod	Mid	Upp	#	% of Total**	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans									
Full Scope																	
Salt Lake C	0.82	0.67	14.89	12.00	59.15	55.67	25.14	31.67	5	4.59	0.00	4.02	4.10	6.42	300	84.27	
Limited Scope																	
P	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	3	12.50	0.00	0.00	0.00	12.50	6	1.69	
Pro	1.43	0.00	5.67	9.09	58.59	75.76	34.31	15.15	7	4.62	0.00	6.25	5.84	2.01	33	9.27	
St	0.00	0.00	20.76	0.00	70.91	94.12	8.33	5.88	2	15.00	0.00	0.00	22.00	14.29	17	4.78	

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE																
State: Utah																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Salt Lake C	0.82	0.33	14.89	15.79	59.15	52.63	25.14	31.25	78	0.22	0.00	0.20	0.19	0.31	304	83.52
Limited Scope																
F	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	72	0.16	0.00	0.00	0.00	0.16	5	1.37
Pro	1.43	6.25	5.67	6.25	58.59	43.75	34.31	43.75	148	0.04	0.30	0.00	0.03	0.04	16	4.40
St	0.00	0.00	20.76	25.64	70.91	64.10	8.33	10.26	31	0.80	0.00	1.02	0.77	0.55	39	10.71

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS																	State: Utah		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans					
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**				
Full Scope																				
Salt Lake C	6.59	4.77	26.45	38.03	47.20	38.69	19.76	18.51	4	11.02	8.80	12.18	9.16	9.95	2,264	81.29				
Limited Scope																				
P	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	2	16.70	0.00	0.00	2.33	13.91	82	2.94				
Pro	4.86	5.53	12.17	7.23	57.92	49.79	24.98	37.45	5	5.28	5.81	5.15	3.97	7.01	235	8.44				
St	0.00	0.00	20.82	14.22	73.50	81.37	5.68	4.41	5	13.44	0.00	10.94	12.57	8.33	204	7.32				

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Utah						Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Salt Lake C	2.51	50.00	13.00	0.00	60.55	50.00	23.95	0.00	5	4.17	33.33	0.00	1.69	0.00	2	40.00
Limited Scope																
P	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	4	2.13	0.00	0.00	0.00	0.00	0	0.00
Proy	0.31	0.00	3.06	0.00	69.72	100.00	26.91	0.00	3	2.34	0.00	0.00	1.01	0.00	2	40.00
St	0.00	0.00	24.00	0.00	62.40	100.00	13.60	0.00	4	4.00	0.00	0.00	11.11	0.00	1	20.00

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE																
State: Utah																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Salt Lake C	16.64	3.05	19.61	19.08	26.60	27.48	37.16	50.38	82	0.20	0.18	0.18	0.25	0.34	131	71.98
Limited Scope																
P	4.72	0.00	10.09	12.50	14.35	12.50	70.84	75.00	74	0.16	0.00	0.00	0.00	0.23	8	4.40
Pro	19.19	0.00	18.38	18.52	24.30	37.04	38.14	44.44	97	0.14	0.00	0.16	0.19	0.17	27	14.84
St	17.79	12.50	23.42	18.75	25.72	31.25	33.06	37.50	43	0.55	3.03	0.72	0.62	0.48	16	8.79

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT																
State: Utah																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Salt Lake C	16.64	3.67	19.61	11.33	26.60	26.67	37.16	58.33	5	4.59	1.48	2.26	3.40	7.60	300	84.27
Limited Scope																
F	4.72	16.67	10.09	0.00	14.35	0.00	70.84	83.33	3	12.50	100.00	0.00	0.00	7.14	6	1.69
Pro	19.19	0.00	18.38	6.06	24.30	30.30	38.14	63.64	7	4.62	0.00	1.59	4.61	5.98	33	9.27
St	17.79	0.00	23.42	5.88	25.72	11.76	33.06	82.35	2	15.00	0.00	12.50	8.70	21.43	17	4.78

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE																
					State: Utah				Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Salt Lake C	16.64	7.89	19.61	19.74	26.60	29.28	37.16	42.76	78	0.22	0.29	0.30	0.27	0.30	304	83.52
Limited Scope																
F	4.72	0.00	10.09	0.00	14.35	0.00	70.84	100.00	72	0.16	0.00	0.00	0.00	0.23	5	1.37
Pro	19.19	0.00	18.38	12.50	24.30	25.00	38.14	62.50	148	0.04	0.00	0.00	0.05	0.06	16	4.40
St	17.79	2.56	23.42	23.08	25.72	20.51	33.06	53.85	31	0.80	0.88	1.83	0.65	0.98	39	10.71

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Utah			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Salt Lake C	69.80	56.40	87.23	6.36	6.40	11.02	9.59	2,264	81.29
Limited Scope									
F	77.22	50.00	81.71	8.54	9.76	16.70	11.04	82	2.94
Pro	75.73	62.55	88.51	4.26	7.23	5.28	5.30	235	8.44
St	72.84	64.22	82.84	10.78	6.37	13.44	11.17	204	7.32

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 25.54% of small loans to businesses originated and purchased by the bank in the Salt Lake City MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: Utah		Evaluation Period: January 1, 1998 to December 31, 1999					
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Salt Lake C	93.61	50.00	50.00	50.00	0.00	4.17	1.30	2	40.00
Limited Scope									
P	97.62	0.00	0.00	0.00	0.00	2.13	0.00	0	0.00
Pro	92.97	100.00	100.00	0.00	0.00	2.34	2.48	2	40.00
St	97.60	100.00	100.00	0.00	0.00	4.00	4.35	1	20.00

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: Utah		Evaluation Period: January 1, 1998 to December 31, 1999					
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Salt Lake C	1	500	21	3,376	22	3,876	51.79	0	0
Limited Scope									
F	0	0	5	2,174	5	2,174	29.05	0	0
Pro	0	0	1	5	1	5	0.07	0	0
St	0	0	3	1,429	3	1,429	19.09	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				State: Utah				Evaluation Period: January 1, 1998 to December 31, 1999									
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches				Branch Openings/Closings				Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Scope																	
Salt Lake C	91.55	25	80.65	4.00	28.00	52.00	16.00	0	1	0	0	0	1	1.80	18.21	57.37	22.62
Limited Scope																	
F	1.40	2	6.45	50.00	0.00	50.00	0.00	0	0	0	0	0	0	10.68	8.13	52.35	28.54
Pro	0.96	1	3.23	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	0.00	0.00	100.00
St	6.08	3	9.68	0.00	33.33	66.67	0.00	0	0	0	0	0	0	0.00	21.17	71.74	7.10

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																			State: Utah		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans					
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*				
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans						
Full Scope																						
Salt Lake C	1.80	0.57	18.21	14.62	57.37	51.74	22.62	33.08	20.54	18.61	17.49	25.32	22.91	25.08	39.06	30.99	8,317	80.37				
Limited Scope																						
F	0.00	0.00	0.00	0.00	0.00	0.00	100.00	100.00	7.27	4.21	10.20	21.05	14.09	24.21	68.43	50.53	100	0.97				
Pro	10.68	8.57	8.13	8.32	52.35	48.77	28.54	34.34	21.48	20.53	17.57	23.97	21.17	23.40	39.78	32.10	1,622	15.67				
St	0.00	0.00	21.17	12.58	71.74	77.74	7.10	9.68	22.09	9.56	18.90	19.80	22.94	32.42	36.06	38.23	310	3.00				

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Washington				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Scope												
Puget Sound	71.87	5,650	567,819	11,834	904,821	69	10,063	45	87,658	17,598	1,570,361	63.61
Limited Scope												
Bellevue	3.27	431	43,318	717	46,771	39	5,397	9	24,828	1,197	122,684	4.96
Central & South	4.91	727	58,993	737	59,689	444	56,273	9	3,200	1,917	178,155	7.21
Pacific	1.97	220	15,920	394	20,311	6	918	4	1,320	624	38,469	1.56
	1.83	263	29,481	336	22,595	20	2,657	2	1,971	621	56,704	2.30
	8.91	1,096	83,129	1,362	148,877	27	2,328	5	43,776	2,490	278,110	11.27
Tacoma	2.96	570	42,336	558	36,202	146	18,291	6	5,780	1,280	102,609	4.16
Walla Walla	0.37	105	5,917	115	6,822	4	360	0	0	224	13,099	0.53
	3.92	480	29,420	616	55,711	161	17,428	9	6,010	1,266	108,569	4.40

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			State: Washington				Evaluation Period: January 1, 1998 to December 31, 1999									
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Puget Sound	0.67	0.98	10.73	11.76	66.31	65.32	22.30	21.95	41	0.58	1.17	0.57	0.60	0.52	1,531	61.46
Limited Scope																
Bellevue	0.00	0.00	10.62	21.19	77.33	67.80	12.05	11.02	11	2.21	0.00	3.83	1.97	2.14	118	4.74
Central & South	0.00	0.00	17.85	20.79	69.94	68.54	12.21	10.67	12	1.96	0.00	2.04	2.05	1.46	178	7.15
Portland	0.00	0.00	12.64	10.81	77.87	89.19	9.49	0.00	24	0.86	0.00	0.44	0.98	0.00	37	1.49
	0.00	0.00	0.00	0.00	59.10	51.61	40.90	48.39	16	1.43	0.00	0.00	1.28	1.60	62	2.49
	1.15	1.37	19.67	15.36	54.95	49.15	24.23	34.13	19	1.36	0.66	0.83	1.30	1.90	293	11.76
Tacoma	0.00	0.00	20.77	20.98	48.06	48.95	31.18	30.07	20	1.47	0.00	2.21	1.39	1.21	143	5.74
Walla Walla	4.13	6.67	9.97	6.67	69.99	86.67	15.90	0.00	31	0.63	3.85	0.00	0.67	0.00	15	0.60
	0.23	0.00	25.47	15.79	41.57	57.89	32.73	26.32	17	1.59	0.00	1.15	1.95	1.44	114	4.58

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: Washington				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Puget Sound	0.67	0.63	10.73	8.36	66.31	64.92	22.30	26.08	5	5.83	7.41	4.76	5.64	6.97	1,890	65.97
Limited Scope																
Bellevue	0.00	0.00	10.62	11.11	77.33	80.56	12.05	8.33	5	8.65	0.00	7.14	9.92	1.96	72	2.51
Central & South	0.00	0.00	17.85	11.03	69.94	80.88	12.21	8.09	4	9.16	0.00	5.69	9.66	11.94	136	4.75
Portland	0.00	0.00	12.64	13.56	77.87	77.97	9.49	8.47	4	6.17	0.00	0.00	7.06	7.32	59	2.06
	0.00	0.00	0.00	0.00	59.10	48.21	40.90	51.79	4	9.70	0.00	0.00	9.21	10.53	56	1.95
	1.15	0.35	19.67	15.63	54.95	52.08	24.23	31.94	4	8.86	4.76	4.55	8.21	14.20	288	10.05
Tacoma	0.00	0.00	20.77	16.07	48.06	45.24	31.18	38.69	2	12.27	0.00	8.33	14.55	11.63	168	5.86
Walla Walla	4.13	7.14	9.97	11.90	69.99	69.05	15.90	11.90	2	16.67	0.00	11.11	17.33	21.05	42	1.47
	0.23	0.65	25.47	22.73	41.57	40.26	32.73	36.36	2	11.69	0.00	6.67	11.59	14.87	154	5.38

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE																
State: Washington																
Evaluation Period: January 1, 1998 to December 31, 1999																
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Puget Sound	0.67	0.64	10.73	12.09	66.31	64.82	22.30	22.45	27	0.91	0.86	1.17	0.92	0.81	2,200	53.10
Limited Scope																
Bellevue	0.00	0.00	10.62	11.91	77.33	80.00	12.05	8.09	8	3.10	0.00	3.63	3.16	2.32	235	5.67
Central & South	0.00	0.00	17.85	19.46	69.94	71.05	12.21	9.49	7	3.42	0.00	5.20	3.31	2.42	411	9.92
Portland	0.00	0.00	12.64	19.35	77.87	73.39	9.49	7.26	11	2.07	0.00	3.61	1.89	1.70	124	2.99
	0.00	0.00	0.00	0.00	59.10	70.63	40.90	29.37	11	3.10	0.00	0.00	3.63	2.40	143	3.45
	1.15	1.17	19.67	11.89	54.95	56.92	24.23	30.02	10	2.16	2.94	1.61	2.24	2.28	513	12.38
Tacoma	0.00	0.00	20.77	20.23	48.06	45.91	31.18	33.85	9	3.15	0.00	3.85	3.15	2.88	257	6.20
Walrus	4.13	0.00	9.97	6.25	69.99	81.25	15.90	12.50	8	2.46	0.00	1.35	2.85	1.91	48	1.16
	0.23	0.00	25.47	17.45	41.57	50.00	32.73	32.55	8	2.62	0.00	2.29	3.28	2.13	212	5.12

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS				State: Washington				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Puget Sound	3.45	3.24	18.57	18.69	57.76	54.55	20.20	23.52	2	17.13	13.73	17.20	15.73	17.41	11,834	70.99
Limited Scope																
Bellevue	0.00	0.00	22.43	26.78	70.77	67.09	6.80	6.14	1	25.41	0.00	21.45	25.16	24.78	717	4.30
Central & South	0.00	0.00	21.07	25.78	69.42	54.00	9.51	20.22	1	15.85	0.00	18.34	10.79	18.78	737	4.42
Pacific	0.00	0.00	18.10	17.26	76.30	78.17	5.61	4.57	1	16.97	0.00	14.29	14.89	13.33	394	2.36
	0.00	0.00	0.00	0.00	71.94	79.76	28.06	20.24	2	14.45	0.00	0.00	15.17	9.59	336	2.02
	12.61	13.66	24.64	23.42	48.05	43.39	14.70	19.53	2	16.09	8.86	10.62	15.73	22.69	1,362	8.17
Tacoma	0.00	0.00	25.91	25.09	50.39	43.19	23.59	31.72	1	26.91	0.00	25.56	21.29	30.23	558	3.35
Walla Walla	6.47	17.39	16.67	17.39	67.99	60.00	8.87	5.22	3	8.93	22.41	9.63	7.94	2.97	115	0.69
	9.04	10.39	26.61	24.51	39.34	41.40	25.01	23.70	1	22.96	22.69	23.05	20.73	22.22	616	3.70

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Washington								Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans		
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Puget Sound	1.28	0.00	10.26	21.74	69.71	55.07	18.76	23.19	2	21.63	0.00	36.00	18.82	17.78	69	7.53	
Limited Scope																	
Bellevue	0.00	0.00	5.08	0.00	91.07	94.87	3.85	5.13	4	13.22	0.00	0.00	12.73	40.00	39	4.26	
Central & South	0.00	0.00	18.08	22.97	76.45	70.27	5.47	6.76	1	24.04	0.00	14.51	15.90	27.27	444	48.47	
Pacific	0.00	0.00	16.57	0.00	78.82	83.33	4.60	16.67	1	35.00	0.00	0.00	26.67	100.00	6	0.66	
	0.00	0.00	0.00	0.00	68.07	60.00	31.93	40.00	4	12.26	0.00	0.00	11.34	12.28	20	2.18	
	1.97	3.70	14.29	3.70	65.76	81.48	17.98	11.11	2	37.35	50.00	9.09	20.45	14.29	27	2.95	
Tacoma	0.00	0.00	26.73	31.51	58.70	62.33	14.45	6.16	2	25.19	0.00	18.38	24.76	31.58	146	15.94	
Walla Walla	3.48	0.00	4.53	0.00	78.40	100.00	13.59	0.00	6	2.51	0.00	0.00	2.72	0.00	4	0.44	
	0.68	0.00	16.23	16.77	65.68	68.32	17.41	14.91	2	22.72	0.00	20.83	18.83	17.14	161	17.58	

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE			State: Washington			Evaluation Period: January 1, 1998 to December 31, 1999										
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Puget Sound	17.20	6.21	18.89	22.99	26.46	30.24	37.46	40.43	41	0.58	0.92	0.79	0.70	0.61	1,531	61.46
Limited Scope																
Bellevue	17.66	6.78	19.22	24.58	25.22	27.12	37.90	41.53	11	2.21	3.13	3.14	1.91	2.85	118	4.74
Central & South	21.71	3.37	19.33	16.85	22.38	26.97	36.58	52.25	12	1.96	0.00	2.14	2.17	2.30	178	7.15
Everett	20.65	5.41	18.41	10.81	22.52	37.84	38.42	45.95	24	0.86	1.75	0.38	1.21	0.97	37	1.49
Issaquah	14.40	1.61	17.49	6.45	22.61	32.26	45.50	59.68	16	1.43	0.00	1.76	1.71	1.65	62	2.49
Maple Valley	19.08	4.78	18.57	23.89	23.31	21.84	39.04	49.15	19	1.36	0.90	1.77	1.05	1.96	293	11.76
Northwest	21.30	9.79	16.99	23.08	23.41	26.57	38.30	40.56	20	1.47	1.20	2.14	1.77	1.47	143	5.74
Walrus	19.38	0.00	16.77	33.33	23.68	13.33	40.17	53.33	31	0.63	0.00	3.30	0.60	0.00	15	0.60
West Seattle	21.63	7.02	17.73	23.68	20.58	25.44	40.07	42.98	17	1.59	2.82	1.65	1.71	1.75	114	4.58

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				State: Washington				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Puget Sound	17.20	3.70	18.89	14.07	26.46	29.42	37.46	52.80	5	5.83	3.48	4.55	5.79	7.65	1,890	65.97
Limited Scope																
Bellevue	17.66	6.94	19.22	19.44	25.22	40.28	37.90	33.33	5	8.65	8.70	8.86	11.11	7.78	72	2.51
Central & South	21.71	5.15	19.33	7.35	22.38	24.26	36.58	63.24	4	9.16	8.06	3.80	9.94	11.25	136	4.75
Portland	20.65	3.39	18.41	13.56	22.52	28.81	38.42	54.24	4	6.17	3.57	4.92	5.60	7.76	59	2.06
	14.40	0.00	17.49	8.93	22.61	21.43	45.50	69.64	4	9.70	0.00	8.16	7.77	12.57	56	1.95
	19.08	9.72	18.57	17.01	23.31	23.96	39.04	49.31	4	8.86	9.32	6.32	7.47	11.42	288	10.05
Tacoma	21.30	2.98	16.99	13.10	23.41	25.00	38.30	58.93	2	12.27	2.38	8.57	11.73	17.00	168	5.86
Walla Walla	19.38	9.52	16.77	14.29	23.68	16.67	40.17	59.52	2	16.67	16.67	42.86	12.00	17.19	42	1.47
	21.63	1.95	17.73	11.04	20.58	24.03	40.07	62.99	2	11.69	0.00	6.41	10.92	16.25	154	5.38

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		State: Washington		Evaluation Period: January 1, 1998 to December 31, 1999												
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Puget Sound	17.20	8.55	18.89	20.50	26.46	29.77	37.46	40.68	27	0.91	1.85	1.26	1.09	0.99	2,200	53.10
Limited Scope																
Bellevue	17.66	7.66	19.22	17.02	25.22	28.51	37.90	46.81	8	3.10	3.69	4.02	3.64	3.86	235	5.67
Central & South	21.71	4.87	19.33	12.65	22.38	24.82	36.58	57.66	7	3.42	5.16	4.08	3.43	3.90	411	9.92
Portland	20.65	10.48	18.41	17.74	22.52	28.23	38.42	43.55	11	2.07	5.81	2.92	2.75	1.78	124	2.99
	14.40	2.10	17.49	13.29	22.61	25.17	45.50	59.44	11	3.10	1.37	3.75	4.38	3.72	143	3.45
	19.08	7.80	18.57	17.74	23.31	23.78	39.04	49.71	10	2.16	4.25	3.01	2.15	2.58	513	12.38
Tacoma	21.30	7.39	16.99	17.90	23.41	27.24	38.30	47.08	9	3.15	4.76	3.23	3.56	4.04	257	6.20
Walla Walla	19.38	10.42	16.77	12.50	23.68	18.75	40.17	58.33	8	2.46	4.35	1.57	2.45	3.21	48	1.16
	21.63	6.60	17.73	18.40	20.58	25.47	40.07	49.06	8	2.62	5.16	3.82	2.67	2.72	212	5.12

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Washington			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Puget Sound	77.82	57.13	86.58	6.03	7.39	17.13	11.98	11,834	70.99
Limited Scope									
Bellevue	80.68	56.49	90.10	4.60	5.30	25.41	19.84	717	4.30
Central & South	80.03	54.82	83.72	8.14	8.14	15.85	11.00	737	4.42
Pacific	84.09	60.66	92.13	3.30	4.57	16.97	10.48	394	2.36
	80.19	58.33	88.10	6.25	5.65	14.45	11.47	336	2.02
	77.08	53.89	79.22	8.74	12.04	16.09	15.05	1,362	8.17
Tacoma	77.56	59.68	86.92	7.17	5.91	26.91	22.16	558	3.35
Walrus	79.95	60.87	94.78	1.74	3.48	8.93	6.92	115	0.69
	77.37	53.57	81.01	10.88	8.12	22.96	15.86	616	3.70

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 25.87% of small loans to businesses originated and purchased by the bank in the Puget Sound CMSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: Washington				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Puget Sound	94.49	59.42	57.97	18.84	23.19	21.63	25.18	69	7.53
Limited Scope									
Bellevue	95.27	69.23	58.97	25.64	15.38	13.22	12.12	39	4.26
Central & South	92.68	85.81	60.14	26.35	13.51	24.04	25.54	444	48.47
Pacific	95.95	33.33	50.00	33.33	16.67	35.00	15.38	6	0.66
	92.44	65.00	65.00	5.00	30.00	12.26	10.24	20	2.18
	96.80	70.37	74.07	22.22	3.70	37.35	33.33	27	2.95
Tacoma	88.24	76.03	58.22	28.77	13.01	25.19	23.55	146	15.94
Walrus	95.47	100.00	75.00	25.00	0.00	2.51	2.70	4	0.44
	87.07	73.29	63.98	26.09	9.94	22.72	22.19	161	17.58

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: Washington			Evaluation Period: January 1, 1998 to December 31, 1999				
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Puget Sound	0	0	191	20,204	191	20,204	72.50	0	0
Limited Scope									
Bellevue	0	0	5	35	5	35	0.13	0	0
Central & South	0	0	20	2,513	20	2,513	9.02	0	0
Port of Tacoma	0	0	8	24	8	24	0.09	0	0
Seattle	0	0	9	2,315	9	2,315	8.31	0	0
Tacoma	0	0	31	2,626	31	2,626	9.42	0	0
Tulalip	0	0	6	43	6	43	0.15	0	0
Walrus	0	0	4	27	4	27	0.10	0	0
West Seattle	0	0	12	82	12	82	0.29	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Washington				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
Puget Sound	71.87	113	63.13	3.54	15.93	60.18	20.35	6	16	0	1	8	1	2.43	15.61	63.14	18.64				
Limited Scope																					
Bellevue	3.27	5	2.79	0.00	20.00	80.00	0.00	1	0	0	0	- 1	0	0.00	17.44	72.63	9.91				
Central & South	4.91	17	9.50	0.00	29.41	64.71	5.88	0	0	0	0	0	0	0.00	23.26	63.81	12.92				
Everett	1.97	5	2.79	0.00	20.00	80.00	0.00	0	0	0	0	0	0	0.00	14.89	76.37	8.71				
Issaquah	1.83	4	2.23	0.00	0.00	100.00	0.00	2	0	0	0	- 2	0	0.00	0.00	61.33	38.64				
Maple Valley	8.91	15	7.82	14.29	21.43	50.00	14.29	1	0	0	0	- 1	0	3.40	23.93	52.86	19.81				
Northwest	2.96	10	5.59	0.00	40.00	40.00	20.00	2	0	0	- 1	- 1	0	0.00	26.82	46.97	26.20				
Walrus	0.37	1	0.56	0.00	0.00	100.00	0.00	0	0	0	0	0	0	5.07	10.56	68.33	16.03				
West	3.92	10	5.59	10.00	20.00	30.00	40.00	0	0	0	0	0	0	1.33	32.12	41.92	24.63				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Washington		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Puget Sound	2.43	1.28	15.61	12.79	63.14	62.45	18.64	23.47	21.09	17.90	17.40	25.38	22.32	24.23	39.19	32.49	46,659	70.71			
Limited Scope																					
Bellevue	0.00	0.00	17.44	13.17	72.63	74.95	9.91	11.88	22.18	20.18	17.12	21.82	20.44	24.78	40.26	33.22	1,928	2.92			
Central & South	0.00	0.00	23.26	36.54	63.81	54.86	12.92	8.60	26.63	25.86	16.48	24.44	18.98	21.66	37.91	28.04	3,593	5.45			
Everett	0.00	0.00	14.89	26.90	76.37	68.87	8.71	4.23	24.29	17.49	16.01	21.14	19.03	29.00	40.68	32.37	1,134	1.72			
Issaquah	0.00	0.00	0.00	9.64	61.33	66.92	38.64	23.43	18.53	13.81	14.02	20.77	19.42	26.20	48.03	39.22	1,182	1.79			
Maple Valley	3.40	1.94	23.93	17.35	52.86	54.17	19.81	26.54	24.42	14.65	15.63	22.05	18.96	26.57	40.99	36.74	5,154	7.81			
Northwest	0.00	0.00	26.82	20.26	46.97	38.35	26.20	41.38	23.86	14.51	16.33	20.56	19.87	27.84	39.95	37.09	2,808	4.26			
Walrus	5.07	5.07	10.56	23.65	68.33	65.03	16.03	6.25	24.37	16.85	16.98	28.85	17.28	23.48	41.37	30.82	592	0.90			
West Seattle	1.33	4.40	32.12	35.40	41.92	41.98	24.63	18.21	24.12	23.64	15.64	26.76	18.66	22.27	41.58	27.34	2,932	4.44			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Wisconsin				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
Milwaukee	83.31	517	31,957	1,082	76,504	2	100	3	27,128	1,604	135,689	78.40
Limited Scope												
L	16.69	200	18,401	240	16,921	0	0	2	4,176	442	39,498	21.60

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		State: Wisconsin								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Milwauk	4.71	5.50	10.23	15.86	51.28	56.96	33.77	21.68	53	0.43	0.84	0.84	0.42	0.32	309	86.80
Limited Scope																
L	1.41	0.00	11.59	10.64	65.58	36.17	21.43	53.19	17	1.43	0.00	1.32	0.76	3.89	47	13.20

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			State: Wisconsin						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Milwaukee	4.71	7.69	10.23	10.77	51.28	32.31	33.77	49.23	28	0.71	0.77	0.31	0.41	1.51	65	72.22
Limited Scope																
L	1.41	4.00	11.59	12.00	65.58	48.00	21.43	36.00	11	2.10	6.25	2.91	1.53	3.45	25	27.78

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: Wisconsin				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Milwaukee	4.71	6.67	10.23	21.48	51.28	45.93	33.77	25.93	147	0.06	0.06	0.15	0.04	0.06	135	51.53
Limited Scope																
L	1.41	1.57	11.59	7.87	65.58	51.18	21.43	39.37	14	1.65	1.54	1.48	1.30	2.77	127	48.47

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS				State: Wisconsin				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Milwaukee	7.39	8.69	9.56	7.21	47.92	45.19	34.83	38.72	9	3.94	5.84	3.61	3.36	4.05	1,082	81.85
Limited Scope																
L	18.19	16.67	21.20	23.33	48.31	49.17	12.30	10.83	3	13.21	10.18	10.86	14.92	10.85	240	18.15

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Wisconsin						Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Milwauk	1.27	0.00	3.66	0.00	53.85	100.00	41.14	0.00	10	1.75	0.00	0.00	1.49	0.00	2	100.00
Limited Scope																
L	0.64	0.00	2.56	0.00	79.49	0.00	17.31	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: Wisconsin								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Milwauk	19.55	12.30	17.66	28.16	25.59	34.30	37.21	24.92	53	0.43	0.73	0.76	0.52	0.37	309	86.80
Limited Scope																
L	17.32	4.26	18.49	6.38	26.26	21.28	37.94	63.83	17	1.43	0.76	0.00	0.71	2.76	47	13.20

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			State: Wisconsin						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Milwaukee	19.55	6.15	17.66	15.38	25.59	16.92	37.21	58.46	28	0.71	0.31	0.45	0.44	1.40	65	72.22
Limited Scope																
L	17.32	4.00	18.49	8.00	26.26	28.00	37.94	60.00	11	2.10	0.00	1.10	2.11	3.31	25	27.78

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE				State: Wisconsin				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Milwauk	19.55	8.15	17.66	27.41	25.59	31.85	37.21	31.85	147	0.06	0.11	0.07	0.04	0.08	135	51.53
Limited Scope																
L	17.32	4.72	18.49	10.24	26.26	18.11	37.94	65.35	14	1.65	1.32	1.01	1.14	2.28	127	48.47

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Wisconsin			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Milwauk	67.99	42.42	84.66	7.30	8.04	3.94	2.07	1,082	81.85
Limited Scope									
L	70.00	40.00	85.42	7.92	6.67	13.21	5.31	240	18.15

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 49.35% of small loans to businesses originated and purchased by USB in the Milwaukee MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: Wisconsin				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Milwauk	94.54	100.00	100.00	0.00	0.00	1.75	1.85	2	100.00
Limited Scope									
L	98.72	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: Wisconsin			Evaluation Period: January 1, 1998 to December 31, 1999				
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Milwauk	0	0	28	1,774	28	1,774	99.66	0	0
Limited Scope									
L	0	0	2	6	2	6	0.34	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Wisconsin				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Deposits % of Rated Area Deposits in MSA/AA	Branches						Branch Openings/Closings						Population							
		# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
Milwauk	83.31	5	71.43	20.00	20.00	20.00	40.00	0	0	0	0	0	0	12.73	13.58	46.59	27.05				
Limited Scope																					
L	16.69	2	28.57	50.00	50.00	0.00	0.00	0	0	0	0	0	0	6.38	16.21	60.78	16.63				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Wisconsin		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Milwauk	12.73	5.92	13.58	15.41	46.59	58.90	27.05	19.77	23.39	25.01	16.02	28.95	20.23	24.51	40.36	21.53	12,610	88.66			
Limited Scope																					
L	6.38	4.59	16.21	25.29	60.78	63.55	16.63	6.57	23.21	23.27	16.41	26.80	20.16	23.39	40.23	26.54	1,613	11.34			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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

Table 1. Lending Volume

LENDING VOLUME		State: Wyoming				Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Scope												
Cheyenne	31.97	257	14,860	122	11,642	2	700	2	215	383	27,417	24.60
Limited Scope												
Casper	10.42	67	3,846	69	1,875	0	0	0	0	136	5,721	8.73
Cody	1.27	30	2,081	37	526	0	0	0	0	67	2,607	4.30
Evanston	2.81	67	5,940	35	373	0	0	1	484	103	6,797	6.62
Fremont	14.08	123	5,996	89	2,700	0	0	0	0	212	8,696	13.62
Gillette	2.82	48	2,847	42	1,890	0	0	0	0	90	4,737	5.78
Laramie	12.20	55	2,894	32	821	0	0	1	1,241	88	4,956	5.65
Sheridan	5.00	104	4,635	48	1,301	0	0	0	0	153	7,836	9.83
Sweetwater	9.56	109	5,328	24	1,215	0	0	0	0	133	6,543	8.54
Torrington	6.34	134	6,249	13	375	2	279	0	0	149	6,903	9.57
Worland	3.53	31	1,156	12	341	0	0	0	0	43	1,497	2.76

* Deposit Data as of June 30, 1999

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			State: Wyoming						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Cheyenne	0.00	0.00	29.11	17.86	47.31	42.86	23.57	39.29	31	0.57	0.00	0.81	0.52	0.48	28	18.67
Limited Scope																
Casper	4.26	0.00	13.08	0.00	49.43	40.00	33.24	60.00	23	0.41	0.00	0.00	0.35	0.58	15	10.00
Cody	0.39	0.00	22.24	0.00	77.37	100.00	0.00	0.00	35	0.40	0.00	0.00	0.50	0.00	4	2.67
Evanston	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	29	0.47	0.00	0.00	0.47	0.00	7	4.67
Fremont	0.00	0.00	35.47	22.22	64.53	77.78	0.00	0.00	13	1.37	0.00	0.00	2.04	0.00	9	6.00
Gillette	0.00	0.00	0.00	0.00	25.50	33.33	74.50	66.67	22	0.36	0.00	0.00	0.68	0.29	6	4.00
Laramie	0.83	0.00	22.41	33.33	54.97	58.33	21.79	8.33	14	1.42	0.00	2.56	1.90	0.00	12	8.00
Sheridan	0.00	0.00	13.65	33.33	67.90	44.44	18.45	22.22	11	1.05	0.00	3.77	0.43	1.06	9	6.00
Sweetwater	0.00	0.00	0.00	0.00	30.66	37.50	69.34	62.50	14	0.91	0.00	0.00	1.14	0.82	8	5.33
Torrington	0.00	0.00	61.14	46.15	38.86	53.85	0.00	0.00	1	30.59	0.00	26.19	34.88	0.00	52	34.67
Worland	0.00	0.00	8.52	0.00	91.48	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: Wyoming				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Cheyenne	0.00	0.00	29.11	16.51	47.31	45.87	23.57	37.61	1	22.13	0.00	16.22	20.77	29.00	109	33.96
Limited Scope																
Casper	4.26	5.88	13.08	11.76	49.43	47.06	33.24	35.29	6	3.50	0.00	3.03	3.13	5.13	17	5.30
Cody	0.39	0.00	22.24	20.00	77.37	80.00	0.00	0.00	2	18.18	0.00	33.33	15.79	0.00	5	1.56
Evanston	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	1	41.38	0.00	0.00	41.38	0.00	14	4.36
Fremont	0.00	0.00	35.47	20.00	64.53	80.00	0.00	0.00	3	12.77	0.00	0.00	15.58	0.00	25	7.79
Gillette	0.00	0.00	0.00	0.00	25.50	18.18	74.50	81.82	5	3.66	0.00	0.00	6.67	3.11	11	3.43
Laramie	0.83	0.00	22.41	25.00	54.97	75.00	21.79	0.00	1	30.77	0.00	30.77	36.36	0.00	16	4.98
Sheridan	0.00	0.00	13.65	16.28	67.90	69.77	18.45	13.95	2	25.00	0.00	40.00	28.26	11.76	43	13.40
Sweetwater	0.00	0.00	0.00	0.00	30.66	12.82	69.34	87.18	1	42.86	0.00	0.00	20.00	49.09	39	12.15
Torrington	0.00	0.00	61.14	33.33	38.86	66.67	0.00	0.00	1	37.04	0.00	41.67	33.33	0.00	24	7.48
Worland	0.00	0.00	8.52	11.11	91.48	88.89	0.00	0.00	1	35.48	0.00	33.33	35.71	0.00	18	5.61

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: Wyoming				Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans	% Owner Occ Units	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Cheyenne	0.00	0.00	29.11	19.17	47.31	47.50	23.57	33.33	17	2.00	0.00	1.42	2.07	2.18	120	21.74
Limited Scope																
Casper	4.26	2.86	13.08	5.71	49.43	68.57	33.24	22.86	15	1.23	3.23	0.75	1.83	0.68	35	6.34
Cody	0.39	0.00	22.24	14.29	77.37	85.71	0.00	0.00	3	3.94	0.00	4.11	3.90	0.00	21	3.80
Evanston	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	3	7.59	0.00	0.00	7.59	0.00	44	7.97
Fremont	0.00	0.00	35.47	16.85	64.53	83.15	0.00	0.00	5	8.43	0.00	8.18	8.49	0.00	89	16.12
Gillette	0.00	0.00	0.00	0.00	25.50	25.81	74.50	74.19	10	1.97	0.00	0.00	1.84	2.00	31	5.62
Laramie	0.83	0.00	22.41	37.04	54.97	55.56	21.79	7.41	10	2.64	0.00	7.08	2.11	1.06	27	4.89
Sheridan	0.00	0.00	13.65	19.23	67.90	71.15	18.45	9.62	5	6.58	0.00	9.80	7.46	2.11	52	9.42
Sweetwater	0.00	0.00	0.00	0.00	30.66	24.19	69.34	75.81	5	5.08	0.00	0.00	7.09	4.66	62	11.23
Torrington	0.00	0.00	61.14	51.72	38.86	48.28	0.00	0.00	1	29.93	0.00	26.67	33.87	0.00	58	10.51
Worland	0.00	0.00	8.52	7.69	91.48	92.31	0.00	0.00	3	9.18	0.00	33.33	8.42	0.00	13	2.36

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS		State: Wyoming								Evaluation Period: January 1, 1998 to December 31, 1999						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans	% of Businesses	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Cheyenne	0.00	0.00	53.09	43.44	33.25	34.43	13.66	22.13	5	11.52	0.00	8.47	12.24	13.40	122	23.33
Limited Scope																
Casper	27.30	20.29	14.30	13.04	38.52	39.13	19.88	27.54	8	3.40	3.14	1.74	2.82	3.92	69	13.19
Cody	0.00	0.00	19.68	29.73	80.32	70.27	0.00	0.00	4	5.21	0.00	1.77	5.30	0.00	37	7.07
Evanston	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	5	10.08	0.00	0.00	10.78	4.17	35	6.69
Fremont	0.00	0.00	37.81	50.56	62.19	49.44	0.00	0.00	5	3.67	0.00	1.12	4.36	0.00	89	17.02
Gillette	0.00	0.00	0.00	0.00	46.71	38.10	53.29	61.90	5	4.06	0.00	0.00	2.56	3.32	42	8.03
Laramie	3.67	0.00	45.05	40.63	45.63	50.00	5.65	9.38	4	10.16	0.00	6.76	15.79	13.04	32	6.12
Sheridan	0.00	0.00	38.41	56.25	49.08	35.42	12.51	8.33	4	5.90	0.00	7.10	4.20	3.49	48	9.18
Sweetwater	0.00	0.00	0.00	0.00	36.73	20.83	63.27	79.17	5	5.79	0.00	0.00	1.75	5.88	24	4.59
Torrington	0.00	0.00	62.23	100.00	37.77	0.00	0.00	0.00	2	6.64	0.00	10.34	0.00	0.00	13	2.49
Worland	0.00	0.00	4.50	0.00	95.50	100.00	0.00	0.00	4	5.88	0.00	0.00	5.56	0.00	12	2.29

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Wyoming						Evaluation Period: January 1, 1998 to December 31, 1999								
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans	% of Farms	% USB Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Cheyenne	0.00	0.00	48.18	0.00	18.25	0.00	33.58	100.00	6	5.26	0.00	0.00	0.00	4.00	2	50.00
Limited Scope																
Casper	11.76	0.00	11.76	0.00	37.65	0.00	38.82	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Cody	0.00	0.00	12.23	0.00	87.77	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Evanston	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Fremont	0.00	0.00	20.81	0.00	79.19	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Gillette	0.00	0.00	0.00	0.00	25.56	0.00	74.44	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Laramie	3.13	0.00	17.19	0.00	79.69	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Sheridan	0.00	0.00	8.65	0.00	82.69	0.00	8.65	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Sweetwater	0.00	0.00	0.00	0.00	55.56	0.00	44.44	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00
Torrington	0.00	0.00	64.94	50.00	35.06	50.00	0.00	0.00	4	1.33	0.00	0.00	0.94	0.00	2	50.00
Worland	0.00	0.00	30.88	0.00	69.12	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00

* Based on 1998 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: Wyoming								Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans		
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Cheyenne	18.84	10.71	19.00	28.57	23.75	28.57	38.41	32.14	31	0.57	1.41	0.55	0.85	0.50	28	18.67	
Limited Scope																	
Casper	20.31	0.00	17.76	0.00	24.48	46.67	37.45	53.33	23	0.41	0.00	0.00	0.91	0.66	15	10.00	
Cody	20.70	0.00	20.02	25.00	25.06	75.00	34.22	0.00	35	0.40	0.00	0.00	1.61	0.00	4	2.67	
Evanston	12.50	0.00	14.47	28.57	28.67	28.57	44.36	42.86	29	0.47	0.00	1.92	0.00	0.00	7	4.67	
Fremont	27.25	11.11	20.57	33.33	25.23	11.11	26.95	44.44	13	1.37	2.00	0.93	0.75	2.68	9	6.00	
Gillette	12.91	0.00	10.91	16.67	20.28	16.67	55.91	66.67	22	0.36	0.00	0.65	0.00	0.76	6	4.00	
Laramie	23.27	0.00	17.52	8.33	22.58	58.33	36.63	33.33	14	1.42	0.00	2.08	3.36	0.72	12	8.00	
Sheridan	18.72	11.11	20.90	33.33	24.51	22.22	35.87	33.33	11	1.05	0.00	2.50	0.00	1.49	9	6.00	
Sweetwater	13.28	0.00	12.66	12.50	19.33	37.50	54.73	50.00	14	0.91	0.00	0.68	1.60	0.84	8	5.33	
Torrington	26.89	19.23	23.32	26.92	22.55	42.31	27.24	11.54	1	30.59	80.00	31.58	44.83	14.29	52	34.67	
Worland	20.80	0.00	21.54	0.00	27.07	0.00	30.58	0.00	0	0.00	0.00	0.00	0.00	0.00	0	0.00	

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		State: Wyoming								Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans		
	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*	% of Families	% USB Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Cheyenne	18.84	4.59	19.00	11.01	23.75	36.70	38.41	47.71	1	22.13	25.00	10.94	27.03	25.17	109	33.96	
Limited Scope																	
Casper	20.31	5.88	17.76	5.88	24.48	41.18	37.45	47.06	6	3.50	0.00	2.08	3.66	5.22	17	5.30	
Cody	20.70	0.00	20.02	20.00	25.06	60.00	34.22	20.00	2	18.18	0.00	25.00	25.00	25.00	5	1.56	
Evanston	12.50	0.00	14.47	7.14	28.67	42.86	44.36	50.00	1	41.38	0.00	33.33	41.67	46.15	14	4.36	
Fremont	27.25	8.00	20.57	12.00	25.23	52.00	26.95	28.00	3	12.77	7.69	5.00	21.05	9.52	25	7.79	
Gillette	12.91	9.09	10.91	0.00	20.28	27.27	55.91	63.64	5	3.66	14.29	0.00	4.26	3.92	11	3.43	
Laramie	23.27	0.00	17.52	25.00	22.58	50.00	36.63	25.00	1	30.77	0.00	75.00	38.89	20.00	16	4.98	
Sheridan	18.72	9.30	20.90	13.95	24.51	32.56	35.87	44.19	2	25.00	16.67	7.69	26.32	38.46	43	13.40	
Sweetwater	13.28	5.13	12.66	0.00	19.33	12.82	54.73	82.05	1	42.86	25.00	0.00	30.77	54.35	39	12.15	
Torrington	26.89	8.33	23.32	20.83	22.55	45.83	27.24	25.00	1	37.04	33.33	22.22	50.00	40.00	24	7.48	
Worland	20.80	0.00	21.54	27.78	27.07	22.22	30.58	50.00	1	35.48	0.00	42.86	40.00	40.00	18	5.61	

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			State: Wyoming						Evaluation Period: January 1, 1998 to December 31, 1999							
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *	% of Families	% USB Loans* *		Overall	Low	Mod	Mid	Upp	#	% of Total** *
Full Scope																
Cheyenne	18.84	5.83	19.00	13.33	23.75	32.50	38.41	47.50	17	2.00	2.50	1.81	3.43	3.01	120	21.74
Limited Scope																
Casper	20.31	14.29	17.76	17.14	24.48	34.29	37.45	34.29	15	1.23	3.37	0.90	2.62	1.10	35	6.34
Cody	20.70	9.52	20.02	33.33	25.06	23.81	34.22	33.33	3	3.94	10.00	10.00	2.73	5.13	21	3.80
Evanston	12.50	0.00	14.47	9.09	28.67	34.09	44.36	56.82	3	7.59	0.00	0.00	14.67	10.40	44	7.97
Fremont	27.25	14.61	20.57	14.61	25.23	34.83	26.95	35.96	5	8.43	13.33	4.95	15.92	7.65	89	16.12
Gillette	12.91	3.23	10.91	9.68	20.28	41.94	55.91	45.16	10	1.97	0.00	4.55	6.71	1.32	31	5.62
Laramie	23.27	7.41	17.52	14.81	22.58	33.33	36.63	44.44	10	2.64	5.56	2.60	4.61	3.36	27	4.89
Sheridan	18.72	13.46	20.90	26.92	24.51	34.62	35.87	25.00	5	6.58	30.00	12.31	8.62	2.92	52	9.42
Sweetwater	13.28	3.23	12.66	4.84	19.33	32.26	54.73	59.68	5	5.08	7.14	4.35	7.00	5.91	62	11.23
Torrington	26.89	15.52	23.32	25.86	22.55	34.48	27.24	24.14	1	29.93	40.00	38.46	46.88	31.25	58	10.51
Worland	20.80	0.00	21.54	23.08	27.07	46.15	30.58	30.77	3	9.18	0.00	16.67	11.11	6.90	13	2.36

* Based on 1998 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS			State: Wyoming			Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Cheyenne	70.38	46.72	74.59	11.48	13.93	11.52	4.68	122	23.33
Limited Scope									
Casper	72.62	71.01	97.10	1.45	1.45	3.40	2.54	69	13.19
Cody	77.63	86.49	100.00	0.00	0.00	5.21	4.79	37	7.07
Evanston	68.58	80.00	100.00	0.00	0.00	10.08	4.90	35	6.69
Fremont	77.15	77.53	98.88	1.12	0.00	3.67	2.84	89	17.02
Gillette	69.33	64.29	95.24	0.00	4.76	4.06	2.78	42	8.03
Laramie	75.13	43.75	93.75	6.25	0.00	10.16	5.16	32	6.12
Sheridan	74.74	56.25	100.00	0.00	0.00	5.90	3.19	48	9.18
Sweetwater	67.15	50.00	87.50	8.33	4.17	5.79	2.08	24	4.59
Torrington	75.35	69.23	92.31	7.69	0.00	6.64	3.78	13	2.49
Worland	71.62	66.67	100.00	0.00	0.00	5.88	2.88	12	2.29

* The market consists of all other Small Business reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** 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 35.25% of small loans to businesses originated and purchased by the bank in the Cheyenne MSA.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: Wyoming				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% USB Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Cheyenne	93.43	0.00	0.00	50.00	50.00	5.26	3.03	2	50.00
Limited Scope									
Casper	94.12	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Cody	91.37	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Evanston	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Fremont	99.33	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Gillette	96.67	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Laramie	90.63	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Sheridan	99.04	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Sweetwater	88.89	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Torrington	88.31	0.00	50.00	50.00	0.00	1.33	0.23	2	50.00
Worland	91.18	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00

* The market consists of all other Small Farm reporters in USB's assessment area and is based on 1998 Aggregate Small Business Data only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: Wyoming				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Scope									
Cheyenne	1	3,348	8	2,653	9	6,001	74.86	0	0
Limited Scope									
Casper	0	0	4	1,911	4	1,911	23.84	0	0
Cody	0	0	1	82	1	82	1.02	0	0
Evanston	0	0	0	0	0	0	0.00	0	0
Fremont	0	0	2	5	2	5	0.06	0	0
Gillette	0	0	0	0	0	0	0.00	0	0
Laramie	0	0	2	4	2	4	0.05	0	0
Sheridan	0	0	4	10	4	10	0.12	0	0
Sweetwater	0	0	0	0	0	0	0.00	0	0
Torrington	0	0	1	3	1	3	0.04	0	0
Worland	0	0	0	0	0	0	0.00	0	0

* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

** "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Wyoming				Evaluation Period: January 1, 1998 to December 31, 1999			
MSA/Assessment Area	Deposits	Branches						Branch Openings/Closings						Population							
	% of Rated Area Deposits in MSA/AA	# of USB Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*							
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp				
Full Scope																					
Cheyenne MSA	31.97	2	14.29	0.00	50.00	50.00	0.00	0	0	0	0	0	0	0.00	35.12	43.92	20.96				
Limited Scope																					
	10.42	1	7.14	100.00	0.00	0.00	0.00	0	0	0	0	0	0	4.98	12.05	49.33	33.65				
Cody	1.27	1	7.14	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.38	19.42	80.20	0.00				
Evanston	2.81	1	7.14	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	100.00	0.00				
Fremont	14.08	2	14.29	0.00	50.00	50.00	0.00	0	0	0	0	0	0	0.00	40.28	59.72	0.00				
Gillette	2.82	1	7.14	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	26.70	73.30				
Laramie	12.20	1	7.14	0.00	100.00	0.00	0.00	0	0	0	0	0	0	5.70	26.97	43.88	16.84				
Sheridan	5.00	1	7.14	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	15.97	64.61	19.42				
Sweetwater	9.56	2	14.29	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	0.00	27.68	72.32				
Torrington	6.34	1	7.14	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	63.19	36.81	0.00				
Worland	3.53	1	7.14	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	8.18	91.82	0.00				

* The percentage of the population in the MSA/AA that resides in these geographies.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Wyoming		Evaluation Period: January 1, 1998 to December 31, 1999	
MSA/Assessment Area	Geographic Distribution								Borrower Distribution								Total Consumer Loans				
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper -Income Geographies		Low-Income Borrowers		Moderate Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		#	% of Total*			
	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Pop*	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans	% of Hshlds	% of USB Loans					
Full Scope																					
Cheyenne	0.00	0.00	35.12	9.39	43.92	29.29	20.96	61.33	21.65	10.53	17.89	16.94	19.71	27.62	40.75	44.91	1,417	23.30			
Limited Scope																					
Casper	4.98	1.31	12.05	6.12	49.33	40.23	33.65	52.33	23.64	14.37	16.19	17.63	20.25	31.26	39.91	36.74	686	11.28			
Cody	0.38	0.00	19.42	6.88	80.20	93.12	0.00	0.00	23.26	11.86	18.00	28.81	20.22	30.51	38.52	28.81	247	4.06			
Evanston	0.00	0.00	0.00	0.00		69.90	0.00	30.10	15.38	11.85	14.08	16.38	21.01	28.92	49.54	42.86	289	4.75			
Fremont	0.00	0.00	40.28	11.22	59.72	88.78	0.00	0.00	29.85	19.19	18.14	22.02	21.06	29.90	30.95	28.89	499	8.21			
Gillette	0.00	0.00	0.00	0.00	26.70	14.23	73.30	85.77	14.95	7.56	10.59	14.39	17.59	27.12	56.87	50.92	548	9.01			
Laramie	5.70	3.54	26.97	36.11	43.88	38.89	16.84	21.21	34.14	26.34	17.50	27.99	16.70	23.54	31.66	22.14	792	13.02			
Sheridan	0.00	0.00	15.97	5.76	64.61	71.00	19.42	23.24	26.16	16.74	16.59	20.82	21.10	31.55	36.14	30.90	469	7.71			
Sweetwater	0.00	0.00	0.00	0.00	27.68	16.67	72.32	83.33	16.38	9.84	10.45	12.20	16.62	25.59	56.54	52.36	768	12.63			
Torrington	0.00	0.00	63.19	10.42	36.81	89.58	0.00	0.00	29.74	17.80	19.74	22.03	20.86	30.51	29.66	29.66	240	3.95			
Worland	0.00	0.00	8.18	2.38	91.82	97.62	0.00	0.00	23.25	19.20	18.25	28.00	21.31	31.20	37.19	21.60	126	2.07			

* The Percentage of the population in the MSA/Assessment area that resides in the geographies.

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