



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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Community Reinvestment Act Performance Evaluation

**City National Bank
Charter Number: 14695**

**400 North Roxbury Drive
Beverly Hills, California 90210**

Office of the Comptroller of the Currency

**Assistant Deputy Comptroller - Midsize Banks
440 South LaSalle Street, Suite 2700
Chicago, Illinois 60605**

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

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Overall CRA Rating

Institution’s CRA Rating: This institution is rated “**Satisfactory.**”

The following table indicates the performance level of **City National Bank** with respect to the lending, investment, and service tests:

Performance Levels	City National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		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:

- Overall good performance in the Lending Test, characterized by excellent lending activity, excellent community development lending, use of flexible lending programs, but only adequate geographic and borrower distribution.
- Excellent performance in the Investment Test, with a high volume of investments that are targeted at important community needs, particularly affordable housing.
- Overall good provision of services to the assessment areas. City National Bank’s service delivery systems are reasonably accessible to geographies and individuals of different income levels. The bank’s record of opening and closing branches has improved the accessibility of its branch delivery systems. City National Bank has a high level of community development services that are very responsive to the community’s credit needs.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

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

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

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full Review: Performance under the lending, investment, and service tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

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

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5

million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

Upper-Income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

Description of Institution

City National Bank (“CNB” or “bank”) is a wholly owned subsidiary of City National Corporation (CNC). The bank was founded in 1954 and the holding company, CNC, was organized in 1968. CNB is an interstate bank, with operations in California and New York.

CNB began operations in the Los Angeles-Long Beach-Glendale MD and has expanded throughout California. In late 2002, CNB opened a private banking office in New York City. CNB is a business bank that targets its products and services toward small and medium-sized businesses, high net worth individuals, entrepreneurs, and professionals with an emphasis in the entertainment and real estate industries. The bank offers trust and insurance services, and a variety of ancillary retail products including mortgage loans, consumer loans, and credit card products. However, these retail products are primarily made available to support CNB’s business and wealth management focus, and provide full-service relationships to the targeted customer base. CNB does not mass market retail banking products to the general public.

Based on the bank’s September 30, 2005, Uniform Bank Performance Report, the loan portfolio was comprised of commercial and industrial loans (33 percent), residential first mortgage loans (31 percent), commercial real estate loans (21 percent), construction loans (9 percent), and consumer loans (including home equity loans) (3 percent). As of the same date, the bank’s net Tier 1 Capital was \$1.26 billion. The company also had \$38.8 billion of assets under management or administration from its Wealth Management businesses.

CNB operates branches in 9 assessment areas in the State of California and 1 branch in an assessment area in the State of New York. This was the first CRA Performance Evaluation in which CNB was evaluated as a multistate bank. The bank’s branch in New York City was too new to be evaluated at the last CRA examination.

CNB is currently operating under a Consent Order (Order), dated, February 23, 2005. The Order requires the bank to take certain remedial measures to strengthen its control systems to ensure compliance with the Bank Secrecy Act and related areas of regulatory concern. Successful efforts to address the underlying causes of the problems that led to the Order have consumed significant bank resources. However, there is no evidence that this has impeded the bank from meeting the needs for financial services in its assessment areas. There are no other legal, financial, or other factors impeding the ability of the bank to meet the financial service needs of its assessment areas.

CNB was last examined under the CRA as of January 13, 2003, at which time it was rated “Satisfactory.”

Scope of the Evaluation

Evaluation Period/Products Evaluated

In this evaluation period several changes occurred that affected the way in which loan data was reported under the CRA. In essence, these changes caused three different sets of reporting rules to be in effect for CNB during this evaluation period; one rule set for its loan data from the fourth quarter of 2002, one for loan data from 2003, and one for 2004 through September 30, 2005. In order to simplify the presentation and analysis of information, and with the agreement of the bank, we did not include in this evaluation reported home mortgage, small business, and small farm loan information for the fourth quarter of 2002. This was too small a period to have a material effect on the bank's overall performance rating.

The starting date for lending activity considered in this evaluation period would normally coincide with the ending date for lending data considered during the last CRA Performance Evaluation. However, for the reasons discussed above, we evaluated CNB's performance using small business loan data for the period between January 1, 2003, and September 30, 2005. Our evaluation period for community development loans, qualified investments, and community development services was from January 14, 2003, through January 23, 2006.

In appendix D, which contains the Tables of Performance Data, the performance information is presented separately for the bank's operations in California and New York. In addition, reported performance information for home mortgage, small business, and small farm loans is presented separately for 2003 and 2004-2005 due to the different reporting rules that were in effect for those timeframes. However, for both the California and New York sets of tables, there is a Lending Volume Summary Table at the front which contains total loan volumes for the entire evaluation period in order to provide the reader with a summary view of the data.

Data Integrity

During this evaluation period, we incorporated our data integrity review into the CRA examination. We reviewed all of the community development loans and investments submitted, and we sampled community development services. Any minor errors in the data were corrected. We also reviewed internal audit reports that evaluated the quality control function for loan data reported and that sampled reported loan data. No material errors were found. We consider the data disclosed in the tables in appendix C to be reliable. Therefore, the analyses and conclusions in this evaluation were derived from accurate data.

Selection of Areas for Full-Scope Review

CNB presently operates 54 branches in 9 assessment areas in the State of California and 1 branch in an assessment area in the State of New York. The California assessment areas are the Los Angeles-Long Beach-Glendale MD, Oakland-Fremont-Hayward MD, Oxnard-Thousand Oaks-Ventura MSA, Riverside-San Bernardino-Ontario MSA, San Diego-Carlsbad-San Marcos MSA, San Francisco County, San Mateo County, Santa Ana-Anaheim-Irvine MD, and Santa Clara County. The New York assessment area is New York County.

In August of 2004 CNB did eliminate 1 assessment area and its branch from the bank's community delineation. CNB determined that the heavy agricultural concentration in the Visalia-Porterville MSA did not fit the bank's overall strategic focus. The Tables of Performance Data in appendix D do show the banking activities for this assessment area up to the closing date, but this information did not have a material effect upon the bank's performance rating.

As the tables for the State of California in appendix C demonstrate, the majority of CNB's deposits and loans originate in the Los Angeles AA. Furthermore, the bank's headquarters and a majority of its branches are in this assessment area. CNB's CRA performance in the Los Angeles AA is substantially representative of its overall performance in California. For these reasons, we selected the Los Angeles AA for a full review for the State of California and the other assessment areas for limited reviews.

We performed a full-scope review for the New York County AA, as it is the bank's only AA within the State of New York. See appendix B for complete descriptions of the Los Angeles-Long Beach-Glendale MD and New York County.

Ratings

The bank's overall rating is a blend of the state ratings. The bank's overall rating is based primarily on the assessment areas that received a full review. In general, the performance in each assessment area is weighted according to the percentage of deposits and loans received from that area. Hence, CNB's performance in the Los Angeles AA carries the most weight in developing the overall conclusions for the State of California. Furthermore, since the CNB's activities in its New York assessment area represent a very small percentage of its overall activities, the state rating for New York has very little impact on the overall rating for the bank. Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

In evaluating the volume of community development loans and investments, examiners compare the dollar volume of those activities to the bank's allocated net Tier 1 Capital. This capital was allocated across CNB's assessment areas based on the percentage distribution of deposits. Due to the substantial growth in the bank's Tier 1 Capital during this evaluation period, we used an average net Tier 1 Capital number of \$1.14 billion for analysis purposes. For the Los Angeles AA, the allocation of average net Tier 1 Capital is \$892 million, or 78 percent of the bank's average net Tier 1 Capital for the evaluation period.

Fair Lending or Other Illegal Credit Practices Review

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

State Rating

State of California

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

The major factors that support this rating include:

- Overall good performance in the Lending Test, characterized by excellent lending activity, excellent community development lending, use of flexible lending programs, but only adequate geographic and borrower distribution.
- Excellent performance in the Investment Test, with a high volume of investments that are targeted at important community needs, particularly affordable housing.
- Overall good provision of services to the assessment areas. CNB's service delivery systems are reasonably accessible to geographies and individuals of different income levels. The bank's record of opening and closing branches has improved the accessibility of its branch delivery systems. CNB has a high level of community development services that are very responsive to the community's credit needs.

Description of Institution's Operations in California

CNB operates 54 branches in 9 assessment areas in the State of California. During this evaluation period, CNB closed its one branch in the Visalia-Porterville MSA and eliminated that assessment area from its community delineation. With its economy heavily dependent upon agriculture, that assessment area did not fit into CNB's strategic focus.

In terms of deposits, CNB is the tenth largest banking institution in the State of California with 1.7% of the market share representing \$11.4 billion in deposits. Bank of America, N.A., Washington Mutual Bank, FA, and Wells Fargo Bank, NA, are the dominant banking companies in California with deposit market shares of 21%, 16%, and 13%, respectively as of June 30, 2004. Union Bank of California, NA, and Citibank West, FSB, hold deposit market shares in excess of 5%, and World Savings Bank, FSB has 4% of the market. Six (6) other financial institutions have deposit market shares between 1% and 3%. Altogether, 329 insured financial institutions operated in the state in 2004. These statistics portray a highly competitive market for financial services in all of the bank's assessment areas in the state.

Of the bank's 2 state rating areas California is by far the most important, with 99% of its deposits and 98% of its branches and reportable loans concentrated in this rating area.

The high cost of housing is a significant performance context issue in the bank's California AAs. Some of the bank's AAs in this state are home to the highest median housing costs in the country. This issue primarily affects our analysis of the bank's efforts to meet affordable housing needs through community development activities.

The Los Angeles AA is the bank's most important assessment area in the state. The vast majority of the bank's branches, loans, and deposits in California are located in this AA. Refer to the Market Profile for the full-scope AA in the State of California in appendix C for detailed demographics and other performance context information for the assessment area that received a full-scope review.

Scope of Evaluation in California

Given the significance of the Los Angeles AA to the bank's overall operations, the AA received a full-scope review for the reasons noted above. Other AAs in the state of California received limited-scope reviews. Ratings are based primarily on the performance in areas that receive full-scope reviews. Refer to appendix A for more information about scope.

In evaluating the bank's lending performance, we gave the most weight to small loans to businesses. As reflected in the tables in appendix D, this was the bank's highest volume of reportable loans during the evaluation period, and the only product where it achieved a noticeable market share. In addition, loans to businesses, including small businesses, was an important need identified by community groups.

Community development loans were also given significant consideration due to their inherently beneficial impact on segments of the community deemed most in need. As discussed in more detail later in this document, the bank made a high volume of such loans.

Similar to prior CRA reviews, home mortgage lending did not receive consideration in this review. CNB does not actively market home mortgage loan products to the general public. The bank only makes them as an accommodation to existing commercial, trust, and entertainment clients. Furthermore, the bank achieved insignificant market shares (less than half a percent) in each of the three home mortgage loan categories.

The Los Angeles AA is a large and growing coastal urban area located in southern California. More than 9.5 million people live in this AA. The population is diverse and it contains significant numbers of immigrants. This area contains one of the nation's busiest airports and a leading seaport as well. This kind of complex urban center has the need for a variety of community development activities and financial services. There is ample opportunity for CNB to participate in community development activities in this AA.

During the examination we performed a community contact and reviewed others on file, we consulted with the bank, and we reviewed the 1995 Consolidated Plan on file with the U.S. Department of Housing and Urban Development to identify credit and other needs in the full-scope AA. These sources stated needs for education and training, research and community planning, and economic development and workforce programs. There are needs for financing of affordable housing and first-time home buyer education. There are needs for financial services that help LMI persons improve their credit, accumulate wealth, and find affordable

housing. There are needs for operational support, technical assistance, and funding of entities engaged in community development activities. Mixed-use development and redevelopment projects that provide a variety of benefits to communities require financing. Small businesses continue to need access to capital, technical support, and training. LMI persons need scholarships, internships, and job placement assistance. There is a need for more welfare-to-work programs. Also, there are needs for homeless shelters, jobs for LMI persons, economic development, child care for LMI families, social services and medical services for the poor, rehabilitation of public facilities, and business incubators.

LENDING TEST

Conclusions for Area Receiving Full-Scope Review

The bank's performance under the lending test in California is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Los Angeles-Long Beach-Glendale AA is good. Performance in the limited scope AAs was generally consistent with the performance in the full scope AA, and did not have an impact on the lending test rating for California.

In the evaluation of the bank's lending performance, we gave the most weight to small loans to businesses. As reflected in the tables in Appendix D, this was the bank's highest volume of reportable loans during the evaluation period, and the only product where it achieved a noticeable market share. Also, loans to businesses, including small businesses, was an important need identified by community groups.

Community development loans were also given significant consideration due to their inherently beneficial impact on segments of the community deemed most in need. As discussed in more detail later in this document, the bank made a high volume of such loans.

Similar to the two previous CRA reviews, home mortgage lending did not receive consideration in this review. The bank achieved insignificant market shares (less than half a percent) in each of the three home mortgage loan categories. In 2004, CNB achieved only a 0.09 percent market share in home purchase loans, a 0.10 percent market share in home improvement loans, and a 0.04 percent market share for home refinance loans in the full scope assessment area. And, the vast majority of home mortgage loans are accommodation loans to existing commercial, entertainment, and trust clients. CNB does not actively market these products to the general public. The bank attempts to address the communities' affordable housing needs through targeted investments and community development loans.

Small loans to farms did not receive consideration in this review either. The bank made a negligible number of such loans in most of its assessment areas in the State of California during this evaluation period. CNB did achieve market shares in excess of one percent in its Riverside-San Bernardino-Ontario and Visalia-Porterville AAs. But with 46 and 21 loans made in those respective areas, these are insignificant numbers within the context of the bank's overall lending activity. Furthermore, CNB closed its one branch in the Visalia-Porterville AA because agricultural lending was not part of its strategic focus and other lenders meet the demand for that kind of credit in that area.

Lending Activity

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

Overall, CNB's lending activity in small loans to businesses and community development (CD) loans is excellent. The volume of small loans to businesses, the bank's most important CRA loan product, substantially exceeded its deposit taking activities. And, the volume of CD loans is excellent. This excellent level of lending activity had a positive effect upon our overall conclusion about the bank's performance under the Lending Test.

The strategic focus of the bank has a significant impact on its lending activity. CNB's strategic plan is to operate as California's premier private and business bank. With this strategy, the bank's most important lending product under CRA is small loans to businesses. The bank does not mass market retail loan products to the general public, thus those products carry no weight in the evaluation of the bank's lending activity.

The competitive environment of the financial services market in the Los Angeles AA is an important contextual issue when analyzing the bank's lending activity. There are a number of active financial service providers within the assessment area that make loans but do not take deposits. These include large interstate credit card lenders that make loans to small businesses. The operations of these non-traditional entities in local financial markets may have the effect of making the bank's loan market share seem lower than it should in comparison to its deposits market share. Also, much larger banking companies, whose operations are national in scope, compete in this market. Often, these larger institutions have technological (credit scoring and/or desktop underwriting) and marketing advantages (name recognition and resources) over smaller local banks. This competitive environment affected our lending activity analysis.

It is worthwhile to note that in the Los Angeles AA in 2004, 69 percent of the number of small loans to businesses, but only 15 percent of the dollar amount, were made by lenders whose average loan size was \$12 thousand or less. Most, if not all, of these lenders were credit card lenders. These statistics clearly show the dominance of the credit card lenders in a significant segment of CNB's most important market. Not only does this dominance have some effect on the evaluation of the bank's lending activity, but it also has an effect on the evaluation of borrower distribution of small loans to businesses.

Only in this section of the Performance Evaluation is lender market share discussed in terms of both dollar volume and number of loans. Due to the extremely high number of small loans to businesses made by credit card banks, the comparison of CNB's market share of deposits by dollar amount to market share of loans by dollar amount is the more valid method to evaluate lending activity. Elsewhere in this document, lender market share refers only to the number of loan transactions.

Small Loans to Businesses

CNB's lending activity for small loans to businesses represents excellent responsiveness to area credit needs in the Los Angeles AA. Of the bank's total reportable loans, 79 percent by number and 47 percent by dollar volume were small loans to businesses. Further, commercial lending is the strategic focus of the bank and an expressed community need.

During 2004, CNB held a 3.9% market share of the dollar amount of deposits, ranking 6th among 153 FDIC insured financial institutions in the full scope AA. During the same period, the bank achieved a 5% market share by dollar volume of small loans to businesses, ranking 4th among 262 reporting lenders. By number of loans, however, the bank ranked 17th with a 0.62 percent market share. Giving more weight to the dollar comparisons, these statistics show that in its most important loan product, the bank's lending activity exceeded its deposit taking activity in the full-scope assessment area despite the highly competitive environment.

Home Mortgage Loans

As noted above, CNB's volume of home mortgage loans was not significant in the Los Angeles-Long Beach-Glendale AA. The bank did not achieve a meaningful market share in any of the three home mortgage loan categories, and home mortgage lending is not reflective of the bank's strategic focus or its CRA performance.

Small Loans to Farms

As noted above, CNB's volume of small loans to farms was not significant in the Los Angeles-Long Beach-Glendale AA. The bank did not achieve a meaningful market share in this loan category, and agricultural lending is not reflective of the bank's strategic focus or its CRA performance.

Distribution of Loans by Income Level of the Geography

CNB's overall geographic distribution of loans is adequate. This is reflective of adequate distribution of small loans to businesses. The volume of home mortgage loans and small loans to farms is too low for meaningful analysis.

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.

As noted above, CNB's volume of home mortgage loans was not significant in the Los Angeles-Long Beach-Glendale AA. The bank did not achieve a meaningful market share in any of the three home mortgage loan categories.

Small Loans to Businesses

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

The geographic distribution of the bank's small loans to businesses is adequate overall. During the 2004-2005 portion of the evaluation period, the percentage of bank loans made in both low- and moderate-income geographies was lower than the percentage of businesses located in those geographies. Distribution was somewhat better in the 2003 portion of the evaluation period for both kinds of geographies, but still in the adequate range.

Market share analysis of the bank's performance disclosed better results, with overall good performance noted. In the 2004-2005 timeframe the bank's market share in low-income geographies was near to its overall market share for the full-scope AA. But its market share in moderate-income geographies was lower than its overall market share. However, in the 2003 timeframe the bank's market share in both low- and moderate-income geographies was near to its overall market share. In view of the competitive environment discussed above, more weight was given to the market share aspect of the bank's performance. The much larger financial institutions and credit card lenders that are active in the Los Angeles-Long Beach-Glendale market are in some ways better equipped to overcome any barriers that may exist to lending in LMI geographies. Often these competitors have the advantages of greater name recognition, a wider menu of products, and technological tools that help them better meet local market challenges. In this context, by achieving better results in the market share aspect of its performance, CNB demonstrated a good focus on the needs of LMI geographies in the face of strong competition.

Small Loans to Farms

Refer to Table 7 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 noted above, CNB's volume of small loans to farms was not significant in the Los Angeles-Long Beach-Glendale AA. The bank made a negligible number of these loans and did not achieve a meaningful market share.

Lending Gap Analysis

Maps and reports detailing CNB's lending activity over the evaluation period for small loans to businesses were reviewed to identify gaps in the geographic distribution of those loans. No unexplained conspicuous gaps were identified. The absence of unexplained gaps in the bank's lending patterns had a positive impact upon our evaluation of the geographic distribution of the bank's lending activity.

Inside/Outside Ratio

CNB originated or purchased a substantial majority of its home mortgage, small loans to businesses, and small loans to farms inside of its combined assessment areas in California and New York. Between January 1, 2003, and September 30, 2005, the percentages of lending by numbers of loans within the assessment areas were: home purchase (88 percent), home improvement (96 percent), home refinance (93 percent), multifamily (100 percent), small business (96 percent), and small farm (86 percent). This excellent concentration of lending within the assessment areas had an overall positive impact upon the evaluation of the geographic distribution of the bank's lending activity.

Distribution of Loans by Income Level of the Borrower

The distribution of loans by income level of borrower is adequate. This is reflective of adequate distribution of small loans to businesses. The volume of home mortgage loans and small loans to farms is too low for meaningful analysis.

Home Mortgage Loans

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

CNB's volume of home mortgage loans was not significant in the Los Angeles-Long Beach-Glendale AA. The bank did not achieve a meaningful market share in any of the three home mortgage loan categories.

Small Loans to Businesses

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

In this analysis, we placed the most weight on the comparison between the bank's overall market share of reported small loans to businesses and its market share of loans made to businesses with total revenues equal to or less than \$1 million. In view of the competitive pressures faced by the bank and its strategic focus, we believe this is the best indicator of CNB's success at maintaining sufficient emphasis on making loans to small businesses as an integral part of its overall commercial lending program. We placed secondary weight on the demographic comparison of the percentage of the bank's reported loans that were actually made to businesses with revenues equal to or less than \$1 million to the percentage of businesses in the AA that meet the definition of a small business. We placed very little weight upon the size of loan component of this analysis. As previously mentioned, the need for very small loans to businesses is being met by credit card lenders who often possess competitive advantages over other financial institutions in that segment of the market.

Overall, the bank's performance in borrower distribution of small loans to businesses was adequate. The bank's market share of loans made to borrowers that meet the definition of a small business was near to the bank's overall market share of reported small loans to businesses.

The percentage (35%) of total reported small loans to businesses that were made to borrowers that meet the definition of a small business was below the percentage of total businesses located in the assessment area that are small businesses. However, all 262 reporting lenders in the Los Angeles-Long Beach-Glendale AA made only 37% of their loans to small businesses that meet the revenue definition. So, while CNB's performance is below the demographic, it is very close to the aggregate performance of its competition.

The analysis also shows CNB's distribution of loans in amounts of less than or equal to \$100 thousand represents 48% of the bank's total reported small loans to businesses, with an average loan size of \$235 thousand. This is adequate when compared to the demographic for the concentration of small businesses in the assessment area. However, due to the pervasive influence of credit card lenders in this market, with their small average loan size, the bank's performance in this factor does not carry much weight in our conclusions. With a whole class of lenders already meeting the need for small loans to businesses, CNB's relative lack of emphasis on this aspect of the market is reasonable. Further, this is not the bank's market niche.

There were no significant differences between the bank's borrower distribution performance in the 2003 timeframe and the 2004-2005 timeframe.

Small Loans to Farms

Refer to Table 12 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 farms.

CNB's volume of small loans to farms was not significant in the Los Angeles-Long Beach-Glendale AA.

Community Development Lending

Refer to Table 1 and 1a Lending Volume in the State of California section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

City National Bank's community development lending is excellent. The loans are very responsive to the credit needs within their communities. This lending activity helped create or maintain 3,376 jobs in the full scope assessment area. The bank's CD loans also funded entities (mostly nonprofits) that provide affordable housing and a variety of important community services targeted primarily at LMI persons. These include entities that serve the special needs of developmentally disabled persons and their families, several organizations that operate emergency shelters and provide other services to the homeless, an entity that provides service enhanced affordable housing for senior citizens, several organizations that

serve the needs of abused and neglected youths, an entity that provides transitional housing, several organizations that provide rehabilitation and other services targeted at persons suffering from substance abuse, an organization that provides residential care and other services to children with AIDS and their families, and others. CNB used flexible underwriting standards to make some of the CD loans.

The total dollar volume and number of community development loans in the Los Angeles AA are very high. The 80 community development loans made in this assessment area total over \$265 million, and represent almost 30% of allocated net Tier 1 Capital. During this evaluation period, growth in the bank's capital significantly outpaced growth in its total assets, such that maintaining a 30% allocation of capital resources to support CD lending actually represents an increase over the prior CRA examination. By dollar volume, loans that promote economic development are 47% of this total, loans that funded community services to low- and moderate-income families are 47%, affordable housing loans are 5%, and loans to revitalize or stabilize low- and moderate-income communities are about 1%. The level of CD lending and the focus upon important community needs had a positive effect upon our evaluation of the bank's performance under the lending test.

Examples of notable community development loans follow.

- CNB renewed and increased the amount of its loan to a community development corporation (CDC), from \$250 thousand to \$2.5 million. This multibank CDC was established in 1995. Its primary mission is to create jobs by providing financing to small businesses and economic development and revitalization activities which fall outside of normal bank lending activities. It targets growing businesses that don't qualify for conventional bank financing, placing a high priority on financing women- and minority-owned businesses. As part of its community development activities the CDC operates a Co-Lending Program in which the corporation works in partnership with its member banks to provide up to 50% of the loan requirement of a small business in the form of subordinated debt, while a member bank directly funds the balance of the borrower's financing need. CNB did not participate in the separate Co-Lending Program during this evaluation period. Flexible aspects of this CD loan are an extended maturity beyond bank policy guidelines, below market pricing, the increased risk inherent in the CDC's subordinated positions in loans made by the Co-Lending Program, and others.
- The bank made a \$2.2 million loan to a nonprofit organization to help finance a 98-bed transitional housing facility for the homeless. This organization also provides community services to its residents to help them acquire skills, find work, save money, and secure permanent housing.
- CNB provided construction take-out financing to a nonprofit organization that operates three licensed residential treatment facilities, a non-public school, and diagnostic centers that serve emotionally distressed, abused, and neglected girls between the ages of 12 and 18 years. Clinical care, education, and job training are provided to the girls.
- The bank made a \$1.2 million loan to fund operating expenses for a nonprofit organization that runs an orphans home which provides therapeutic, residential, and foster care to children that have been removed from the custody of their families by the

court, usually for reasons of neglect or abuse. During its existence this organization has served over 15,000 orphaned, abused, or neglected children, the majority of whom came from LMI families.

Product Innovation and Flexibility

As noted in the discussion of Community Development Loans above, CNB used flexible underwriting standards to make some of its CD loans during this evaluation period. These include extended amortization periods, relaxed loan-to-value collateral standards, reduced interest rates, and others.

In addition, CNB uses flexible lending programs to further serve its customers, meet the needs of the business community, and enhance its lending performance. Through these flexible programs, CNB helps to promote economic development through support of small business activities and revitalization and stabilization of LMI geographies. The bank partners with non-profit organizations to assist small businesses located in LMI census tracts or distressed geographies within the assessment area and throughout the State of California. Participation in government guaranty programs also provides loans to businesses that would not otherwise qualify for credit under normal underwriting standards. The bank's performance in the Los Angeles-Long Beach-Glendale AA had a positive effect on our evaluation of CNB's performance under the Lending Test. Examples are:

- The bank committed \$200 thousand to a revolving loan fund that is supported by twenty bank participants. The fund provides loans and technical assistance to non-bankable businesses in emerging Asian-Pacific markets in order to help stabilize their cash flow and increase their business volume to levels that are acceptable to traditional sources of funds. To date, the fund has made 41 loans totaling more than \$6 million.
- The bank demonstrated leadership by collaborating with three nonprofit organizations to establish a revolving loan fund that makes loans to nonprofit arts organizations and low-income artists. The bank committed \$500 thousand to the fund. The purpose is to provide small loans (\$2 thousand to \$25 thousand in size) to individuals and organizations that would not otherwise qualify for credit through normal banking channels. The fund will also partner with financial institutions to provide loan guarantees. The guaranty program will leverage the lending power of the fund by enabling borrowers to obtain loans directly from other lenders. To date, the fund has made 3 loans totaling \$28 thousand.
- Several flexible loan programs are available through the bank's Government Lending Department. These loans feature guarantees through various government and quasi-government agencies including the SBA, the Export/Import Bank, and the State of California. The guarantees allow the bank to make a variety of underwriting concessions that would not otherwise be available to borrowers. Depending on the program, concessions granted to borrowers include high loan-to-value, high debt-to-income, longer terms, and others. These programs increase the provision of credit to businesses, including small businesses, which in turn promotes economic development. These programs also contribute to the creation or maintenance of jobs, including jobs for LMI persons. During this evaluation period the bank originated 220 loans totaling almost \$149 million under various government lending programs. Of these, 49 loans

totaling more than \$87 million were loans in excess of \$1 million and excluded from consideration under the small loans to business analysis. Some of these loans require considerable documentation and can take considerable effort to underwrite. These programs enable CNB to extend credit to entities, markets, and geographies that might otherwise be underserved by traditional credit facilities.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Oakland-Fremont-Hayward, Oxnard-Thousand Oaks-Ventura, Riverside-San Bernardino-Ontario, San Diego-Carlsbad-San Marcos, San Francisco County, San Mateo County, Santa Ana-Anaheim-Irvine, Santa Clara County, and Visalia-Porterville AA's is not inconsistent with the bank's overall good performance under the lending test in California. Refer to Tables 1 through 11 in the State of California section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Area Receiving Full-Scope Review

The bank's performance under the investment test in California is rated "Outstanding". Based on a full-scope review, the bank's performance in the Los Angeles-Long Beach-Glendale AA is excellent. Performance in the limited scope AAs did not have an impact on the investment test rating for California.

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

Dollar amount of qualified investments

CNB's investment volume in the Los Angeles-Long Beach-Glendale assessment area is excellent. This conclusion considers the numerous investment opportunities within the AA and the bank's capacity to address these needs. Qualified investments total \$68.5 million and represent 7.7% of the Tier 1 Capital allocated to the full-scope AA. We allocated Tier 1 Capital to the bank's AAs based on the pro rata share of the bank's deposits within each assessment area as described under "*Ratings.*"

The investment dollars and Tier 1 Capital ratios for the full-scope and other assessment areas exclude investments the bank made in broader statewide or regional areas that can have a positive impact on the bank's assessment areas (see separate line item in Table 14 in Appendix C). These total another \$15.5 million. These investments nonetheless enhance the bank's performance due to their effect in providing affordable housing.

Qualified investments also include investments that the bank made in prior evaluation periods and are still outstanding. The current book balance of these prior period investments in the Los Angeles-Long Beach-Glendale assessment area is approximately \$19.5 million. These prior period investments have a continuing positive impact on the community as they provide financing for affordable housing units for low- and moderate-income persons.

Additionally, CNB has \$21.7 million in binding commitments for investments that have not yet been funded, indicating ongoing support of community development projects and a willingness and capacity to invest in the communities the bank serves.

There are numerous opportunities for investment in community development activities within the full-scope assessment area, particularly in affordable housing projects. Substantially all of the bank's investments support the affordable housing needs of low- and moderate-income persons in the assessment area, an important need identified by community groups and local government officials.

The bank's qualified contributions also reflect its willingness to work with a variety of organizations in the AA to help meet a variety of community development needs. During the evaluation period, the bank made over \$1.3 million in donations to 139 community service, small business, and affordable housing organizations serving low- and moderate-income neighborhoods and individuals.

Responsiveness of qualified investments to credit and community development needs

The types of investments made, and grants and donations given to local community organizations, exhibit good responsiveness to the credit and community development needs of the assessment area, particularly the need for affordable housing. Of the total investment dollars in the AA, \$63.1 million or 92% were for programs that provide affordable housing. The remainder of the investments and donations were for the purposes of economic development, revitalization and stabilization activities, and community services.

Low-Income Housing Tax Credits (LIHTCs) and mortgage-backed securities (MBS) were integral parts of the bank's investment program in the Los Angeles-Long Beach-Glendale MD. These investments fund home ownership and rental housing programs for low- and moderate-income households. During this evaluation period, these kinds of investments funded 1,171 affordable housing units in the full-scope AA. Some of the bank's investments demonstrate innovation and complexity.

- CNB invested \$1.5 million in the first New Markets Tax Credit fund formed in this geographic area to develop charter schools in Los Angeles County. The purpose of the fund is to finance the creation of charter schools in minority communities to provide an alternative to the problem-ridden public education system in the county. The focus is on improving educational opportunities primarily for LMI families. The fund has a complex structure that has equity and debt components (CNB also has \$2.5 million loan participation), a grant component, and a credit enhancement feature. A \$2 million grant from a private foundation that supports educational projects will help service the debt and another \$1.5 million grant from a CDFI will provide the credit enhancement feature. This investment is the first of its kind. CNB took a leadership role in this investment by providing funding for both equity and debt components and by providing flexible pricing within a complex and innovative structure.
- The bank invested \$1 million in an established, well known non-profit multibank lending consortium. This investment is in a newly developed Workforce Housing Fund, LLC, developed by the consortium that will ultimately create 500 homes for purchase by

moderate- and middle-income workers such as nurses, teachers, and firefighters. In the Los Angeles-Long Beach-Glendale AA and other large metropolitan areas in California, many households that have earnings at the moderate- or middle-income level still cannot afford to own homes due to the very high cost of housing. To qualify for CRA credit, upwards of 50% of the housing units created would be affordable to households earning 120% of AMI or less, and upwards of 20% of the units created would be affordable to households earning 80% AMI and below. Furthermore, a majority of the fund's projects will be located in LMI geographies which are undergoing government assisted renewal. Their express mission is to facilitate the development of affordable housing. The fund opened during the 4th quarter 2005 and currently has one project underway.

- The bank invested \$1 million in a local development corporation (LDC) that operates as a nonprofit financial services corporation. The mission of the corporation is to create and retain jobs by expanding businesses and revitalizing economically distressed communities in Los Angeles County. The LDC, which is modeled after the SBA 504 Real Estate Program, targets women- and minority-owned small businesses in underserved areas. The LDC provides loans, investments, and technical assistance to small businesses, real estate developers, nonprofit service providers, and other targeted borrowers that lacked access to capital.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Oakland-Fremont-Hayward MD, Oxnard-Thousand Oaks-Ventura MSA, Riverside-San Bernardino-Ontario MSA, San Diego-Carlsbad-San Marcos MSA, San Francisco County, San Mateo County, and Santa Clara County assessment areas is not inconsistent with the overall "Outstanding" performance under the Investment Test in California. This determination is based primarily upon a high level of total investments in relation to allocated Tier 1 Capital for these assessment areas. Performance in the Santa Ana-Anaheim-Irvine MD and the Visalia-Porterville MSA assessment areas was weaker, but did not impact the bank's overall rating for the Investment Test in California. This determination was based upon a low level of investments in relation to allocated Tier 1 Capital in these AAs. Refer to Table 14 in the State of California section in Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Area Receiving Full-Scope Review

The bank's performance under the service test in California is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Los Angeles-Long Beach AA is good.

Retail Banking Services

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

The distribution of CNB's 32 branches in the Los Angeles-Long Beach-Glendale AA is adequate. The opening and closing of branch offices had a positive effect upon accessibility of banking services in LMI geographies.

As discussed in the *Description of the Institution* comment, CNB is a business bank that targets its products and services toward small- and medium-sized businesses, high net worth individuals, entrepreneurs, and professionals with an emphasis in the entertainment and real estate industries. Consumer products were primarily offered as an accommodation to existing customers and are not mass marketed to the general public. Thus, it is useful to compare branch distribution to the distribution of businesses, as well as population.

Delivery systems are accessible to essentially all portions of the AA, commensurate with the size and scope of operations of the bank. The distribution of branches in the low-income geographies exceeds the percentage of the population residing in the low-income geographies, as well as businesses. In the moderate-income geographies, the distribution of branches is substantially less than the respective percentage of the population and businesses.

CNB opened five offices in the AA during the evaluation period and closed four offices. These changes had the net effect of increasing the branches located in low-income geographies by two, but reducing the number of branches in moderate-income geographies by one.

The bank's services and products are similar in all of their full-service branches, and are designed to meet the needs of the bank's client base, rather than the general community. A broad array of consumer and business loan and deposit products were offered at each of the branch locations. Services do not vary in a way that inconveniences LMI persons.

Community Development Services

CNB provides an excellent level of community development services that are very responsive to a variety of community development needs in the full-scope AA. CNB management encourages employee involvement, and bank personnel played an active role in 55 different community development organizations. Bank employees contributed about 8,317 qualifying community service hours during this evaluation period. Community development services in the Los Angeles-Long Beach-Glendale AA represent approximately 65% of the total hours reported for all assessment areas, which is commensurate with the distribution of branches, deposits, and loans among the bank's AA's in California.

Based on a breakdown of CD services provided in 2005, 66% were community services dedicated to low- and moderate-income geographies or persons, 21 percent benefited entities that provide or promote the development of affordable housing for LMI families, and 13% went to agencies that provide small business loans and services that promote economic development.

The bank's provision of community development services had a broad impact in terms of the needs met and the segments of the LMI population they benefited. Recipients included programs for senior citizens, educational and other programs for youth, organizations that provide technical support to small businesses, community reinvestment corporations that

provide affordable housing, organizations that teach financial literacy to LMI persons and first-time homebuyers, a community development financial institution that makes small business loans and provides financial services to LMI areas, entities that operate food banks, Latino organizations that address a variety of individual and business needs, entities that provide substance abuse rehabilitation and counseling to LMI persons, organizations that provide emergency housing for the homeless, entities that provide resident care and services to developmentally disabled persons, an organization that provides scholarships for LMI African American students, an organization that is building an arts focused educational center in an LMI area, an entity that provides a wide range of services targeted at abused, neglected, and emotionally disturbed children, and others.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Oakland-Fremont-Hayward, San Diego-Carlsbad-San Marcos, San Francisco County, and Santa Ana-Anaheim-Irvine AAs was stronger than the bank's overall High Satisfactory performance in California. This determination was based upon better branch distribution and the provision of community development services. In the Oxnard-Thousand Oaks-Ventura, Riverside-San Bernardino-Ontario, San Mateo County, Santa Clara County, and Visalia-Porterville AAs the bank's performance was weaker than its overall performance under the Service Test in California. This determination was based upon poor branch distribution. This weaker performance did not have an impact upon the bank's overall rating in California under the Service Test. Refer to Table 15 in the State of California section of appendix D for the facts and data that support these conclusions.

State Rating

State of New York

CRA Rating for New York: Satisfactory

The lending test is rated: High Satisfactory

The investment test is rated: Low Satisfactory

The service test is rated: Needs to Improve

The major factors that support this rating include:

- Good lending performance characterized by an excellent level of lending activity, excellent borrower distribution, a good level of CD lending, and poor geographic distribution.
- A poor level of investments, grants, and donations made within the AA that is augmented by the potential beneficial impact of large investments in affordable housing in adjacent boroughs.
- Poor accessibility of banking services to LMI persons and geographies that is somewhat augmented by the provision of CD services that meet an identified need in the community.

Description of Institution's Operations in New York

CNB's operations in the State of New York are limited to one branch in Manhattan Borough (New York County) that it acquired from another financial institution in late 2002. The branch is used to serve the needs of private banking clients that travel frequently between Los Angeles and New York City and to develop new business.

In terms of deposits, CNB ranks 57 among 94 financial institutions in New York County in 2004, reporting more than \$111 million of deposits that represent a 0.03% market share. JP Morgan Chase Bank, NA, and Citibank, NA, are the dominant banking companies in New York County with deposit market shares of 41% and 28%, respectively. Seven (7) other financial institutions have deposit market shares between 1% and 6%. These statistics portray a financial services market that is heavily dominated by much larger banks that have extensive branch networks in this AA.

Of the bank's 2 state rating areas, New York is by far the least important with about 1% of the bank's deposits and 2% of its branches and reportable loans concentrated in this rating area.

Refer to the Market Profile for the full-scope AA in the State of New York in appendix C for detailed demographics and other performance context information for the assessment area that received a full-scope review.

Scope of Evaluation in New York

CNB has only one AA in State of New York, so this area received a full-scope review. Hence, the bank's performance in this AA will determine the bank's performance rating in this state.

The newness and relatively limited footprint of the bank in this market is an important contextual issue in the evaluation of CNB's CRA performance. The bank's assessment area is Manhattan Borough, which not only has a resident population of about 1.6 million persons, but also has several million people who commute to work there daily. As noted above, there are large, well established, well known banking institutions with pervasive branch networks that dominate the market. In this environment, it is difficult for a relatively small, new entrant to the market like CNB, with only one branch, to achieve significant performance.

A review of community contacts on file discloses that the assessment area has needs for a variety of community development activities and financial services. There is a critical need for affordable housing (primarily rental) and rehabilitation lending. Immigrant and minority communities need financing and technical assistance to help start small businesses. Another need identified by these contacts is for flexible lending products, including small lines of credit to small businesses, as a need within the community. Small businesses and nonprofit organizations also need assistance with business planning, marketing analysis, strategic planning, grant and loan packaging, and source financing. There is a need for financial education to help people avoid predatory lending and prevent foreclosures. Educational programs for homebuyers are also needed.

Manhattan Borough has very high housing costs. Information from the U.S. Census Bureau shows that the home ownership rate there is only 19%, which is very low in comparison to most other urban centers in the country. According to the U.S. Census Bureau, the median value of owner-occupied housing units was \$1 million in 2000 (a different calculation from the HUD Median Housing value shown in the appendix), and about 96% of the housing is in multi-unit structures. The very high cost of housing severely inhibits the ability of financial institutions to make sound consumer mortgage loans and achieve reasonable borrower or geographic distribution.

The structure of the housing market in Manhattan serves to magnify the effect of CNB's lack of emphasis on consumer mortgage loan products in its strategic plan. The result is a very low volume of home mortgage loans in this assessment area.

For this reason, the scope of the evaluation for this rating area will focus heavily upon the bank's small business lending and community development activities as the bank's primary vehicles for meeting the needs of the assessment area.

Refer to the tables in appendix A for more information about the scope of the evaluation in New York.

LENDING TEST

Conclusions for Area Receiving Full-Scope Review

The bank's performance under the lending test in New York is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the New York County AA is good.

Lending Activity

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

CNB did not achieve even a 1% market share in any of its reportable lending products in New York County. But, since the bank made significantly more small loans to businesses than it did home mortgage loans, the analysis of the bank's lending activity will focus upon its small loans to businesses and community development loans.

CNB's lending activity for making small loans to businesses was excellent. In 2004, CNB held a 0.03% market share of deposits and ranked 57th among 94 banks in New York County. The bank achieved a 0.07% market share in making small loans to businesses and ranked 29th among 212 reporting lenders. These statistics show that in its most important loan product, the bank's lending activity exceeded its deposit taking activity in this AA despite the highly competitive environment.

CNB also made a good level of CD loans that enhanced its overall lending performance.

Distribution of Loans by Income Level of the Geography

The evaluation of the geographic distribution of CNB's lending activity in Manhattan is affected by the fact the bank has only 1 branch in this AA. This kind of limited presence in a heavily banked environment causes us to lower our expectations for the bank's performance.

Home Mortgage Loans

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

As noted above, the bank did not make a significant volume of home mortgage loans during this evaluation period. Therefore, an analysis of the geographic distribution of these products would not be meaningful.

Small Loans to Businesses

Refer to Table 6 in the state of New York 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 bank's geographic distribution of small loans to businesses is poor. In both the 2003 and 2004-2005 performance periods the bank did not make any small loans to businesses in low-income geographies. However, in 2003 only 4% of the businesses in the AA were located in low-income geographies, which increased to 6% in the 2004-2005 period. This indicates a somewhat limited opportunity to lend in those geographies. In view of the contextual issues of limited opportunity, the bank having only 1 branch, and the heavily banked nature of the AA, CNB's performance in low-income geographies is considered poor. In moderate-income geographies, in 2003 the percentage distribution of bank loans was substantially below the percentage of businesses located in those geographies, and in the 2004-2005 performance period the percentage of bank loans was below the demographic. In both performance periods the market share of bank loans in moderate-income geographies was below the overall market share for the AA. Therefore, the bank's performance is poor in moderate-income geographies as well.

Small Loans to Farms

The bank did not make any small loans to farms in this AA during this evaluation period. Therefore an analysis of the geographic distribution of these products could not be performed.

Lending Gap Analysis

We did not note any unexplained conspicuous gaps in the bank's lending activity that would cause concern. With its limited presence and limited lending volumes for its reportable loan products, it is unrealistic to expect the bank to achieve proportional distribution. The bank did not make any reportable loans in low-income geographies. However, for an institution that has a large segment of its business in the private banking and asset management product lines, this is not an unusual outcome. The bank attempts to meet the needs of LMI persons and geographies through its CD activities.

Inside/Outside Ratio

CNB originated or purchased a substantial majority of its home mortgage, small business, and small farm loans within its combined assessment areas in California and New York. Between October 1, 2002, and September 30, 2005, the percentages of lending by numbers of loans within the assessment areas were: home purchase (88 percent), home improvement (96 percent), home refinance (93 percent), multifamily (100 percent), small business (96 percent), and small farm (86 percent).

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

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

As noted above, the bank did not make a significant volume of home mortgage loans during this evaluation period. Therefore, an analysis of the borrower distribution of these products would not be meaningful.

Small Loans to Businesses

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

In this analysis we used the same approach that was used in our evaluation of the full scope Los Angeles AA. We placed the most weight on the comparison between the bank's overall market share of reported small loans to businesses and its market share of loans made to businesses with total revenues equal to or less than \$1 million. We placed secondary weight on the demographic comparison of the percentage of the bank's reported loans that were actually made to businesses with revenues equal to or less than \$1 million to the percentage of businesses in the AA that meet the definition of a small business. And, we placed very little weight upon the size of loan component of this analysis. The need for very small loans to businesses is being met by credit card lenders who often possess competitive advantages over other financial institutions in that segment of the market.

Borrower distribution of small loans to businesses is excellent. In both the 2003 and the 2004-2005 performance periods the bank's market share of loans to businesses with revenues equal to or less than \$1 million exceeded its overall market share of all reportable small loans to businesses.

In the 2003 performance period, the percentage of bank loans to small businesses exceeded the percentage of businesses in the AA that were small businesses. In the 2004-2005 performance period the bank's lending percentage was near to the percentage of small businesses in the AA.

In the 2003 performance period, the percentage of small loans to businesses in the \$100,000 or less category was near to the percentage of businesses in the AA that were small businesses. But in the 2004-2005 performance period, the percentage of bank loans in the \$100,000 or less category exceeded the demographic for percentage of small businesses in the AA.

Small Loans to Farms

The bank did not make any small loans to farms in this AA during this evaluation period. Therefore, an analysis of the geographic distribution of these products could not be performed.

Community Development Lending

Refer to Table 1 and 1a Lending Volume in the state of New York section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

CNB made one CD loan in this AA that equaled about 4.6% of allocated net Tier 1 Capital. The loan provided funding to a nonprofit organization that partners with individuals, community-based groups, and public agencies to revitalize, reclaim, restore, and develop under-resourced community open spaces in New York City, primarily in economically disadvantaged neighborhoods. In view of the highly competitive nature of the financial services market in the AA, this is considered a good level of CD lending that had a positive impact on our evaluation of the bank's performance under the Lending Test.

Product Innovation and Flexibility

Product innovation and flexibility did not have an impact upon the bank's lending performance in this AA.

INVESTMENT TEST

Conclusions for Area Receiving Full-Scope Review

The bank's performance under the investment test in New York is rated "Low Satisfactory". Based on full-scope reviews, the bank's performance in the New York County AA is adequate. Refer to Table 14 in the state of New York section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The evaluation of Investment Test performance in the New York County AA took into consideration the bank's limited presence there, the structure of the housing market, and the substantial competition from financial institutions and other investors. While there are substantial investment opportunities in the New York County AA, there is also substantial competition for the investments.

The bank's dollar volume of qualifying investments, grants, and donations exhibit an adequate responsiveness to the credit and community development needs of the Manhattan AA. Within the AA the bank made only 4 qualifying grants or donations totaling \$26 thousand to community organizations in the AA that provide essential services primarily to LMI persons. This small amount equaled less than 1% of allocated Tier 1 Capital. But the bank also made 3 investments in Low-Income Housing Tax Credit funds that financed large affordable housing projects in other boroughs in New York City that have the potential to benefit the AA, which together total almost \$2 million. This equals approximately 22% of allocated Tier 1 Capital and

represents a substantial investment targeted to meet one of the most critical needs in the AA and surrounding areas. Furthermore, the bank also has a substantial amount of binding, unfunded commitments in the same kind of investments. In view of the heavy commute traffic to Manhattan Borough from surrounding areas, including other boroughs in NYC, the creation of affordable housing in the city has a pervasive positive impact. Therefore, these affordable housing investments have a significant overall impact on the performance rating.

SERVICE TEST

Conclusions for Area Receiving Full-Scope Review

The bank's performance under the service test in New York is rated "Needs to Improve." Based on a full-scope review, the bank's performance in the New York County AA is poor.

Retail Banking Services

Refer to Table 15 in the state of New York 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.

CNB operates one branch in Manhattan Borough, which is located on the 20th floor of a commercial building in an upper-income census tract. The location of the branch is appropriate for CNB's target market of affluent commercial and individual clients. As such, this banking facility is not readily accessible to LMI persons or geographies. There is no ATM or other alternative delivery system in place that increases the accessibility of the bank's services to LMI persons or geographies.

Community Development Services

CNB provided community development services to a nonprofit organization in Manhattan Borough that operates a food bank, emergency shelter, and counseling center for LMI persons. A bank employee serves on the Board of Directors of the organization and provides programming, financing, and other expertise to facilitate its operations. This community development service does meet an important need identified by community contacts.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): (01/01/03 to 09/30/05) Investment and Service Tests and CD Loans: (01/14/03 to 01/23/06)	
Financial Institution		Products Reviewed
City National Bank (CNB) Beverly Hills, California		Small Business Loans, CD Loans, Investments, Retail Banking Services, and CD Services
Affiliate(s)	Affiliate Relationship	Products Reviewed
N/A	N/A	N/A
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
California: Los Angeles-Long Beach-Glendale MD #31084 Oakland-Fremont-Hayward MD #36084 Oxnard-Thousand Oaks-Ventura MSA #37100 Riverside-San Bernardino-Ontario MSA#40140 San Diego-Carlsbad-San Marcos MSA #41740 San Francisco County #075 San Mateo County #081 Santa Ana-Anaheim-Irvine MD #42044 Santa Clara County #085 Visalia-Porterville MSA #47300 New York: New York County #061	Full-Scope Limited-Scope Limited-Scope Limited Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Full-Scope	

Appendix C: Market Profiles for Full-Scope Areas

State of California Full-Scope Area

Los Angeles-Long Beach-Glendale MD #31084

Demographic Information for Full-Scope Area: Los Angeles-Long Beach-Glendale MD						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	2,054	8.71	28.29	27.99	34.23	0.78
Population by Geography	9,519,338	8.00	29.44	30.88	31.58	0.10
Owner-Occupied Housing by Geography	1,499,694	1.91	15.46	31.30	51.33	0.00
Businesses by Geography	749,658	7.76	20.51	25.98	45.01	0.74
Farms by Geography	5,827	3.30	14.12	30.82	51.36	0.39
Family Distribution by Income Level	2,154,311	23.87	16.49	17.40	42.24	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	869,463	13.65	41.46	28.95	15.94	0.00
Median Family Income = \$46,509 HUD Adjusted Median Family Income for 2005 = \$54,450 Households Below the Poverty Level = 15.13%			Median Housing Value = \$240,248 Unemployment Rate = 4.9%			

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 2000 U.S. Census, January 2006 DOL Statistics, and 2005 HUD updated MFI.

The Los Angeles-Long Beach-Glendale Metropolitan Division is the bank's largest assessment area and it includes all of Los Angeles County. CNB has 32 of its 55 branches in this area, including the main office and the majority of its customer base. In Los Angeles County, CNB competes with 977 mortgage lenders, 264 small business lenders, and 133 financial institutions for deposits. Major banks operating in the assessment area include Bank of America, N.A., Washington Mutual Bank, F.A., Wells Fargo Bank, N.A., Union Bank of California, N.A., and Citibank, N.A. As of June 30, 2005, CNB's market share of deposits is 4.55 percent, while Bank of America, N.A., Washington Mutual Bank, F.A., and Wells Fargo Bank, N.A., have a combined market share of 42.67 percent.

Los Angeles County is a complex and highly diverse urban area that encompasses 88 cities and a number of unincorporated areas. It is the nation's largest county in size covering 4,752 square miles. According to the 2000 U.S. Census, the estimated population is 9.5 million. The Los Angeles County Economic Development Corporation ("LAEDC") provides a more recent population estimate of 10 million as of July 2003, which would equate the County with the ninth largest state in the nation. The city of Los Angeles is the largest city in the assessment area with an estimated population of 3.8 million.

The area economy has largely recovered from structural changes, major natural disasters, and civil disturbances over the last few decades. The unemployment rate for Los Angeles County is similar to the state and national unemployment rates. According to the federal Bureau of Labor Statistics, the seasonally adjusted unemployment rate for Los Angeles County in January 2006 was 4.9 percent, compared to 4.8 percent for California and 4.7 percent for the nation.

International trade ranks as the largest industry in the County with 286,000 employees, followed by the tourism industry with approximately 266,700 employees. Film and television production ranks close behind with 226,600 employees, followed by wholesale trade with 195,300 employees, and professional and business services with 173,100 employees. Dun and Bradstreet's 2005 data reflect that businesses with revenues of \$1 million or less represent 62 percent of total businesses.

The LAEDC projects an improved economy in 2006 for Los Angeles County following notable growth toward the end of 2004 and 2005. International trade is expected to have another strong year. The declining dollar is prompting increased international travel, which should notably benefit the tourism industry. The aerospace industry is expected to add jobs from certain weapons programs and the Boeing 7E7 program, but there are some reservations about potential spending cuts from the U.S. Department of Defense. No major labor problems are expected in the film and television production industries, which bodes well for 2005 and 2006 after strong job growth in 2004.

Housing affordability remains an ongoing and worsening problem throughout the State of California, including the Los Angeles area. The 2000 U.S. Census data reflects a median housing price of \$240,248 in Los Angeles County with just 46 percent of the housing units owner-occupied. The California Association of Realtors Housing Affordability Index ("HAI") measures the percentage of households that can afford to purchase a median-priced home by qualifying for a 30-year fixed-rate mortgage. As of November 2005, the HAI indicated that only 11 percent of the households in Los Angeles County could afford a median-priced home, compared to 14 percent for the state as a whole, versus the national average of 48 percent. The index for the state of California fell from 19 percent a year earlier.

The affordability gap between the state and local HAI versus the national average stems mainly from the state's long-term housing needs versus a housing production shortfall. Each year, California adds approximately 250,000 new households, but only produces about 150,000 new housing units, resulting in an annual shortfall of approximately 100,000 housing units. This ongoing production shortfall puts pressure on market prices and will continue to contribute to the affordability gap between Los Angeles County, the state of California, and the nation.

Within the Los Angeles-Long Beach-Glendale Metropolitan Division, numerous opportunities exist for community development lending, investments, and services. Community organizations identified affordable housing and small business lending, as significant credit needs. One of the organizations views the Small Business Administration 504 loan program as a notable economic development opportunity. The program enables small business owners to purchase or construct real property, or purchase other long-term fixed assets. As such, the program helps to create new jobs or preserve existing jobs, including jobs for low- and moderate-income persons.

State of New York Full-Scope Area

New York County #061

Demographic Information for Full-Scope Area: New York County (Manhattan Borough)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	296	20.27	19.93	8.11	48.65	3.04
Population by Geography	1,537,195	18.74	24.07	7.59	49.51	0.10
Owner-Occupied Housing by Geography	148,695	2.61	8.59	4.78	84.02	0.00
Businesses by Geography	229,062	5.79	7.31	7.42	77.54	1.94
Farms by Geography	547	5.30	5.48	6.03	82.27	0.91
Family Distribution by Income Level	306,220	29.16	13.29	12.67	44.88	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	129,981	37.53	39.68	6.19	16.60	0.00
Median Family Income	= \$49,461					
HUD Adjusted Median Family Income for 2005	= \$57,650					
Households Below the Poverty Level	= 18.13%					
				Median Housing Value	= \$244,528	
				Unemployment Rate	= 5.1%	

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

Source: 2000 U.S. Census, November 2005 DOL Statistics, and 2005 HUD updated MFI.

The bank's AA consists of New York County, which is located within the New York-White Plains-Wayne, NY-NJ MD #35644. New York County is one of 62 counties in the state of New York. New York County is better known as Manhattan Borough, one of the five boroughs of New York City ("NYC"). The 2004 estimated population of Manhattan is 1.6 million, an increase of 1.66 percent from the 2000 U.S. Census. NYC is home to a diversified mix of businesses. Many national and international corporations are headquartered in the city. Historically, the downtown area has been dominated by the financial services industry. Industries operating in the midtown area include advertising, publishing, and garment production. The retail sector is a major employer with several large department stores and many small businesses operating throughout the AA.

The financial services sector is very competitive with many multinational, regional, foreign, and smaller local banks competing for deposits and loans. The major banks include Citibank, JPMorgan Chase, Bank of New York, and HSBC. Additionally, Washington Mutual and North Fork Bank have expanded their branch networks in the area. Based on the June 30, 2005, FDIC Summary of Deposits, CNB had \$169 million in deposits and ranked 46th with little market share (0.04 percent). JPMorgan Chase and Citibank, ranked first and second respectively, dominated the market with a combined market share of 65 percent. Both banks have substantially larger branch networks than CNB.

After experiencing several years of good economic growth, the NYC economy has weakened. A major factor is the September 11, 2001 terrorist attack that destroyed the World Trade Center. Tourism, a major contributor to the NYC economy, has been negatively impacted, with ripple effects on other industries and services. Wall Street volatility has also affected the local and national economies. The unemployment rate for the metropolitan area was 5.1 percent in November 2005, down slightly from a year earlier. The overall state unemployment rate was 5.3 percent, while the national average was 4.8 percent. Faced with a huge budget deficit, the city recently laid off thousands of municipal workers.

Within the AA, there are 798,000 housing units, 93 percent of which are occupied. Rental units account for 74 percent of the total, while owner-occupied units represent 19 percent. Nearly 96 percent of all housing units are multifamily. A high level of households below the poverty level, coupled with a high cost of housing and a relatively limited volume of owner-occupied units, makes homeownership difficult for low- and moderate-income individuals.

Appendix D: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. 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 share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

Table 12. Borrower Distribution of Small Loans to Farms - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) 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 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - 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 households 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 MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Tables of Performance Data

CALIFORNIA

Table 1A. Lending Volume Summary (2003-2005)

LENDING VOLUME		Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2003 TO SEPTEMBER 30, 2005				
MA/Assessment Area :	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Los Angeles-Long Beach-Glendale MD	63.73	1,429	1,230,114	5,566	1,303,136	7	2,000	80	265,211	7,082	2,800,461	78.82
Limited Review:												
Oakland-Fremont-Hayward MD	4.26	68	50,973	394	132,131	0	0	11	41,915	473	225,019	4.32
Oxnard-Thousand Oaks-Ventura MSA	5.86	92	60,183	548	127,906	5	650	6	19,570	651	208,309	2.59
Riverside-San Bernardino-Ontario MSA	6.51	135	53,636	532	178,490	46	10,973	11	29,830	724	272,929	3.24
San Diego-Carlsbad-San Marcos MSA	4.07	144	300,727	302	100,708	0	0	6	16,961	452	418,396	1.67
San Francisco County	4.05	39	40,113	407	124,831	0	0	4	9,890	450	174,834	4.04
San Mateo County	1.41	33	28,612	122	38,036	0	0	2	4,000	157	70,648	0.23
Santa Ana-Anaheim-Irvine MD	9.03	193	178,023	793	238,712	0	0	18	45,906	1,004	462,281	4.84
Santa Clara County	0.77	12	5,913	72	26,730	0	0	2	5,100	86	37,743	0.25
Visalia-Porterville MSA****	0.31	0	0	13	4,490	21	5,952	0	0	34	10,442	0.00

* Loan Data as of September 30, 2005. Rated area refers to either state or multi-state MA rating area.
 ** The evaluation period for Community Development Loans is from January 14, 2003 to January 23, 2006.
 *** Deposit Data as of June 30, 2005. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.
 ****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

CALIFORNIA 2004-2005

Table 1. Lending Volume

LENDING VOLUME												
Geography: CALIFORNIA												
Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER 30, 2005												
MA/Assessment Area (2004):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Los Angeles-Long Beach-Glendale MD	63.38	697	677,664	3,393	816,581	5	1,300	80	265,211	4,175	1,760,756	78.82
Limited Review:												
Oakland-Fremont-Hayward MD	3.85	35	22,948	214	74,842	0	0	11	41,915	260	139,705	4.32
Oxnard-Thousand Oaks-Ventura MSA	6.16	43	33,255	353	82,637	2	100	6	19,570	404	135,562	2.59
Riverside-San Bernardino-Ontario MSA	6.45	75	31,379	327	108,346	15	2,668	11	29,830	428	172,223	3.24
San Diego-Carlsbad-San Marcos MSA	4.41	81	242,840	204	70,335	0	0	6	16,961	291	330,136	1.67
San Francisco County	4.32	20	23,642	259	79,252	0	0	4	9,890	283	112,784	4.04
San Mateo County	1.42	18	18,139	74	21,802	0	0	2	4,000	94	43,941	0.23
Santa Ana-Anaheim-Irvine MD	9.16	100	112,614	492	146,335	0	0	18	45,906	610	304,855	4.84
Santa Clara County	0.63	4	2,782	37	14,336	0	0	2	5,100	43	22,218	0.25
Visalia-Porterville MSA****	0.22	0	0	6	2,350	8	1,622	0	0	14	3,972	0.00

* Loan Data as of September 30, 2005. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 14, 2003 to January 23, 2006.

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

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE 2005			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER 30,					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa II	Low	Mod	Mid	Upp	
Full Review:																
Los Angeles-Long Beach-Glendale MD	336	69.42	1.91	0.00	15.46	4.17	31.30	7.74	51.33	88.10	0.09	0.00	0.02	0.02	0.18	
Limited Review:																
Oakland-Fremont-Hayward MD	17	3.51	3.49	0.00	13.07	17.65	43.58	47.06	39.86	35.29	0.01	0.00	0.02	0.01	0.01	
Oxnard-Thousand Oaks-Ventura MSA	17	3.51	1.20	0.00	15.46	5.88	46.06	52.94	37.29	41.18	0.04	0.00	0.02	0.04	0.06	
Riverside-San Bernardino-Ontario MSA	40	8.26	1.49	0.00	21.74	2.50	43.33	35.00	33.44	62.50	0.01	0.00	0.00	0.01	0.01	
San Diego-Carlsbad-San Marcos MSA	27	5.58	2.30	0.00	14.03	7.41	41.01	18.52	42.66	74.07	0.01	0.00	0.01	0.00	0.02	
San Francisco County	6	1.24	3.13	0.00	22.70	0.00	46.45	16.67	27.73	83.33	0.03	0.00	0.00	0.02	0.08	
San Mateo County	4	0.83	0.33	0.00	9.34	0.00	46.52	25.00	43.81	75.00	0.01	0.00	0.00	0.00	0.02	
Santa Ana-Anaheim-Irvine MD	35	7.23	1.25	0.00	19.56	0.00	33.56	8.57	45.63	91.43	0.02	0.00	0.00	0.01	0.04	
Santa Clara County	2	0.41	1.17	0.00	14.81	0.00	48.40	0.00	35.63	100.00	0.00	0.00	0.00	0.00	0.02	
Visalia-Porterville MSA****	0	0.00	0.00	0.00	22.02	0.00	38.85	0.00	39.13	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2004 Peer Mortgage Data (Western)

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 30, 2005			Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	72	56.25	1.91	1.39	15.46	1.39	31.30	9.72	51.33	87.50	0.10	0.00	0.00	0.04	0.21
Limited Review:															
Oakland-Fremont-Hayward MD	3	2.34	3.49	0.00	13.07	0.00	43.58	0.00	39.86	100.00	0.01	0.00	0.00	0.00	0.03
Oxnard-Thousand Oaks-Ventura MSA	8	6.25	1.20	0.00	15.46	12.50	46.06	50.00	37.29	37.50	0.08	0.00	0.00	0.11	0.08
Riverside-San Bernardino-Ontario MSA	11	8.59	1.49	0.00	21.74	18.18	43.33	45.45	33.44	36.36	0.02	0.00	0.02	0.01	0.03
San Diego-Carlsbad-San Marcos MSA	9	7.03	2.30	0.00	14.03	11.11	41.01	33.33	42.66	55.56	0.05	0.00	0.00	0.06	0.05
San Francisco County	2	1.56	3.13	0.00	22.70	0.00	46.45	100.00	27.73	0.00	0.00	0.00	0.00	0.00	0.00
San Mateo County	3	2.34	0.33	0.00	9.34	0.00	46.52	0.00	43.81	100.00	0.05	0.00	0.00	0.00	0.17
Santa Ana-Anaheim-Irvine MD	19	14.84	1.25	0.00	19.56	5.26	33.56	15.79	45.63	78.95	0.07	0.00	0.00	0.04	0.13
Santa Clara County	1	0.78	1.17	0.00	14.81	0.00	48.40	100.00	35.63	0.00	0.03	0.00	0.00	0.05	0.00
Visalia-Porterville MSA****	0	0.00	0.00	0.00	22.02	0.00	38.85	0.00	39.13	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2004 Peer Mortgage Data (Western)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE SEPTEMBER 30, 2005			Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2004 TO						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	289	65.53	1.91	0.00	15.46	3.11	31.30	11.07	51.33	85.81	0.04	0.00	0.00	0.01	0.08
Limited Review:															
Oakland-Fremont-Hayward MD	15	3.40	3.49	0.00	13.07	0.00	43.58	6.67	39.86	93.33	0.01	0.00	0.00	0.00	0.02
Oxnard-Thousand Oaks-Ventura MSA	17	3.85	1.20	0.00	15.46	5.88	46.06	29.41	37.29	64.71	0.02	0.00	0.01	0.00	0.05
Riverside-San Bernardino-Ontario MSA	24	5.44	1.49	0.00	21.74	4.17	43.33	41.67	33.44	54.17	0.01	0.00	0.00	0.00	0.01
San Diego-Carlsbad-San Marcos MSA	27	6.12	2.30	0.00	14.03	3.70	41.01	14.81	42.66	81.48	0.01	0.00	0.00	0.00	0.02
San Francisco County	12	2.72	3.13	0.00	22.70	8.33	46.45	41.67	27.73	50.00	0.01	0.00	0.02	0.02	0.00
San Mateo County	11	2.49	0.33	0.00	9.34	9.09	46.52	18.18	43.81	72.73	0.01	0.00	0.00	0.00	0.03
Santa Ana-Anaheim-Irvine MD	45	10.20	1.25	0.00	19.56	0.00	33.56	11.11	45.63	88.89	0.02	0.00	0.00	0.01	0.03
Santa Clara County	1	0.23	1.17	0.00	14.81	0.00	48.40	100.00	35.63	0.00	0.00	0.00	0.00	0.00	0.00
Visalia-Porterville MSA****	0	0.00	0.00	0.00	22.02	0.00	38.85	0.00	39.13	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2004 Peer Mortgage Data (Western)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES 30, 2005			Geography: CALIFORNIA								Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	3,322	62.95	7.76	5.39	20.51	13.52	25.98	22.28	45.01	58.82	0.62	0.57	0.42	0.48	0.80
Limited Review:															
Oakland-Fremont-Hayward MD	214	4.06	10.56	15.42	16.42	15.89	39.07	47.20	33.82	21.50	0.17	0.32	0.19	0.19	0.11
Oxnard-Thousand Oaks-Ventura MSA	353	6.69	4.02	5.95	18.65	23.80	49.77	50.71	27.56	19.55	0.73	1.14	1.15	0.79	0.44
Riverside-San Bernardino-Ontario MSA	327	6.20	4.03	5.81	29.37	30.58	40.98	42.81	25.55	20.80	0.21	0.60	0.23	0.24	0.16
San Diego-Carlsbad-San Marcos MSA	204	3.87	5.01	8.82	22.02	18.14	37.41	29.90	35.52	43.14	0.12	0.21	0.10	0.10	0.14
San Francisco County	259	4.91	28.17	46.72	26.44	28.19	23.83	12.74	21.56	12.36	0.42	0.82	0.45	0.23	0.22
San Mateo County	71	1.35	3.06	5.63	13.95	5.63	46.03	45.07	36.66	43.66	0.15	0.31	0.09	0.14	0.18
Santa Ana-Anaheim-Irvine MD	484	9.17	3.12	4.75	28.73	31.20	35.69	37.60	31.75	26.45	0.25	0.44	0.33	0.26	0.18
Santa Clara County	37	0.70	3.14	2.70	22.61	13.51	43.38	45.95	30.86	37.84	0.04	0.00	0.03	0.04	0.04
Visalia-Porterville MSA****	6	0.11	0.00	0.00	31.41	50.00	33.27	16.67	35.28	33.33	0.08	0.00	0.15	0.04	0.08

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2005).

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS SEPTEMBER 30, 2005					Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2004 TO					
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	5	16.67	3.30	40.00	14.12	20.00	30.82	0.00	51.36	40.00	0.36	3.13	0.39	0.00	0.22
Limited Review:															
Oakland-Fremont-Hayward MD	0	0.00	5.60	0.00	15.65	0.00	38.15	0.00	40.59	0.00	0.00	0.00	0.00	0.00	0.00
Oxnard-Thousand Oaks-Ventura MSA	2	6.67	4.59	0.00	20.76	0.00	54.53	100.00	20.12	0.00	0.43	0.00	0.00	0.87	0.00
Riverside-San Bernardino-Ontario MSA	15	50.00	2.10	0.00	27.50	33.33	41.75	20.00	28.65	46.67	2.08	0.00	2.53	1.42	2.74
San Diego-Carlsbad-San Marcos MSA	0	0.00	3.07	0.00	19.05	0.00	41.01	0.00	36.84	0.00	0.00	0.00	0.00	0.00	0.00
San Francisco County	0	0.00	21.21	0.00	24.11	0.00	29.02	0.00	25.67	0.00	0.00	0.00	0.00	0.00	0.00
San Mateo County	0	0.00	2.19	0.00	17.00	0.00	42.54	0.00	38.27	0.00	0.00	0.00	0.00	0.00	0.00
Santa Ana-Anaheim-Irvine MD	0	0.00	3.12	0.00	25.45	0.00	35.39	0.00	35.73	0.00	0.00	0.00	0.00	0.00	0.00
Santa Clara County	0	0.00	2.84	0.00	25.39	0.00	45.90	0.00	25.87	0.00	0.00	0.00	0.00	0.00	0.00
Visalia-Porterville MSA****	8	26.67	0.00	0.00	25.45	62.50	43.53	25.00	31.02	12.50	1.17	0.00	3.13	0.45	0.52

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2005).

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER 30, 2005							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	273	69.11	23.87	0.37	16.49	1.10	17.40	1.47	42.24	97.07	0.09	0.11	0.05	0.01	0.10
Limited Review:															
Oakland-Fremont-Hayward MD	11	2.78	20.97	0.00	17.47	0.00	21.18	9.09	40.38	90.91	0.01	0.00	0.00	0.00	0.01
Oxnard-Thousand Oaks-Ventura MSA	15	3.80	19.55	0.00	18.43	0.00	22.09	0.00	39.92	100.00	0.05	0.00	0.00	0.00	0.07
Riverside-San Bernardino-Ontario MSA	27	6.84	21.73	0.00	17.48	0.00	20.23	0.00	40.56	100.00	0.01	0.00	0.00	0.00	0.01
San Diego-Carlsbad-San Marcos MSA	25	6.33	21.02	0.00	17.91	0.00	20.09	0.00	40.98	100.00	0.01	0.00	0.00	0.00	0.02
San Francisco County	5	1.27	28.37	0.00	18.90	0.00	18.72	0.00	34.01	100.00	0.04	0.00	0.00	0.00	0.05
San Mateo County	4	1.01	16.93	0.00	17.19	0.00	21.76	0.00	44.13	100.00	0.01	0.00	0.00	0.00	0.01
Santa Ana-Anaheim-Irvine MD	33	8.35	20.69	0.00	17.97	3.03	20.68	0.00	40.65	96.97	0.02	0.00	0.00	0.00	0.03
Santa Clara County	2	0.51	20.21	0.00	17.95	0.00	21.63	0.00	40.21	100.00	0.00	0.00	0.00	0.00	0.01
Visalia-Porterville MSA*****	0	0.00	22.23	0.00	17.27	0.00	19.30	0.00	41.20	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2004 Peer Mortgage Data (Western)

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

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

**** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT SEPTEMBER 30, 2005		Geography: CALIFORNIA								Evaluation Period: JANUARY 1, 2004 TO					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	49	53.85	23.87	4.08	16.49	2.04	17.40	0.00	42.24	93.88	0.07	0.21	0.03	0.00	0.10
Limited Review:															
Oakland-Fremont-Hayward MD	1	1.10	20.97	0.00	17.47	0.00	21.18	0.00	40.38	100.00	0.00	0.00	0.00	0.00	0.00
Oxnard-Thousand Oaks-Ventura MSA	7	7.69	19.55	0.00	18.43	0.00	22.09	0.00	39.92	100.00	0.08	0.00	0.00	0.00	0.17
Riverside-San Bernardino-Ontario MSA	9	9.89	21.73	0.00	17.48	0.00	20.23	33.33	40.56	66.67	0.01	0.00	0.00	0.01	0.01
San Diego-Carlsbad-San Marcos MSA	4	4.40	21.02	0.00	17.91	0.00	20.09	0.00	40.98	100.00	0.01	0.00	0.00	0.00	0.02
San Francisco County	1	1.10	28.37	0.00	18.90	0.00	18.72	0.00	34.01	100.00	0.00	0.00	0.00	0.00	0.00
San Mateo County	3	3.30	16.93	33.33	17.19	0.00	21.76	0.00	44.13	66.67	0.05	0.00	0.00	0.00	0.11
Santa Ana-Anaheim-Irvine MD	16	17.58	20.69	0.00	17.97	0.00	20.68	12.50	40.65	87.50	0.07	0.00	0.00	0.03	0.11
Santa Clara County	1	1.10	20.21	0.00	17.95	0.00	21.63	0.00	40.21	100.00	0.03	0.00	0.00	0.00	0.07

* Based on 2004 Peer Mortgage Data (Western)

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

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

**** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Visalia-Porterville MSA****	0	0.00	22.23	0.00	17.27	0.00	19.30	0.00	41.20	0.00	0.00	0.00	0.00	0.00	0.00
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Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE 30, 2005			Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans**	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	238	65.56	23.87	0.84	16.49	2.10	17.40	1.68	42.24	95.38	0.04	0.01	0.01	0.00	0.06
Limited Review:															
Oakland-Fremont-Hayward MD	11	3.03	20.97	0.00	17.47	9.09	21.18	0.00	40.38	90.91	0.01	0.00	0.00	0.00	0.01
Oxnard-Thousand Oaks-Ventura MSA	13	3.58	19.55	15.38	18.43	0.00	22.09	0.00	39.92	84.62	0.03	0.14	0.00	0.00	0.04
Riverside-San Bernardino-Ontario MSA	21	5.79	21.73	0.00	17.48	4.76	20.23	9.52	40.56	85.71	0.01	0.00	0.00	0.00	0.01
San Diego-Carlsbad-San Marcos MSA	22	6.06	21.02	9.09	17.91	4.55	20.09	0.00	40.98	86.36	0.01	0.06	0.00	0.00	0.02
San Francisco County	9	2.48	28.37	0.00	18.90	0.00	18.72	0.00	34.01	100.00	0.01	0.00	0.00	0.00	0.01
San Mateo County	7	1.93	16.93	0.00	17.19	0.00	21.76	0.00	44.13	100.00	0.01	0.00	0.00	0.00	0.02
Santa Ana-Anaheim-Irvine MD	41	11.29	20.69	4.88	17.97	0.00	20.68	0.00	40.65	95.12	0.02	0.02	0.00	0.00	0.03

* Based on 2004 Peer Mortgage Data (Western)

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

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

**** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Charter Number: 14695

Santa Clara County	1	0.28	20.21	0.00	17.95	0.00	21.63	0.00	40.21	100.00	0.00	0.00	0.00	0.00	0.00
Visalia-Porterville MSA*****	0	0.00	22.23	0.00	17.27	0.00	19.30	0.00	41.20	0.00	0.00	0.00	0.00	0.00	0.00

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES 30, 2005				Geography: CALIFORNIA			Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Los Angeles-Long Beach-Glendale MD	3,393	63.31	62.65	34.66	47.57	23.08	29.35	0.62	0.59
Limited Review:									
Oakland-Fremont-Hayward MD	214	3.99	63.79	26.64	27.10	25.70	47.20	0.17	0.12
Oxnard-Thousand Oaks-Ventura MSA	353	6.59	66.47	33.14	53.26	16.43	30.31	0.73	0.66
Riverside-San Bernardino-Ontario MSA	327	6.10	65.99	25.69	32.42	19.88	47.71	0.21	0.18
San Diego-Carlsbad-San Marcos MSA	204	3.81	65.53	32.35	37.25	18.14	44.61	0.12	0.11
San Francisco County	259	4.83	61.34	39.38	25.87	35.52	38.61	0.42	0.37
San Mateo County	74	1.38	63.03	39.19	27.03	35.14	37.84	0.15	0.18
Santa Ana-Anaheim-Irvine MD	492	9.18	63.78	26.63	41.06	18.29	40.65	0.25	0.17
Santa Clara County	37	0.69	61.93	24.32	24.32	27.03	48.65	0.04	0.03
Visalia-Porterville MSA*****	6	0.11	64.70	16.67	50.00	16.67	33.33	0.08	0.04

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2005).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 4.53% of small loans to businesses originated and purchased by the bank.

*****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS 30, 2005		Geography: CALIFORNIA			Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Los Angeles-Long Beach-Glendale MD	5	16.67	84.92	0.00	40.00	20.00	40.00	0.36	0.00
Limited Review:									
Oakland-Fremont-Hayward MD	0	0.00	83.79	0.00	0.00	0.00	0.00	0.00	0.00
Oxnard-Thousand Oaks-Ventura MSA	2	6.67	78.59	100.00	100.00	0.00	0.00	0.43	0.78
Riverside-San Bernardino-Ontario MSA	15	50.00	82.94	26.67	40.00	33.33	26.67	2.08	1.11
San Diego-Carlsbad-San Marcos MSA	0	0.00	84.33	0.00	0.00	0.00	0.00	0.00	0.00
San Francisco County	0	0.00	83.26	0.00	0.00	0.00	0.00	0.00	0.00
San Mateo County	0	0.00	84.54	0.00	0.00	0.00	0.00	0.00	0.00
Santa Ana-Anaheim-Irvine MD	0	0.00	83.61	0.00	0.00	0.00	0.00	0.00	0.00
Santa Clara County	0	0.00	83.34	0.00	0.00	0.00	0.00	0.00	0.00
Visalia-Porterville MSA*****	8	26.67	76.49	0.00	12.50	50.00	37.50	1.17	0.00

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2005).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

*****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: CALIFORNIA				Evaluation Period: JANUARY 14, 2003 TO JANUARY 23, 2006			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Los Angeles-Long Beach-Glendale MD	27	19,525	155	49,030	182	68,555	53.90	12	21,711
Limited Review:									
Oakland-Fremont-Hayward MD	12	3,254	27	6,975	39	10,229	8.04	4	1,126
Oxnard-Thousand Oaks-Ventura MSA	7	384	19	1,907	26	2,291	1.80	2	921
Riverside-San Bernardino-Ontario MSA	18	5,162	15	5,480	33	10,642	8.37	3	1,831
San Diego-Carlsbad-San Marcos MSA	17	1,442	16	1,895	33	3,337	2.62	3	831
San Francisco County	11	3,972	16	491	27	4,463	3.51	1	996
San Mateo County	5	724	4	489	9	1,213	0.95	0	0
Santa Ana-Anaheim-Irvine MD	8	1,732	19	2,404	27	4,136	3.25	0	0
Santa Clara County	10	2,550	9	3,093	19	5,643	4.44	3	1,789
Visalia-Porterville MSA***	2	1,160	0	0	2	1,160	0.91	0	0
Broader area with potential to benefit AAs	16	7,565	4	7,962	20	15,527	12.21	3	643

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

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

***In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: CALIFORNIA				Evaluation Period: JANUARY 14, 2003 TO JANUARY 23, 2006					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Los Angeles-Long Beach-Glendale MD	78.82	32	59.26	18.75	3.13	12.50	65.63	5	4	2	-1	-1	1	8.00	29.44	30.88	31.58
Limited Review:																	
Oakland-Fremont-Hayward MD	4.32	4	7.41	25.00	25.00	50.00	0.00	0	0	0	0	0	0	8.54	20.25	41.14	30.04
Oxnard-Thousand Oaks-Ventura MSA	2.59	4	7.41	0.00	0.00	75.00	25.00	0	0	0	0	0	0	3.86	23.98	44.41	27.75
Riverside-San Bernardino-Ontario MSA	3.24	2	3.70	0.00	0.00	100.00	0.00	0	0	0	0	0	0	3.53	28.54	41.16	26.73
San Diego-Carlsbad-San Marcos MSA	1.67	3	5.56	0.00	33.33	0.00	66.67	0	0	0	0	0	0	7.78	24.46	37.46	30.01
San Francisco County	4.04	1	1.85	100.00	0.00	0.00	0.00	0	0	0	0	0	0	12.84	29.23	39.46	18.47
San Mateo County	0.23	1	1.85	0.00	0.00	0.00	100.00	0	0	0	0	0	0	1.56	19.14	46.03	33.27
Santa Ana-Anaheim-Irvine MD*	4.84	7	11.11	0.00	33.33	33.33	33.33	2	0	0	1	0	1	4.95	30.96	31.84	32.26
Santa Clara County	0.25	1	1.85	0.00	0.00	0.00	100.00	0	0	0	0	0	0	4.03	22.79	47.69	25.49
Visalia-Porterville MSA**	0.00	1	0.00	0.00	0.00	0.00	100.00	0	1	0	0	0	-1	0.00	32.31	38.64	28.80

* One of the seven branches is located in a "NA" census tract that has not been assigned an income classification.

**In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

CALIFORNIA 2003

Table 1. Lending Volume

LENDING VOLUME		Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area (2003):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Los Angeles-Long Beach-Glendale MD	64.44	732	552,450	2,173	486,555	2	700	0	0	2,907	1,039,705	78.82
Limited Review:												
Oakland-Fremont-Hayward MD	4.72	33	28,025	180	57,289	0	0	0	0	213	85,314	4.32
Oxnard-Thousand Oaks-Ventura MSA	5.48	49	26,928	195	45,269	3	550	0	0	247	72,747	2.59
Riverside-San Bernardino-Ontario MSA	6.56	60	22,257	205	70,144	31	8,305	0	0	296	100,706	3.24
San Diego-Carlsbad-San Marcos MSA	3.57	63	57,887	98	30,373	0	0	0	0	161	88,260	1.67
San Francisco County	3.70	19	16,471	148	45,579	0	0	0	0	167	62,050	4.04
San Mateo County	1.40	15	10,473	48	16,234	0	0	0	0	63	26,707	0.23
Santa Ana-Anaheim-Irvine MD	8.73	93	65,049	301	92,377	0	0	0	0	394	157,426	4.84
Santa Clara County	0.95	8	3,131	35	12,394	0	0	0	0	43	15,525	0.25

* Loan Data as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 24, 2003 to January 03, 2006.

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

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

LENDING VOLUME	Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003					
Visalia-Porterville MSA****	0.44	0	0	7	2,140	13	4,330	0	0	20	6,470	0.00

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE 2003		Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31,					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa II	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Los Angeles-Long Beach-Glendale MD	184	75.72	1.91	1.09	15.38	1.63	31.19	7.07	51.52	90.22	0.08	0.03	0.01	0.02	0.16	
Limited Review:																
Oakland-Fremont-Hayward MD	2	0.82	3.60	0.00	13.61	0.00	43.78	50.00	39.01	50.00	0.00	0.00	0.00	0.00	0.00	
Oxnard-Thousand Oaks-Ventura MSA	8	3.29	1.20	0.00	16.20	12.50	45.31	12.50	37.29	75.00	0.03	0.00	0.02	0.01	0.07	
Riverside-San Bernardino-Ontario MSA	17	7.00	1.49	0.00	21.74	5.88	43.19	29.41	33.57	64.71	0.01	0.00	0.00	0.01	0.02	
San Diego-Carlsbad-San Marcos MSA	13	5.35	2.30	0.00	13.97	7.69	40.53	46.15	43.20	46.15	0.01	0.00	0.01	0.02	0.01	
San Francisco County	1	0.41	3.13	0.00	22.70	100.00	46.45	0.00	27.73	0.00	0.01	0.00	0.03	0.00	0.00	
San Mateo County	1	0.41	0.33	0.00	9.60	0.00	46.26	0.00	43.81	100.00	0.01	0.00	0.00	0.00	0.02	
Santa Ana-Anaheim-Irvine MD	17	7.00	1.25	0.00	19.87	5.88	33.38	5.88	45.50	88.24	0.02	0.00	0.01	0.00	0.03	
Santa Clara County	0	0.00	1.17	0.00	15.89	0.00	49.94	0.00	33.00	0.00	0.00	0.00	0.00	0.00	0.00	
Visalia-Porterville MSA****	0	0.00	0.00	0.00	22.02	0.00	38.85	0.00	39.13	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2003 Peer Mortgage Data (WE)

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 2003			Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31,						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	0	0.00	1.91	0.00	15.38	0.00	31.19	0.00	51.52	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Oakland-Fremont-Hayward MD	1	100.00	3.60	0.00	13.61	0.00	43.78	0.00	39.01	100.00	0.03	0.00	0.00	0.00	0.09
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	1.20	0.00	16.20	0.00	45.31	0.00	37.29	0.00	0.00	0.00	0.00	0.00	0.00
Riverside-San Bernardino-Ontario MSA	0	0.00	1.49	0.00	21.74	0.00	43.19	0.00	33.57	0.00	0.00	0.00	0.00	0.00	0.00
San Diego-Carlsbad-San Marcos MSA	0	0.00	2.30	0.00	13.97	0.00	40.53	0.00	43.20	0.00	0.00	0.00	0.00	0.00	0.00
San Francisco County	0	0.00	3.13	0.00	22.70	0.00	46.45	0.00	27.73	0.00	0.00	0.00	0.00	0.00	0.00
San Mateo County	0	0.00	0.33	0.00	9.60	0.00	46.26	0.00	43.81	0.00	0.00	0.00	0.00	0.00	0.00
Santa Ana-Anaheim-Irvine MD	0	0.00	1.25	0.00	19.87	0.00	33.38	0.00	45.50	0.00	0.00	0.00	0.00	0.00	0.00
Santa Clara County	0	0.00	1.17	0.00	15.89	0.00	49.94	0.00	33.00	0.00	0.00	0.00	0.00	0.00	0.00
Visalia-Porterville MSA****	0	0.00	0.00	0.00	22.02	0.00	38.85	0.00	39.13	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2003 Peer Mortgage Data (WE)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE 31, 2003			Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2003 TO DECEMBER						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	548	66.26	1.91	0.18	15.38	2.01	31.19	10.04	51.52	87.77	0.07	0.01	0.01	0.02	0.11
Limited Review:															
Oakland-Fremont-Hayward MD	30	3.63	3.60	0.00	13.61	0.00	43.78	16.67	39.01	83.33	0.01	0.00	0.00	0.00	0.02
Oxnard-Thousand Oaks-Ventura MSA	41	4.96	1.20	0.00	16.20	2.44	45.31	19.51	37.29	78.05	0.04	0.00	0.01	0.02	0.07
Riverside-San Bernardino-Ontario MSA	43	5.20	1.49	0.00	21.74	9.30	43.19	25.58	33.57	65.12	0.01	0.00	0.01	0.01	0.02
San Diego-Carlsbad-San Marcos MSA	49	5.93	2.30	2.04	13.97	0.00	40.53	16.33	43.20	81.63	0.01	0.01	0.00	0.01	0.02
San Francisco County	18	2.18	3.13	0.00	22.70	5.56	46.45	27.78	27.73	66.67	0.03	0.00	0.01	0.02	0.07
San Mateo County	14	1.69	0.33	0.00	9.60	0.00	46.26	0.00	43.81	100.00	0.02	0.00	0.00	0.00	0.04
Santa Ana-Anaheim-Irvine MD	76	9.19	1.25	0.00	19.87	2.63	33.38	14.47	45.50	82.89	0.02	0.00	0.00	0.01	0.03
Santa Clara County	8	0.97	1.17	12.50	15.89	0.00	49.94	25.00	33.00	62.50	0.00	0.04	0.00	0.00	0.01
Visalia-Porterville MSA****	0	0.00	0.00	0.00	22.02	0.00	38.85	0.00	39.13	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2003 Peer Mortgage Data (WE)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES 31, 2003			Geography: CALIFORNIA								Evaluation Period: JANUARY 1, 2003 TO DECEMBER				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	2,142	63.85	7.62	6.02	20.16	16.34	25.83	22.32	45.70	55.32	0.69	0.67	0.62	0.58	0.81
Limited Review:															
Oakland-Fremont-Hayward MD	180	5.37	10.80	17.78	16.71	13.33	39.12	40.56	33.23	28.33	0.23	0.50	0.21	0.24	0.18
Oxnard-Thousand Oaks-Ventura MSA	195	5.81	3.84	5.64	20.96	32.31	47.62	46.15	27.57	15.90	0.69	1.20	1.25	0.69	0.37
Riverside-San Bernardino-Ontario MSA	205	6.11	4.20	7.80	29.69	26.83	41.11	45.85	24.91	19.51	0.24	0.75	0.27	0.30	0.16
San Diego-Carlsbad-San Marcos MSA	98	2.92	4.99	7.14	22.09	18.37	37.51	30.61	35.37	43.88	0.10	0.18	0.10	0.08	0.12
San Francisco County	148	4.41	30.14	48.65	25.39	21.62	23.66	6.76	20.81	22.97	0.43	0.93	0.34	0.11	0.45
San Mateo County	48	1.43	2.88	8.33	14.58	6.25	45.13	50.00	37.11	35.42	0.18	0.61	0.08	0.19	0.18
Santa Ana-Anaheim-Irvine MD	297	8.85	3.10	3.03	28.67	30.30	35.99	41.75	31.61	24.92	0.25	0.28	0.28	0.30	0.18
Santa Clara County	35	1.04	3.12	0.00	24.48	37.14	42.27	37.14	30.13	25.71	0.06	0.00	0.10	0.05	0.06
Visalia-Porterville MSA****	7	0.21	0.00	0.00	31.73	28.57	33.25	28.57	34.98	42.86	0.09	0.00	0.10	0.07	0.11

* Based on 2003 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2003).

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2003			Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2003 TO						
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	2	4.08	3.03	0.00	13.69	50.00	31.58	50.00	51.38	0.00	0.15	0.00	0.34	0.23	0.00
Limited Review:															
Oakland-Fremont-Hayward MD	0	0.00	5.82	0.00	16.22	0.00	37.51	0.00	40.46	0.00	0.00	0.00	0.00	0.00	0.00
Oxnard-Thousand Oaks-Ventura MSA	3	6.12	4.57	0.00	22.30	0.00	53.19	33.33	19.95	66.67	1.60	0.00	0.00	1.22	5.56
Riverside-San Bernardino-Ontario MSA	31	63.27	1.97	0.00	27.68	19.35	42.77	32.26	27.55	48.39	4.87	0.00	3.37	4.74	7.35
San Diego-Carlsbad-San Marcos MSA	0	0.00	2.73	0.00	18.66	0.00	40.54	0.00	38.04	0.00	0.00	0.00	0.00	0.00	0.00
San Francisco County	0	0.00	22.80	0.00	23.52	0.00	28.74	0.00	24.94	0.00	0.00	0.00	0.00	0.00	0.00
San Mateo County	0	0.00	1.62	0.00	16.35	0.00	40.82	0.00	41.20	0.00	0.00	0.00	0.00	0.00	0.00
Santa Ana-Anaheim-Irvine MD	0	0.00	3.29	0.00	25.18	0.00	35.92	0.00	35.43	0.00	0.00	0.00	0.00	0.00	0.00
Santa Clara County	0	0.00	2.64	0.00	25.30	0.00	47.50	0.00	24.56	0.00	0.00	0.00	0.00	0.00	0.00
Visalia-Porterville MSA****	13	26.53	0.00	0.00	24.72	76.92	44.15	23.08	31.13	0.00	2.72	0.00	7.41	1.92	0.00

* Based on 2003 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2003).

****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	152	74.88	23.87	0.00	16.49	0.66	17.40	0.00	42.24	99.34	0.08	0.00	0.01	0.00	0.11
Limited Review:															
Oakland-Fremont-Hayward MD	2	0.99	20.97	0.00	17.47	0.00	21.18	0.00	40.38	100.00	0.00	0.00	0.00	0.00	0.01
Oxnard-Thousand Oaks-Ventura MSA	8	3.94	19.55	0.00	18.43	0.00	22.09	0.00	39.92	100.00	0.04	0.00	0.00	0.00	0.06
Riverside-San Bernardino-Ontario MSA	15	7.39	21.62	0.00	17.42	0.00	20.19	0.00	40.77	100.00	0.01	0.00	0.00	0.00	0.02
San Diego-Carlsbad-San Marcos MSA	11	5.42	21.02	0.00	17.91	0.00	20.09	18.18	40.98	81.82	0.01	0.00	0.00	0.01	0.02
San Francisco County	1	0.49	28.37	0.00	18.90	0.00	18.72	100.00	34.01	0.00	0.01	0.00	0.00	0.04	0.00
San Mateo County	0	0.00	16.93	0.00	17.19	0.00	21.76	0.00	44.13	0.00	0.00	0.00	0.00	0.00	0.00
Santa Ana-Anaheim-Irvine MD	14	6.90	20.69	0.00	17.97	7.14	20.68	0.00	40.65	92.86	0.02	0.00	0.02	0.00	0.03
Santa Clara County	0	0.00	20.25	0.00	17.97	0.00	21.64	0.00	40.14	0.00	0.00	0.00	0.00	0.00	0.00
Visalia-Porterville MSA*****	0	0.00	22.23	0.00	17.27	0.00	19.30	0.00	41.20	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2003 Peer Mortgage Data (WE)

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

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

**** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT 31, 2003		Geography: CALIFORNIA								Evaluation Period: JANUARY 1, 2003 TO DECEMBER					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	0	0.00	23.87	0.00	16.49	0.00	17.40	0.00	42.24	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Oakland-Fremont-Hayward MD	1	100.00	20.97	0.00	17.47	0.00	21.18	0.00	40.38	100.00	0.03	0.00	0.00	0.00	0.06
Oxnard-Thousand Oaks-Ventura MSA	0	0.00	19.55	0.00	18.43	0.00	22.09	0.00	39.92	0.00	0.00	0.00	0.00	0.00	0.00
Riverside-San Bernardino-Ontario MSA	0	0.00	21.62	0.00	17.42	0.00	20.19	0.00	40.77	0.00	0.00	0.00	0.00	0.00	0.00
San Diego-Carlsbad-San Marcos MSA	0	0.00	21.02	0.00	17.91	0.00	20.09	0.00	40.98	0.00	0.00	0.00	0.00	0.00	0.00
San Francisco County	0	0.00	28.37	0.00	18.90	0.00	18.72	0.00	34.01	0.00	0.00	0.00	0.00	0.00	0.00
San Mateo County	0	0.00	16.93	0.00	17.19	0.00	21.76	0.00	44.13	0.00	0.00	0.00	0.00	0.00	0.00
Santa Ana-Anaheim-Irvine MD	0	0.00	20.69	0.00	17.97	0.00	20.68	0.00	40.65	0.00	0.00	0.00	0.00	0.00	0.00
Santa Clara County	0	0.00	20.25	0.00	17.97	0.00	21.64	0.00	40.14	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2003 Peer Mortgage Data (WE)

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

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

**** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Visalia-Porterville MSA****	0	0.00	22.23	0.00	17.27	0.00	19.30	0.00	41.20	0.00	0.00	0.00	0.00	0.00	0.00
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Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE 31, 2003			Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2003 TO DECEMBER						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans**	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Los Angeles-Long Beach-Glendale MD	424	66.04	23.87	0.00	16.49	0.47	17.40	2.36	42.24	97.17	0.07	0.00	0.00	0.01	0.09
Limited Review:															
Oakland-Fremont-Hayward MD	19	2.96	20.97	5.26	17.47	0.00	21.18	0.00	40.38	94.74	0.01	0.01	0.00	0.00	0.01
Oxnard-Thousand Oaks-Ventura MSA	35	5.45	19.55	2.86	18.43	0.00	22.09	2.86	39.92	94.29	0.04	0.03	0.00	0.00	0.08
Riverside-San Bernardino-Ontario MSA	36	5.61	21.62	2.78	17.42	8.33	20.19	8.33	40.77	80.56	0.01	0.01	0.01	0.00	0.02
San Diego-Carlsbad-San Marcos MSA	35	5.45	21.02	5.71	17.91	2.86	20.09	2.86	40.98	88.57	0.01	0.03	0.00	0.00	0.02
San Francisco County	14	2.18	28.37	7.14	18.90	0.00	18.72	0.00	34.01	92.86	0.03	0.03	0.00	0.00	0.05
San Mateo County	11	1.71	16.93	0.00	17.19	0.00	21.76	0.00	44.13	100.00	0.02	0.00	0.00	0.00	0.03
Santa Ana-Anaheim-Irvine MD	63	9.81	20.69	0.00	17.97	0.00	20.68	6.35	40.65	93.65	0.02	0.00	0.00	0.01	0.03

* Based on 2003 Peer Mortgage Data (WE)

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

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

**** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Charter Number: 14695

Santa Clara County	5	0.78	20.25	0.00	17.97	40.00	21.64	0.00	40.14	60.00	0.00	0.00	0.01	0.00	0.00
Visalia-Porterville MSA*****	0	0.00	22.23	0.00	17.27	0.00	19.30	0.00	41.20	0.00	0.00	0.00	0.00	0.00	0.00

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES 31, 2003			Geography: CALIFORNIA			Evaluation Period: JANUARY 1, 2003 TO DECEMBER			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Los Angeles-Long Beach-Glendale MD	2,173	64.10	61.74	35.20	50.07	22.23	27.70	0.69	0.66
Limited Review:									
Oakland-Fremont-Hayward MD	180	5.31	62.19	23.89	27.22	27.78	45.00	0.23	0.15
Oxnard-Thousand Oaks-Ventura MSA	195	5.75	65.07	36.92	49.74	22.05	28.21	0.69	0.69
Riverside-San Bernardino-Ontario MSA	205	6.05	64.75	25.85	29.76	21.46	48.78	0.24	0.18
San Diego-Carlsbad-San Marcos MSA	98	2.89	64.14	27.55	36.73	16.33	46.94	0.10	0.07
San Francisco County	148	4.37	60.21	33.78	35.14	22.30	42.57	0.43	0.38
San Mateo County	48	1.42	61.26	37.50	33.33	22.92	43.75	0.18	0.18
Santa Ana-Anaheim-Irvine MD	301	8.88	62.57	28.24	38.21	19.93	41.86	0.25	0.19
Santa Clara County	35	1.03	60.20	34.29	34.29	22.86	42.86	0.06	0.06
Visalia-Porterville MSA*****	7	0.21	64.37	42.86	28.57	42.86	28.57	0.09	0.10

* Based on 2003 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2003).

**** 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 2.89% of small loans to businesses originated and purchased by the bank.

*****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS 2003		Geography: CALIFORNIA			Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31,				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Los Angeles-Long Beach-Glendale MD	2	4.08	86.00	0.00	0.00	50.00	50.00	0.15	0.00
Limited Review:									
Oakland-Fremont-Hayward MD	0	0.00	84.93	0.00	0.00	0.00	0.00	0.00	0.00
Oxnard-Thousand Oaks-Ventura MSA	3	6.12	79.25	66.67	33.33	33.33	33.33	1.60	1.61
Riverside-San Bernardino-Ontario MSA	31	63.27	82.50	35.48	19.35	25.81	54.84	4.87	2.59
San Diego-Carlsbad-San Marcos MSA	0	0.00	84.52	0.00	0.00	0.00	0.00	0.00	0.00
San Francisco County	0	0.00	82.90	0.00	0.00	0.00	0.00	0.00	0.00
San Mateo County	0	0.00	85.14	0.00	0.00	0.00	0.00	0.00	0.00
Santa Ana-Anaheim-Irvine MD	0	0.00	84.70	0.00	0.00	0.00	0.00	0.00	0.00
Santa Clara County	0	0.00	84.65	0.00	0.00	0.00	0.00	0.00	0.00
Visalia-Porterville MSA*****	13	26.53	77.41	0.00	7.69	30.77	61.54	2.72	0.00

* Based on 2003 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2003).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

*****In August 2004 the bank closed its one branch in this AA and dropped the AA from its community delineation.

Institution ID: CITY NATIONAL BANK

(10000014695)
NEW YORK

Table 1A. Lending Volume Summary (2003-2005)

LENDING VOLUME		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2003 TO SEPTEMBER 30, 2005				
MA/Assessment Area (2004):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
New York County	100.00	52	50,791	132	21,244	0	0	1	250	185	72,285	100.00

* Loan Data as of September 30, 2005. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 14, 2003 to January 23, 2006.

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

NEW YORK - 2004-2005

Table 1. Lending Volume

LENDING VOLUME		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER 30, 2005				
MA/Assessment Area (2004):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
New York County	100.00	45	46,808	100	15,478	0	0	1	250	146	62,536	100.00

* Loan Data as of September 30, 2005. Rated area refers to either state or multi-state MA rating area.
 ** The evaluation period for Community Development Loans is from January 14, 2003 to January 23, 2006.
 *** Deposit Data as of June 30, 2005. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE 2005		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER 30, 2005							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa II	Low	Mod	Mid	Upp
Full Review:															
New York County	30	100.00	2.61	0.00	8.59	0.00	4.78	0.00	84.02	100.00	0.06	0.00	0.00	0.00	0.07

* Based on 2004 Peer Mortgage Data (Eastern)
 ** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
 *** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 2005			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER 30,					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
New York County	1	100.00	2.61	0.00	8.59	0.00	4.78	0.00	84.02	100.00	0.00	0.00	0.00	0.00	0.00	

*Based on 2004 Peer Mortgage Data (Eastern)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE 30, 2005			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa ll	Low	Mod	Mid	Upp	
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
New York County	14	100.00	2.61	7.14	8.59	0.00	4.78	0.00	84.02	92.86	0.08	0.30	0.00	0.00	0.08	

*Based on 2004 Peer Mortgage Data (Eastern)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES 30, 2005			Geography: NEW YORK						Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER 30, 2005						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	% of Business es***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
New York County	98	100.00	5.79	0.00	7.31	4.08	7.42	1.02	77.54	94.90	0.07	0.00	0.04	0.02	0.08

*Based on 2004 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2005).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: NEW YORK						Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER 30, 2005						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families***	% BANK Loans	% Families***	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
New York County	28	100.00	29.16	0.00	13.29	0.00	12.67	0.00	44.88	100.00	0.08	0.00	0.00	0.00	0.09

*Based on 2004 Peer Mortgage Data (Eastern)

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

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

**** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT 30, 2005		Geography: NEW YORK								Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
New York County	1	100.00	29.16	0.00	13.29	0.00	12.67	0.00	44.88	100.00	0.00	0.00	0.00	0.00	0.00

*Based on 2004 Peer Mortgage Data (Eastern)

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

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

**** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE 30, 2005		Geography: NEW YORK								Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER					
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans**	Overa ll	Low	Mod	Mid	Upp
Full Review:															
New York County	12	100.00	29.16	0.00	13.29	0.00	12.67	8.33	44.88	91.67	0.10	0.00	0.00	0.15	0.10

*Based on 2004 Peer Mortgage Data (Eastern)

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

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

**** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES 30, 2005				Geography: NEW YORK		Evaluation Period: JANUARY 1, 2004 TO SEPTEMBER			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total*	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
New York County	100	100.00	59.19	57.00	67.00	15.00	18.00	0.07	0.10

*Based on 2004 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2005).

**** 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 8.00% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS				Geography: NEW YORK		Evaluation Period: JANUARY 14, 2003 TO JANUARY 23, 2006			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
New York County	0	0	4	26	4	26	100.00	0	0
Broader Area With Potential to Benefit AA	0	0	3	1,196	3	1,196	100.00	1	1,845

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: NEW YORK				Evaluation Period: JANUARY 14, 2003 TO JANUARY 23, 2006					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
New York County	100.00	1	100.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	18.74	24.07	7.59	49.51

NEW YORK - 2003

Table 1. Lending Volume

LENDING VOLUME		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003				
MA/Assessment Area (2003):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
Full Review:												
New York County	100.00	7	3,983	32	5,766	0	0	0	0	39	9,749	0.00

* Loan Data as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 01, 2005 to December 31, 2005.

*** Deposit Data as of January 25, 2006. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE 2003		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31,							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
New York County	5	100.00	1.74	0.00	8.82	0.00	5.19	0.00	84.24	100.00	0.03	0.00	0.00	0.00	0.03

* Based on 2003 Peer Mortgage Data (NE)

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2003			Geography: NEW YORK						Evaluation Period: JANUARY 1, 2003 TO						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
New York County	2	100.00	1.74	0.00	8.82	0.00	5.19	0.00	84.24	100.00	0.01	0.00	0.00	0.00	0.01

* Based on 2003 Peer Mortgage Data (NE)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES 31, 2003			Geography: NEW YORK						Evaluation Period: JANUARY 1, 2003 TO DECEMBER						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
New York County	32	100.00	4.10	0.00	8.36	3.13	6.74	3.13	77.91	93.75	0.04	0.00	0.02	0.02	0.05

* Based on 2003 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2003).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003								
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families***	% BANK Loans	% BANK Loans	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
New York County	5	100.00	27.58	0.00	12.98	0.00	12.51	0.00	46.94	100.00	0.03	0.00	0.00	0.00	0.04

*Based on 2003 Peer Mortgage Data (NE)

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

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

**** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003								
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total*	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans**	Overall	Low	Mod	Mid	Upp
Full Review:															
New York County	1	100.00	27.58	0.00	12.98	0.00	12.51	0.00	46.94	100.00	0.00	0.00	0.00	0.00	0.00

*Based on 2003 Peer Mortgage Data (NE)

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

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

**** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES 31, 2003				Geography: NEW YORK			Evaluation Period: JANUARY 1, 2003 TO DECEMBER		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total*	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
New York County	32	100.00	59.20	68.75	53.13	21.88	25.00	0.04	0.07

*Based on 2003 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2003).

**** 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 3.13% of small loans to businesses originated and purchased by the bank.