



## **PUBLIC DISCLOSURE**

September 06, 2022

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

First Colorado National Bank  
Charter Number 6671

133 Grand Avenue  
Paonia, CO 81428

Office of the Comptroller of the Currency

Independence Plaza  
1050 17<sup>th</sup> Street  
Suite 1500  
Denver, CO 80265-1050

**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.

## Table of Contents

Overall CRA Rating.....	1
Description of Institution.....	2
Scope of the Evaluation.....	3
Discriminatory or Other Illegal Credit Practices Review.....	4
State Rating.....	5
State of Colorado.....	5
Lending Test .....	7
Appendix A: Scope of Examination.....	A-1
Appendix B: Summary of State Ratings.....	B-1
Appendix C: Definitions and Common Abbreviations.....	C-1
Appendix D: Tables of Performance Data.....	D-1

## Overall CRA Rating

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

**The lending test is rated: Satisfactory**

The major factors that support this rating include:

- The bank's loan-to-deposit (LTD) ratio is reasonable given its strategic focus during the evaluation period.
- The In/Out Ratio is reasonable given the challenges the bank faced during the evaluation period.
- The bank's borrower distribution reflects a reasonable distribution among businesses of different sizes.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and strategic focus during the evaluation period, the LTD ratio is reasonable.

FCNB's average quarterly LTD ratio over the evaluation period was 39.9 percent. The bank's ratio ranged from a high of 91.8 percent to a low of 3.8 percent. The average LTD ratio of five comparable institutions operating in the same region was 63.6 percent, with a high-average ratio of 78.3 percent, and a low-average ratio of 48.8 percent during the evaluation period. FCNB's ratio is below the range of comparable institutions as a result of an acquisition strategy in which it maintained a low level of assets and low lending activity for an extended period while it attempted to find a suitable buyer. An acquisition concluded in June 2021. The bank's LTD was historically in line with comparable institutions with an average quarterly LTD ratio of 76.0 in the 12 months preceding the sale of assets in October 2019. FCNB's post acquisition LTD ratio is now at 87.5 percent. The bank's overall goal is to keep this ratio at or above 90 percent.

### Lending in Assessment Area

A majority of the bank's loans are outside its assessment area (AA). This level is generally reasonable given the challenges the bank faced during the evaluation period.

The bank originated and purchased 45.0 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA level. A substantial percentage of loans by dollar volume are outside of the AA as these represent commercial participations purchased, which were higher dollar volume loans. These loans were purchased immediately following the bank's acquisition in an effort to bring the bank back to profitability after a period of sustained losses. The loans were purchased from the bank's parent company and were out of the AA as the amount of loans needed could not be acquired in the local area in the size and time frame required to accomplish the bank's profitability goals. This is compared to the originations inside the AA which were primarily comprised of smaller dollar Small Business Administration (SBA) Paycheck Protection Program (PPP) loans made during the COVID-19 pandemic. Additionally, the percentage of loans by

number made inside the AA was limited due to the bank's reduced lending production as it positioned itself for acquisition.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	9	45.0	11	55.0	20	377	3	12,072	97	12,449
Total	9	45.0	11	55.0	20	377	3	12,072	97	12,449

## Description of Institution

First Colorado National Bank (FCNB) is a \$82.7 million community bank headquartered in Paonia, Colorado, a non-metropolitan area located in western Colorado. FCNB is a wholly owned subsidiary of the holding company Oakstar Bancshares, Inc. Oakstar Bancshares purchased FCNB in June 2021 through a stock purchase agreement from First Colorado Financial Corporation. Oakstar Bancshares is headquartered in Springfield, MO and has consolidated assets of approximately \$2.3 billion. FCNB is a single state institution and has no subsidiaries or related organizations. FCNB received a Satisfactory rating on its previous CRA examination completed on August 9, 2018; please refer to the bank's CRA public file for more information.

As of December 31, 2021, FCNB had total assets of \$82.7 million; \$65.9 million loan portfolio (79.7 percent of total assets), \$7.3 million in interest-bearing bank balances (8.9 percent of total assets), and \$2.3 million in federal funds sold (2.8 percent of total assets). The loan portfolio consists primarily of \$61.6 million in real estate loans, \$5 million in commercial loans, \$189,000 in individual loans, and \$86,000 in agricultural loans. Real estate loans are centered in commercial real estate (43.4 percent) and 1-4 family residential (25.4 percent). The tier 1 capital ratio is 10.4 percent.

FCNB operates in a single AA with two full services branches in Delta County, CO. The main office is in Paonia, CO and the second is in Delta, CO. Both branches offer drive-up facilities and non-deposit taking ATMs. The branches offer a full line of traditional consumer and commercial lending products.

The bank had previously operated loan production offices (LPOs) in Aspen, CO, Chicago, IL, and Carmel, IN. The LPOs and the majority of the bank's earning assets were sold in October 2019 in anticipation of a planned acquisition. This acquisition was delayed and ultimately resulted in a new buyer in June 2021. In the interim, FCNB maintained a low level of earning assets and low level of loan production while it sought a new potential buyer. Following the acquisition, the bank promptly invested heavily in commercial loan participations in an effort to boost earnings that had suffered during the extended period where the bank was looking for a suitable buyer. The acquisition of commercial participations in such a large amount resulted in the effects seen previously in the Lending in the Assessment Area evaluation where total dollar value of the loans outside of the AA far exceeded the total loan volume originated during the evaluation period.

The circumstances previously noted, including the anticipated acquisition, varied loan production, and loan participation purchases during the evaluation, affected the bank's lending production during the

evaluation period. The effect of these factors impeded the bank's ability to meet the credit needs of the AA and were considered in the evaluation of the lending test. To help address this issue, FCNB hired a local, dedicated lender in August 2021. This lender focuses on meeting the credit needs inside of the AA, specifically in relation to small business loans, small farm loans, and consumer loans. Please see the lending test conclusions for specific details. Despite the lack of lending activity, the bank provided other support to the community. The bank invested in the community in the form of cash donations to local schools and community organizations totaling \$29,700. Additionally, bank employees provided services to organizations in the community. Service activities included one employee serving on the board of an AA county economic development board, a rural electric association that provided free services for low- and moderate-income (LMI) communities and serving on the board of an internet provider providing high speed internet infrastructure to rural communities and LMI school districts. A second employee served as a controller for an organization providing a school lunch program for LMI students, and a third employee served as a treasurer for an organization providing services for an LMI school district.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

The evaluation period includes all loans originated and purchased by bank branches and LPOs from January 1, 2019, through December 31, 2021. We evaluated the loan production during this time to determine the primary lending products by evaluating the total number of loans originated and purchased and the total dollar volume of loans originated and purchased. During the evaluation period the bank's strategic focus shifted away from SBA loan production and their LPO offices were sold in October 2019 with the goal of selling the remaining business to a new holding company. The bank limited its loan production until 2020 when it increased its loan production in response to the COVID-19 pandemic providing PPP loans to its borrowers. These loans accounted for the majority of the bank's loan production until it was ultimately acquired by its current holding company in June 2021. Under the new ownership, the bank acquired a sizable holding of commercial loan participations located outside of the bank's assessment area. The combined loan production and purchases resulted in commercial loans being the bank's primary product by number and dollar amount. The bank's PPP loan originations represent the majority of the bank's loan production in the AA during the evaluation period and will be evaluated for the borrower and geographic distribution tests. To facilitate a full and fair representation of the bank's loan production during the evaluation period, we evaluated 100 percent of the bank's loans originated in the AA during the evaluation period.

### **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, the AA within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated non-MSA AAs located within the same state are combined and evaluated as a single AA. Refer to the "Scope" section under the State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for AA details.

### **Ratings**

The bank's overall rating is based on its performance in the state of Colorado. The state rating is based on performance within the bank's single CO AA. Refer to the "Scope" section under the State Rating section for details regarding how the areas are weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

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

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

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

## State Rating

### State of Colorado

**CRA rating for the State of Colorado:** Satisfactory

**The Lending Test is rated:** Satisfactory

The major factors that support this rating include:

- The bank's geographic distribution reflects a marginally poor distribution of loans to different geographies throughout the AA.
- The bank's borrower distribution reflects a reasonable distribution among businesses of different sizes.

### Description of Institution's Operations in Colorado

Management designated Garfield, Eagle, Delta, Gunnison, Montrose, and Pitkin Counties as its combined non-Metropolitan Statistical Area AA. The designated AA encompasses eleven census tracts (CTs) in Garfield County, fourteen CTs in Eagle County, seven CTs in Delta County, four CTs in Gunnison County, ten CTs in Montrose County, and four CTs in Pitkin County for a total of fifty CTs. The AA complies with applicable regulatory requirements and does not arbitrarily exclude any LMI areas. Gunnison County contains three CTs designated as rural remote, underserved middle-income non-metropolitan tracts.

The bank's operations in Colorado include both full-service branches in its AA. Each branch has a drive-up facility and non-deposit taking ATM. The bank does not have any deposit taking ATMs. The bank offers a full line of traditional consumer and commercial lending products. Refer to description of institution for details around banks challenging strategic posture during evaluation period.

Based on FDIC market share data as of June 30, 2021, FCNB ranked 14<sup>th</sup> out of 20 banks in the local market with 0.83 percent of deposits in the AA. Major competitors in the AA include United Business Bank, Wells Fargo, Alpine Bank, and Bank of the West. Total loan production during the evaluation period was \$75.4 million of which \$67.9 million (90 percent) was comprised of commercial loan participations purchased and the remainder was comprised of loans originated by the bank of which \$2.6 million (3.8 percent) was PPP loans originated during the evaluation period. Various banks and other financial companies also offer loan products in the AA. Based on market share data from 2020 there is heavy lending competition with 122 lenders making at least one loan in the AA. The most significant lending competitors were Alpine Bank, Wells Fargo Bank, N.A, American Express National Bank, First Bank, and Bank of Colorado who collectively captured 56.6 percent of business loan market share by number of reported loans.<sup>1</sup>

#### *Economic Data:*

Based on economic data from Moody's Analytics Reports dated July 2022, Colorado's economy continues to expand as it recovers from the recession with payrolls reaching prerecession levels for the

first time earlier in the year. Employment relative to 2020 ranks among the top 10 nationally and unemployment continues to trend downward. Professional services and manufacturing have powered the state's economy, but job growth has slowed in May and June 2022. Housing prices continue to trend upward ahead of the national average driven by heavy demand from out of state relocations.

## Colorado Non MSA AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Colorado Non MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	50	0.0	8.0	48.0	44.0	0.0
Population by Geography	213,752	0.0	8.9	49.0	42.1	0.0
Housing Units by Geography	112,183	0.0	7.8	44.2	48.0	0.0
Owner-Occupied Units by Geography	54,309	0.0	9.4	47.8	42.8	0.0
Occupied Rental Units by Geography	26,836	0.0	9.0	52.4	38.6	0.0
Vacant Units by Geography	31,038	0.0	3.9	30.7	65.4	0.0
Businesses by Geography	36,556	0.0	8.2	42.9	48.8	0.0
Farms by Geography	1,682	0.0	8.6	58.5	32.9	0.0
Family Distribution by Income Level	52,851	18.0	17.1	19.4	45.5	0.0
Household Distribution by Income Level	81,145	20.1	14.5	18.9	46.5	0.0
Median Family Income Non-MSAs - CO		\$60,701	Median Housing Value			\$385,067
			Median Gross Rent			\$1,049
			Families Below Poverty Level			9.4%
<i>Source: 2015 ACS and 2021 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

### Community Contact:

In conjunction with the CRA evaluation, examiners conducted interviews with a non-profit organization providing public programs and financial training to Delta and Gunnison counties. The contact indicated the economy is good and growing due to new individuals moving to the region with the ability to telework from home. The contact stated opportunities for local financial institutions revolve around affordable housing, flexible commercial lending, and financial literacy. The contact went on to say they believe banks were generally meeting the credit needs but that some credit needs such as affordable housing are difficult to tackle given the high housing prices.

A second contact working for a real estate firm in Gunnison County indicated the firm's activity has primarily been for out of county or out of state families wanting to purchase vacation homes. They also indicated homeownership is likely unaffordable for low- and moderate-income borrowers due to market conditions. The contact stated opportunities for local financial institutions could focus on projects aimed at assisting low- and moderate-income borrowers. The contact indicated institutions are assisting borrowers to the best of their ability and was confident local banks are serving the community's credit needs.



The final contact was a member of a local chamber of commerce in the AA. They described the economy as strong and primarily driven by the tourism industry. They stated the economy is cyclical with peaks in the summer and fall months. They indicated opportunities for local financial institutions include projects to expand development within the AA as well as business incubators that look to connect local entrepreneurs with needed resources. The contact feels banks are sufficiently serving their communities.

## **Scope of Evaluation in Colorado**

A full scope review was performed for FCNB's single non-MSA AA in Colorado. Refer to Appendix A for additional details.

## **LENDING TEST**

The bank's performance under the Lending Test in Colorado is rated Satisfactory.

## **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank's performance in the Colorado non-MSA AA is adequate.

## **Distribution of Loans by Income Level of the Geography**

The bank exhibits marginally poor geographic distribution of loans in the State.

### ***Small Loans to Businesses***

Refer to Table Q in the state of Colorado section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small business loans in the AA needs to improve. The distribution of loans to businesses in moderate-income CTs is below both the percentage of businesses in the AA and below the aggregate lending data. The AA has no low-income CTs. Our evaluation considered the bank's acquisition posture during the evaluation period which resulted in low lending levels for a substantial portion of the evaluation period limiting the opportunity to generate loans in the moderate-income CT. Additionally, the bank faces heavy competition from other lenders in the AA as mentioned previously in the Description of Institution. Considering the bank's performance context and business strategy this element of the lending test did not materially negatively affect the overall rating.

## **Distribution of Loans by Income Level of the Borrower**

The bank exhibits a reasonable distribution of loans to businesses of different sizes, given the product lines offered by the bank.

### ***Small Loans to Businesses***

Refer to Table R in the state of Colorado section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The distribution of loans to small businesses in the AA is reasonable given the bank's strategic focus during the evaluation period. The bank underperformed the 90.8 percent small business demographic and 37.0 percent aggregate lending statistics of the AA during the evaluation period. This is primarily due to a lack of collecting revenue information for SBA PPP loans originated during the evaluation period (collecting revenue information was not required). SBA PPP loans comprised the majority of the bank's loans in the AA during the evaluation period. Our sample included 100 percent of the bank's loans originated during the evaluation period. All loans in the AA that were not part of the PPP program were made to small businesses reflecting a reasonable penetration of small business loans in the community where revenue information was available. Additionally, based on the high percentage of small businesses located in the AA, the SBA PPP loans originated by the bank would generally be expected to have served the small business community. We performed an additional analysis of the bank's PPP loans using loan size as a proxy for revenue for the borrower. The table below shows that 100 percent of the bank's PPP loans were in amounts less than or equal to \$1 million. This represents reasonable distribution to the AA. Additionally, 96 percent of loans by number were made in amounts less than or equal to \$100,000, reflecting responsiveness to the lending needs of small businesses.

Borrow Distribution of PPP Loans to Business by Loan Size in Colorado Non MSA AA				
Loan Size	Number of Loans	Percent of number	Dollar Volume of Loans	Percent of Dollar Volume
\$0-\$100,000	49	96.0	1,100,146	75.1
\$100,001-\$250,000	1	2.0	102,352	7.0
\$250,001-\$500,000	1	2.0	261,780	17.9
Total	51	100	1,464,277	100.0

### Responses to Complaints

The bank did not receive any CRA related complaints during the evaluation period.

## Appendix A: Scope of Examination

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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 MSAs and non-MSAs 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”.

<b>Time Period Reviewed:</b>	01/01/2019 to 12/31/2021	
<b>Bank Products Reviewed:</b>	Small Business Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>States</b>		
<b>Colorado</b>		
Colorado Non MSA AA	Full-Scope	The AA includes the Counties of Delta, Eagle, Garfield, Gunnison, Montrose, and Pitkin.

## Appendix B: Summary of State Ratings

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RATINGS	First Colorado National Bank
Overall Bank:	Lending Test Rating
<b>First Colorado National Bank</b>	<b>Satisfactory</b>
State:	
<b>Colorado</b>	<b>Satisfactory</b>

## Appendix C: Definitions and Common Abbreviations

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The following terms and abbreviations are used in 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. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

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

**Community Reinvestment Act (CRA):** The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, 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, other secured consumer loans, and other unsecured consumer loans.

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

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

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

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

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

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

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

**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 state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

**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.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical 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 statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

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

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

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

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



## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - 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 aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - 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 MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were 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) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - 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 aggregate peer data for the years the data is available. Because aggregate 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 T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography -** 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 in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower -** 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 households by income level in each MMSA/assessment area.

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																				2019-21
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Colorado Non MSA AA	63	2,415	100	11,829	0.0	0.0	0.0	8.2	3.2	6.3	42.9	92.1	36.7	48.8	4.8	57.0	0.0	0.0	0.0	
<b>Total</b>	<b>63</b>	<b>2,415</b>	<b>100</b>	<b>11,829</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8.2</b>	<b>3.2</b>	<b>6.3</b>	<b>42.9</b>	<b>92.1</b>	<b>36.7</b>	<b>48.8</b>	<b>4.8</b>	<b>57.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2019-21
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Colorado Non MSA AA	63	2,415	100	11,829	90.8	15.9	37.0	2.8	0.0	6.4	84.1	
<b>Total</b>	<b>63</b>	<b>2,415</b>	<b>100</b>	<b>11,829</b>	<b>90.8</b>	<b>15.9</b>	<b>37.0</b>	<b>2.8</b>	<b>0.0</b>	<b>6.4</b>	<b>84.1</b>	

Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%