



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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Community Reinvestment Act Performance Evaluation

Zions First National Bank
Charter Number: 4341

**One South Main Street
Salt Lake City, UT 84111**

Office of the Comptroller of the Currency

**Large Bank Supervision
250 E Street, SW, Mail Stop 6-1
Washington, DC 20219-0001**

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

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General Information

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

*This document is an evaluation of the CRA performance of Zions First National Bank prepared by the **Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of October 23, 2000. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area (AA) evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this Performance Evaluation. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Overall CRA Rating

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

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

Performance Levels	Zions First 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:

- < A good responsiveness to identified credit needs
- < Good lending distribution in Utah and adequate distribution in Idaho
- < A positive impact from community development lending in Utah and a neutral impact in Idaho
- < A good level of qualified community development investments in Utah, but poor performance in Idaho
- < Excellent provision of retail services in Utah, a good level of retail services in Idaho, and an excellent level of community development services in Utah, with a very poor level in Idaho.

Description of Institution

Zions First National Bank (ZFNB), an interstate bank, is headquartered in Salt Lake City, Utah. The bank has total assets of approximately \$8 billion and operates through 142 branches in 13 AAs in Utah and Idaho.

ZFNB is a subsidiary of Zions Bancorporation (ZB), Salt Lake City, Utah. ZB is a registered bank holding company with total assets of approximately \$20 billion. Through its six banking subsidiaries, it conducts business in communities in the states of Arizona, California, Colorado, Idaho, New Mexico, Utah, and Washington.

ZFNB did not request consideration of affiliate activities for this evaluation.

ZFNB has several operating subsidiaries engaged in such activities as leasing, institutional and public finance, retail brokerage, and the holding of other assets. Activities conducted by these subsidiaries and their operating results do not have a detrimental impact upon the bank's capacity to serve the credit and other needs of its communities or upon the actual services provided.

ZFNB provides a wide range of credit and other products and services in its communities. Loans and leases outstanding total somewhat more than \$4.5 billion, equating to approximately 100% of deposits. This indicates the bank seeks funding sources other than its core deposit structure in order to meet the credit needs of its communities. The bank's loan portfolio consists primarily of loans to businesses and loans secured by real estate. Approximately 10% of its portfolio is comprised of loans to individuals (other than those secured by real estate), and slightly more than 2% of the portfolio is devoted to lending for agricultural purposes. In 1999, ZFNB was Utah's largest Small Business Administration lender. Available data indicates that this profile continued through the first six months of 2000. The bank's Tier I capital base is approximately \$438 million.

There are no legal, financial, or other factors impeding the bank's ability to help to meet credit needs in its AAs. However, during the evaluation period, ZB entered into a preliminary agreement to merge with a competing bank holding company. Ultimately, the proposed merger was not consummated. Activities associated with the proposed merger caused certain interruptions to ZFNB's operations, and may have impeded its ability to serve its communities, particularly in the provision of community development loans, investments, and services.

The most recent previous evaluation of the bank's CRA performance is dated July 25, 1997, when the bank received an "Outstanding" rating.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This evaluation considered ZFNB's HMDA-reportable, small business, and small farm lending for the calendar years 1997, 1998, and 1999. Community development lending, community development investments, and retail and community development services were evaluated for the period beginning July 25, 1997 (the date of the previous CRA evaluation), and ending October 23, 2000.

Data Integrity

Examiners tested the accuracy of the bank's reported data utilized in this evaluation. This testing revealed some errors, but none of the extent or magnitude to make the data unreliable for analysis.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, a sample of AAs within that state were selected for full-scope reviews. Refer to the *AScope* section under each State Rating for details regarding how the areas were selected and why they are representative.

Ratings

The bank's overall rating is a blend of the state ratings. Performance in Utah was weighted considerably more heavily than that in Idaho because of the large proportion of the bank's operations in Utah.

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

Fair Lending Review

Prior to this CRA evaluation, OCC examiners conducted an examination to test for evidence of illegal discrimination. The examination consisted of a review of the bank's policies and procedures and a comparative file review of applications by Hispanic and non-Hispanic persons for home refinance loans.

The fair lending examination revealed no substantive violations of applicable fair lending laws and regulations and no reason to believe that illegal discrimination had occurred in the lending processes reviewed.

This review and previous reviews of the bank's lending practices have not revealed indications of illegal discrimination by the bank.

State Rating

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

The major factors that support this rating include:

- < Good volumes and distribution of reportable lending in its AAs
- < Community development lending that exerts a positive impact upon performance
- < A good volume of community development investments
- < Excellent retail and community development services.

Description of Institution’s Operations in Utah

ZFNB is the second largest deposit-taking financial institution in Utah with about 18% of the state’s total deposit base. First Security Bank, NA (recently acquired by Wells Fargo & Company) is the largest institution and holds approximately 30% of the state’s deposits. Other significant competitors include Merrill Lynch Bank USA and Bank One, Utah, NA. ZFNB operates 121 branches in four AAs that encompass every county in Utah. Approximately 95% of ZFNB’s deposits and 92% of its reportable loans are in Utah.

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

Scope of Evaluation in Utah

Full-scope reviews were performed for the Salt Lake City-Ogden MSA and the Utah Non-MSA AA. Combined, these AAs provide approximately 84% of the ZFNB’s deposits in Utah, and ZFNB has made about 83% of its reportable loans in these areas. Thus, these AAs are representative of the bank’s activities in Utah, and the state ratings are based primarily upon results in these AAs. The Salt Lake City-Ogden MSA carried somewhat more weight in the final conclusions given its higher percentage of deposit gatherings. In evaluating the bank’s lending performance, more weight was placed upon home mortgage lending than upon small loans to businesses or farms in order to reflect the level of activity, as well as identified credit needs. Home mortgage lending represented over two thirds of the bank’s lending in each full-scope AA.

Within the home mortgage categories, the greater activity was in home refinance loans

as this lending was approximately three-quarters of the home mortgage lending in each full-scope AA. In arriving at our conclusions, greater emphasis was placed on home purchase lending, as this is the primary need identified in the bank's AAs. Consideration is also given to the level of activity within each loan product. The weight placed upon small loans to businesses considered that this category of lending was one of the major credit needs and that about one third of the lending in the Salt Lake City-Ogden MSA and nearly one quarter of the lending in the Utah Non-MSA AA was in this category. In contrast, the smallest level of activity was in the category of loans to small farms.

Please refer to the community profiles in Appendix B for discussion of community contacts made in these AAs.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Utah is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in both the Salt Lake City-Ogden MSA and in the Utah Non-MSA AA is good.

Lending Activity

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

In the Salt Lake City-Ogden MSA, the bank's nearly 15,000 reportable loans originated/purchased during the evaluation period were comprised of 67% home mortgage and 32% small loans to businesses. Small loans to farms were insignificant in volume, and therefore conclusions that follow do not address this loan category.

The composition of home mortgage loan originations/purchases was 19% (1,841 loans) home purchase, 5% (477 loans) home improvement, and 76% (7,432 loans) home refinance.

ZFNB's lending activity is good in the Salt Lake City-Ogden MSA. The bank ranks fifth in deposit share (6.9%) and second (14.1%) in small loans to businesses, based upon 1999 CRA aggregate data. Based upon 1999 aggregate HMDA data, the bank is ranked seventeenth (1.7%) in originations/purchases of loans for home purchase, fifth (4.0%) for home improvement, and third (4.0%) for home refinance.

In the Utah Non-MSA AA, the bank's nearly 16,000 loans originated/purchased during the evaluation period were comprised of 68% home mortgage, 21% small loans to businesses, and 11% small loans to farms.

The composition of home mortgage loan originations/purchases was 17% (1,872 loans)

for home purchase, 6% (672 loans) for home improvement, and 77% (8,320 loans) for home refinance.

ZFNB's lending activity is excellent in the Utah Non-MSA AA. The bank ranks second in deposit market share (29.0%), first (24.8%) in small loans to businesses, and first (45.0%) in small loans to farms based upon 1999 CRA aggregate data. Based upon 1999 HMDA aggregate data, the bank is ranked third (6.8%) in originations/purchases of loans for home purchase, first (32.3%) for home improvement, and first (16.9%) for home refinance.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of the bank's lending is good in the Salt Lake City-Ogden MSA and excellent in the Utah Non-MSA AA.

Home Mortgage Loans

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

The geographic distribution of home mortgage loans is adequate in the Salt Lake City-Ogden MSA and excellent in the Utah Non-MSA AA.

Home purchase loan distribution is adequate in the Salt Lake City-Ogden MSA and excellent in the Utah Non-MSA AA. In the Salt Lake City-Ogden MSA, the portion of home purchase loans made in low-income geographies is below the portion of owner-occupied housing units there. The market share for loans made in low-income geographies is also below the bank's overall market share. The portion of home purchase loans made in moderate-income geographies is close to the portion of owner-occupied housing units there. The market share for loans made in moderate-income geographies is also close to the bank's overall market share.

In the Utah Non-MSA AA, lending performance in the low-income geographies must be viewed with the following context. Of the 117 census tracts in this AA, two are designated low-income. These two tracts are largely sovereign Native American territory. Bank management reports that home mortgage lending opportunities there have historically been hindered by mortgage lien related obstacles. Actions taken by ZFNB to address this issue have resulted in a recent agreement being consummated to ZFNB and the Ute Tribe. Going forward, this will result in Ute Tribal members having increased access to credit as a result of the initiatives taken by ZFNB management (refer to Flexible or Innovative Loan Programs for detail). The portion of home purchase loans made in moderate-income geographies matches the portion of owner-occupied housing units there. Also, the market share for loans made in moderate-income geographies exceeds the bank's overall market share.

Home improvement loan geographic distribution is excellent in each full-scope AA. In the Salt Lake City-Ogden MSA, the portion of home improvement loans made in either low- or moderate-income geographies exceeds the portion of owner-occupied housing units there. In addition, the market share for loans made in low-income geographies matches the bank's overall market share and exceeds it for moderate-income areas. In the Utah Non-MSA AA, the portion of home improvement loans made in moderate-income geographies exceeds the portion of owner-occupied housing units there. In addition, the market share for loans made in moderate-income geographies exceeds the bank's overall market share.

Home refinance loan geographic distribution is poor in the Salt Lake City-Ogden MSA and excellent in the Utah Non-MSA AA. In the Salt Lake City-Ogden MSA, the portion of home refinance loans made in either low- or moderate-income geographies was well below the portion of owner-occupied housing units there. In addition, the market share for loans made in low-income geographies is well below the bank's overall market share and below it for moderate-income areas. In the Utah Non-MSA AA, the portion of home refinance loans made in moderate-income geographies exceeds the portion of owner-occupied housing units there. In addition, the market share for loans made in moderate-income geographies exceeds the bank's overall market share.

Small Loans to Businesses

Refer to Table 5 in the state of Utah section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is excellent in both full-scope AAs. In the Salt Lake City-Ogden MSA, the portion of small loans to businesses made in either low- or moderate-income geographies exceeds the portion of businesses located in those geographies. Likewise, the bank's market share for such loans in either low- or moderate-income geographies exceeds the bank's overall market share. A somewhat comparable profile is noted for the bank's performance in the Utah Non-MSA AA.

Small Loans to Farms

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

The geographic distribution of small loans to farms is excellent in the Utah Non-MSA AA. In the Salt Lake City-Ogden MSA, the level of small loans to farms was not significant, and there are only 22 farms located in the low-income geographies of this AA. Accordingly, analysis of this information is not meaningful. In the Utah Non-MSA

AA, the bank's portion of small loans to farms made in moderate-income areas exceeds the portion of farms located there. In addition, the bank's market share of such loans exceeded the bank's overall market share. There are no small farms located in low-income geographies.

Lending Gap Analysis

Analysis of the bank's overall lending activity did not reveal any conspicuous gaps in the geographic distribution of loans that would warrant concerns in the full-scope AA reviews.

Inside/Outside Ratio

A substantial majority of the bank's loans were originated within its AAs. During the evaluation period, 99% of the bank's home mortgage lending, 99% of the small loans to businesses, and 98% of the small loans to farms were originated within its AAs.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of the bank's lending is good in each full-scope AA.

Home Mortgage Loans

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

The overall borrower distribution of home mortgage loans is good in the Salt Lake City-Ogden MSA and good in the Utah Non-MSA AA.

Home purchase borrower distribution is good in both full-scope AAs. In the Salt Lake City-Ogden MSA, the portion of home purchase loans made to low-income borrowers is well below the portion of families defined as such; however, the respective market share of loans to such borrowers is well above the bank's overall market share. The bank's portion of loans made to moderate-income borrowers significantly exceeds the portion of borrowers defined as such. In addition, the market share for loans made to moderate-income families significantly exceeds the bank's overall market share. A comparable profile is noted for the bank's performance in the Utah Non-MSA AA.

The borrower distribution of home improvement loans is good in the Salt Lake City-Ogden MSA and good in the Utah Non-MSA AA. In the Salt Lake City-Ogden MSA, the portion of home improvement loans made to low-income borrowers is well below the portion of families defined as such; however, the respective market share of loans to such borrowers significantly exceeds the bank's overall market share. The bank's portion of loans made to moderate-income borrowers exceeds the portion of borrowers so defined, and the respective market share of loans made to such borrowers exceeds

the bank's overall market share. In the Utah Non-MSA AA, the portion of home improvement loans made to low-income borrowers is well below the portion of families defined as such; however, the respective market share of loans to such borrowers significantly exceeds the bank's overall market share. The portion of lending to moderate-income borrowers is below the portion of families defined as such, and the respective market share exceeds the bank's overall market share.

The borrower distribution of home refinance loans is good in each full-scope AA. In the Salt Lake City-Ogden MSA, the portion of home refinance loans made to low-income borrowers is well below the portion of families defined as such; however, the respective market share of loans to such borrowers is well above the bank's overall market share. The bank's portion of loans made to moderate-income borrowers is close to the portion of borrowers so defined. In addition, the market share for loans made to moderate-income families matches the bank's overall market share. A somewhat similar profile is reflected in the Utah Non-MSA AA.

Small Loans to Businesses

Refer to Table 10 in the state of Utah section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses is adequate in the Salt Lake City-Ogden MSA and adequate in the Utah Non-MSA AA. In the Salt Lake City-Ogden MSA, the bank's portion of loans made to small businesses (businesses with annual revenues under \$1 million) is below the portion of businesses defined as such. The bank's market share of such loans is near to the bank's overall market share. In the Utah Non-MSA AA, the portion of small loans made to small businesses is below the portion of such businesses. The respective market share of loans to such borrowers exceeds the bank's overall market share. It is noted that ZFNB uses a credit scoring system to process its loans to small businesses. As such, revenue data is not retrieved in many cases. Bank management determined that many such loans are small in dollar size and that this is a good proxy to indicate that many such loans are actually loans to smaller sized businesses.

Small Loans to Farms

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

The borrower distribution of small loans to farms is good. Again, it is noted that in the Salt Lake City-Ogden MSA, the bank made only 101 such loans, and conclusions there would not be meaningful. In the Utah Non-MSA AA, the portion of small loans to farms with annual revenues less than \$1 million is close to the portion of farms defined as such. The respective market share of loans to such small farms exceeds the bank's

overall market share.

Community Development Lending

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

Community development lending in Utah had a positive impact upon the bank's performance in both the Salt Lake City-Ogden MSA and in the Utah Non-MSA AA.

The level and distribution among the AAs of the community development lending by ZFNB in the state are good. Lending that supports statewide community development has been allocated among the AAs, in accordance with OCC policy, according to the bank's distribution of deposits among those AAs, unless otherwise noted. ZFNB has focused its community development loan activity on affordable housing. This has been accomplished primarily through participation in flexible lending pools/programs serving low- and moderate-income borrowers. Examples of the bank's loans include the following.

A Salt Lake City program targeted to first time homebuyers has flexible underwriting, and the loans are issued at a reduced interest rate. Qualified homebuyers have incomes of less than 80% of the area median. ZFNB provided a \$750 thousand loan for this program in 1998. In addition ZFNB provides document handling and safekeeping for the program.

Another targeted program exists in Salt Lake County. This program serves first-time homebuyers, has flexible underwriting, and the loans are issued at reduced rates. Qualified borrowers have incomes less than 80% of the area median. ZFNB has provided a \$392 thousand credit facility for this program.

ZFNB has been actively involved in a statewide community reinvestment organization since the organization formed in 1998. Its mission is to foster the development of quality housing by providing flexible financing for multifamily projects that serve low- and moderate-income Utah residents. ZFNB has an active role with administering various functions in this program and has provided \$8 million in a \$40 million loan fund.

ZFNB has supported a not-for-profit organization that serves members of the Navajo Nation who reside in the Blanding, Utah, area, in the Utah Non-MSA AA. ZFNB funded construction loans totaling \$800 thousand and a \$222 thousand term loan. The project financed consists of 20 modular 2-bedroom units situated on 2.3 acres located within the city of Blanding as well as the infrastructure development. All of the units serve low-income persons. ZFNB has partnered with the Olene Walker Trust (a funding entity of the State of Utah) and HOME funding in this project.

A community development corporation, in conjunction with a not-for-profit organization, provides loans to low- and moderate-income first-time homebuyers throughout Utah.

Loans are offered with reduced interest rates with a match of federal and bank funds to families earning less than 80% of the area median income who are not qualified for conventional financing. ZFNB made a \$500 thousand loan to this CDC.

ZFNB has partnered with another Utah program that targets first-time homebuyers, has flexible underwriting, with loans issued at a reduced interest rate. Borrowers must have incomes below 80% of the area median. ZFNB lent \$327 thousand for this program in 1998 and 1999. The bank also handles document preparation and safekeeping for this program.

ZFNB provides a \$100 thousand line of credit to a not-for-profit Utah-wide low-income housing provider. The organization uses this sub-prime-rate loan to cover pre-development costs on its various housing projects, and has provided housing for more than 1,200 people, the majority of which have incomes of less than 50% of the area median.

Product Innovation and Flexibility

The bank's loan product innovation and flexibility had a positive impact on the Lending Test conclusions. ZFNB is a leading lender in several loan pools for which the underlying programs are targeted to LMI individuals for affordable housing purposes. Flexible underwriting and more liberal financing terms characterize these loans programs which are sponsored by the Salt Lake City Neighborhood Housing, Salt Lake City Housing, Salt Lake County Housing, and Utah Community Reinvestment Corporations.

The bank also offers flexible underwriting automobile loans under its Zions Advantage Program (ZAP). Bank management states that the loan program, which covers both Utah and Idaho, targets individuals who typically cannot qualify for traditional financing and that many are of low or moderate-income profiles. Information provided by bank management reveals that for the two states, approximately 2,700 such loans were provided through the ZAP during the evaluation period and the average loan size was about \$10 thousand.

ZFNB also offered six-month deferments on principal and interest consumer loan payments to many of its banking customers terminated from mining employment due to project shutdowns in Carbon and Emery Counties. The closures led to hundreds of layoffs of which an estimated 275 were ZFNB customers.

Also, of particular note, although no related loans have yet been processed, is an agreement that ZFNB has initiated with the Ute Native American Tribe. Under the terms of the agreement, tribal members will soon be able to purchase a home on tribal lands. This was previously restricted by tribal laws. The agreement also provides for homebuyer counseling and flexible underwriting terms.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Provo-Orem MSA is not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test in Utah. In the Flagstaff MSA, the bank's lending activity was too insignificant to result in any meaningful conclusions.

Refer to the Tables 1 through 11 in the state of Utah section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Utah is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Salt Lake City-Ogden MSA is excellent and in the Utah Non-MSA AA is good.

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

ZFNB has its largest concentration of investments in the Salt Lake City-Ogden MSA (49%). A large amount of affordable housing tax credits were purchased within the Salt Lake City-Ogden MSA (\$5 million). In addition, a large portion (\$6.2 million) of an investment in a Small Business Investment Corporation was allocated to the Salt Lake City-Ogden MSA. Both of these investments are responsive to clearly identified needs within the community. The level and nature of qualified investments in the Utah Non-MSA AA is also responsive, and is consistent with the deposits obtained there. ZFNB also invested in two statewide Utah Housing Finance Agency issues (Champ Program) during 1997 (\$1.065 million) and 1998 (\$1.875 million). These affordable housing bonds also address critical community needs.

ZFNB's level and nature of community development investments throughout the state of Utah reflect a strong responsiveness to the community. During the evaluation period, the bank invested \$27.2 million and donated \$503 thousand toward qualified community development investments. These were targeted almost equally between small business development (42%) and affordable housing (42%). Both the quantity and quality of these transactions have helped address many needs identified in communities in Utah. Statewide investments, unless otherwise noted, have been allocated among the AAs according the proportions of deposits garnered from each.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Flagstaff MSA and the Provo-Orem MSA is not inconsistent with the bank's overall "High Satisfactory" performance under the Investment Test in Utah. Refer to the Table 12 in the state of Utah section of Appendix D for the facts and data that support these

conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Utah is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Salt Lake City-Ogden MSA and in the Utah Non-MSA AA is excellent.

Retail Banking Services

Refer to Table 13 in the state of Utah section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

In the Salt Lake City-Ogden MSA the distribution of ZFNB's offices throughout moderate-income geographies is near to the population living in such geographies. ZFNB has ten branch locations in moderate-income geographies representing 17.55% of its branches in the MSA, which is near to the percentage of individuals living in the MSA in moderate-income geographies. The distribution of ZFNB's offices in low-income geographies effectively equals the distribution of the population living in such geographies. ZFNB has only one office located in a low-income geography (representing 1.75% of ZFNB's offices in the MSA). The distribution of the population living in low-income geographies in the MSA is 1.80%.

Branch openings and closings have not affected the accessibility of delivery systems in the Salt Lake City-Ogden MSA. ZFNB closed three branch locations during the evaluation period. All the closed branches were located in middle-income geographies. During the same period the bank opened five branch locations, three in middle-income geographies and two in upper-income geographies.

ZFNB's ATM network in the Salt Lake City-Ogden MSA offers an effective alternative system for delivering retail banking services in low- and moderate-income geographies. The portion of ATMs in low-income geographies (4.70% of ATMs in the MSA) exceeds the portion of the population that resides in low-income geographies (1.80%). The portion of ATMs in moderate-income geographies (28.20% of ATMs in the MSA) exceeds the portion of the population that resides in moderate-income geographies (18.21%).

ZFNB's hours and services offered throughout the Salt Lake City-Ogden MSA do not vary in a way that inconveniences certain portions of the area, particularly low- and moderate-income geographies or individuals. Services in the MSA are comparable in all offices regardless of the income level of the geography. Banking hours are generally 9 a.m. to 6 p.m. on Mondays and Fridays in the Salt Lake Valley. On Tuesdays through Thursdays banking hours are 9 a.m. to 5 p.m. ZFNB's hours in the Ogden area are

generally 9 a.m. to 5 p.m. Branches in grocery stores are open 10 a.m. to 8 p.m. and include hours on Saturday from 10 a.m. to 5 p.m. However, only two of the 26 extended-hour grocery store branches are located in moderate-income geographies and none in low-income geographies. Drive-up hours are similar throughout the MSA.

In the Utah Non-MSA AA the distribution of ZFNB's offices throughout moderate-income geographies exceeds the population living in such geographies. ZFNB has eleven branch locations located in moderate-income geographies representing 22.45% of its branches in the MSA, which is a larger percentage than that of individuals living in the MSA in moderate-income geographies. The distribution of ZFNB's offices in low-income geographies (2.04%) also exceeds the distribution of the population living in such geographies (1.44%).

Branch openings and closings have not affected the accessibility of delivery systems in the Utah Non-MSA AA. ZFNB closed three branch locations during the evaluation period, one branch in an upper-income geography, one in a middle-income geography, and one in a moderate-income geography. All the closed branches were located within convenient walking distance of other ZFNB branch locations. The bank opened one new branch in the AA during the evaluation period. It is located in a middle-income geography.

ZFNB's ATM network reflects the demographics of the Utah Non-MSA AA. The percentage of ATMs in moderate-income geographies of the AA (20.00%) exceeds the percentage of people living in such geographies (14.77%). The percentage of ATMs in low-income geographies equals the percentage of individuals living in such geographies (1.44%).

ZFNB's hours and services offered throughout the AA do not vary in a way that inconveniences certain portions of the area, particularly low- and moderate-income geographies or individuals. Services in the AA are comparable in all offices regardless of the income level of the geography. Banking hours are generally 9 a.m. to 5 p.m. or 6 p.m. on Mondays through Thursdays in the more populated communities in the AA. These branches extend Friday hours to 6 p.m., and the bank offers Saturday hours (9 a.m. to 1 p.m.) in two offices. ZFNB's hours in less populated communities are 9 a.m. to 2 p.m., 3 p.m., or 4 p.m. Mondays through Thursdays and extend to 6 p.m. in some areas. ZFNB operates extended hour branches (generally 10 a.m. to 7 p.m.) at eleven grocery store locations in the AA. Two of the extended hour grocery store branches are located in moderate-income geographies and none in low-income geographies. Drive-up hours are comparable throughout the AA.

Community Development Services

ZFNB's performance in providing community development services to the Salt Lake City-Ogden MSA and to the Utah Non-MSA AA is excellent.

Most of ZFNB's CD services have resulted from participation in statewide organizations

that benefit all of its AAs. The primary focus of services provided has been upon affordable housing. Participation was typically in the form of board and related committee memberships and by providing financial expertise. CD service highlights from this evaluation period include:

A microenterprise loan fund provides loans of \$10 thousand or less to small businesses that would not normally qualify for bank financing. Two bank employees participate in this organization. One employee serves on the loan committee as well as in the client support/business mentoring program. Another employee is on the Investors Committee.

A partnership was created in Utah to provide education and training to assist low- and moderate-income members of the Navajo Nation to obtain home mortgages. An employee serves on the board and provides assistance with the mortgage lending function.

A statewide program exists to provide technical assistance and training to community groups regarding housing for low- and moderate-income individuals. An employee is a director and financial advisor.

The Utah legislature appropriates funds annually to the Olene Walker Trust Fund and these funds are used for various affordable housing projects throughout the state. The state relies on the task force for recommendations on how the monies should be allocated. An employee is a member of this task force.

There exists a statewide community development corporation that is a consortium of banks and government entities that have pooled \$40 million for the financing of affordable rental housing in Utah. Not-for-profit and for-profit developers are eligible for financing of multi-family affordable housing projects. A bank employee is a board member and a member of the loan committee.

A bank employee assisted in the development of a loan fund and is a member of the revolving loan fund board for the Utah Division of Indian Affairs, Small Business Department.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Flagstaff MSA is weaker than the bank's overall "High Satisfactory" and in the Provo-Orem MSA is stronger than the bank's overall "High Satisfactory" performance under the Service Test in Utah. Refer to Table 13 in the state of Utah section of Appendix D for the facts and data that support these conclusions.

State Rating

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

The major factors that support this rating:

- < A generally adequate volume and distribution of reportable lending
- < No qualified community development lending
- < Minimal community development investments in one AA
- < Good retail services and no qualified community development services.

Description of Institution’s Operations in Idaho

ZFNB entered the Idaho market through acquisition of ten branches from Wells Fargo & Company in 1997. It is now the 9th largest depository institution in Idaho, holding slightly less than 2% of total deposits in the state. First Security Bank, N.A. (recently acquired by Wells Fargo & Company) is the largest institution in the state, with more than 30% of the deposits. Other large competitors are US Bank, NA; Keybank, NA; Bank of America, NT&SA; and Washington Federal Savings and Loan Association. ZFNB operates 21 branch offices in nine AAs in Idaho. Approximately 5% of ZFNB’s deposits and 8% of its reportable loans are in Idaho. In 1999, ZFNB was the second largest Small Business Administration lender in the state of Idaho.

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

Scope of Evaluation in Idaho

Under the Lending Test, more weight was placed on ZFNB’s performance in the Six Counties AA due to the higher percentage of deposits gathered from that AA. Consideration was also given, however, to the bank’s lending volume being more active in the Four Counties AA. Among the loan categories in each full-scope AA, more weight was placed on home purchase loans given this is the most identified credit need. Because of their homogeneity and the relatively small size of each, the AAs of Bear Lake County, Boundary County, Latah/Nez Perce Counties, Payette County, and Washington County were combined for analysis purposes.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Idaho is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in both the Six Counties AA and in the Four Counties AA is adequate.

Lending Activity

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

In the Six Counties AA, the bank's approximately 950 loans originated or purchased during the evaluation period were comprised of 67% home mortgage, 20% small loans to farms, and the remainder small loans to businesses. The composition of home mortgage loan originations/purchases was 6% (36 loans) home purchase, 8% (49 loans) home improvement, and 87% (555 loans) home refinance.

ZFNB's lending activity is adequate in the Six Counties AA. The bank ranks seventh in deposit market share (3.7%), tenth (2.8%) in small loans to businesses, and sixth (5.2%) in small loans to farms based upon 1999 CRA aggregate data. Based upon 1999 HMDA aggregate data, ZFNB is ranked 26th (0.7%) in originations/purchases of loans for home purchase, seventh (5.6%) for home improvement, and third (8.0%) for home refinance.

In the Four Counties AA, the bank's approximately 1,800 loans originated or purchased during the evaluation period were comprised of 60% home mortgage, 22% small loans to farms, and the remainder small loans to businesses.

The composition of home mortgage loan originations/purchases was 15% (165 loans) home purchase, 4% (45 loans) home improvement, and 81% (875 loans) home refinance.

ZFNB's lending activity is good in the Four Counties AA. The bank ranks ninth in deposit market share (3%), eighth (6.3%) in small loans to businesses, and second (16.8%) in small loans to farms based upon 1999 CRA aggregate data. Based upon 1999 HMDA aggregate data, ZFNB is ranked eleventh (3.2%) in originations/purchases of loans for home purchase, sixth (6.9%) in home improvement, and first (13.8%) in home refinance.

Distribution of Loans by Income Level of the Geography

Overall, the bank's geographic loan distribution is adequate in the Six Counties AA and poor in the Four Counties AA.

Home Mortgage Loans

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

The overall geographic distribution of home mortgage loans is adequate in the Six Counties AA and poor in the Four Counties AA. Within the category of home mortgage loans, more weight is placed upon home purchase products followed by home improvement and home refinance products given the needs identified in the AAs. However, this weighting also considers the level of activity within each lending product.

In the Six Counties AA, home purchase loan volume is not significant (36 loans) enough to allow for meaningful analysis. In the Four counties AA, home purchase loan distribution is adequate. The portion of these loans made in moderate-income geographies is below the portion of owner-occupied housing units there. The market share for loans made in moderate-income geographies is moderately below the bank's overall market share. There are no low-income geographies in this AA.

Home improvement loan volume is not significant enough in either full-scope AA to allow for meaningful analysis of its geographic distribution.

Home refinance loan distribution is adequate in the Six Counties AA and poor in the Four Counties AA. In the Six Counties AA, the portion of home refinance loans made in moderate-income geographies is below the portion of owner-occupied housing units there. The market share for loans made in moderate-income geographies is moderately below the bank's overall market share. In the Four Counties AA, the bank's portion of home refinance loans made in moderate-income geographies is well below the portion of owner-occupied housing units there. The market share for loans made in moderate-income geographies is also below the bank's overall market share.

Small Loans to Businesses

Refer to Table 5 in the state of Idaho section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is good in the Six Counties AA and poor in the Four Counties AA. In the Six Counties AA, the portion of small loans to businesses made in moderate-income geographies is below the portion of businesses located in those geographies. The market share for such loans exceeds the bank's overall market share. In the Four Counties AA, the portion of small loans to businesses made in moderate-income geographies is well below the portion of businesses located in those geographies. Likewise, the market share for such loans is well below the bank's overall market share.

Small Loans to Farms

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

The geographic distribution of small loans to farms is poor in the Six Counties AA and adequate in the Four Counties AA. In the Six Counties AA, the portion of small loans to farms made in moderate-income geographies is well below the portion of farms located in those geographies. The market share for such loans is also below the bank's overall market share. In the Four Counties AA, the portion of small loans made in moderate-income geographies is below the portion of farms located in those geographies. However, the market share for such loans exceeds the bank's overall market share.

Lending Gap Analysis

Analysis of the bank's overall lending activity did not reveal any conspicuous gaps in the geographic distribution of loans that would warrant concerns in the full-scope AA reviews.

Inside/Outside Ratio

A majority of the bank's loans were originated within its AAs. During the evaluation period, approximately 81% of the bank's lending for home mortgages, 74% of its small loans to businesses, and 69% of its small loans to farms were originated within its AAs.

Distribution of Loans by Income Level of the Borrower

ZFNB's borrower distribution of home mortgage loans is adequate in each full-scope AA. The borrower distribution of small loans to businesses is good in each full-scope AA. The borrower distribution of small loans to farms is excellent in the Six Counties AA and good in the Four Counties AA.

Home Mortgage Loans

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

The borrower distribution of home purchase loans is adequate in the Four Counties AA. The portion of home purchase loans made to low-income borrowers is well below the portion of families defined as such. The market share for loans made to low-income families is also below the bank's overall market share. The portion of loans made to moderate-income borrowers nearly matches the portion of such families. The market share for loans made to moderate-income families is moderately below the bank's overall market share. In the Six Counties AA, analysis of home purchase loan borrower

distribution is not meaningful, given the nominal volume (36) of these loans.

Home improvement loan distribution is not analyzed for this evaluation because of the nominal level of loans made in each full-scope AA (49 loans in the Six Counties AA and 45 loans in the Four Counties AA).

Home refinance loan distribution is poor in each full-scope AA. In the Six Counties AA, the portion of home refinance loans made to low-income borrowers is well below the portion of such families. With moderate-income borrowers, the bank's portion of loans is moderately below the portion of such families. The bank's respective market shares are close to the bank's overall market share for low-income borrowers and exceed the overall market share for moderate-income borrowers. In the Four Counties AA, the portion of home refinance loans made to low-income borrowers is well below the portion of such families. With moderate-income borrowers, the bank's portion of loans is below the portion of such families. The bank's respective market shares are moderately below the bank's overall market share for low-income borrowers and close to the overall market share for moderate-income borrowers.

Small Loans to Businesses

Refer to Table 10 in the state of Idaho section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses is adequate in each full-scope AA. In both full-scope AAs, the bank's portion of loans made to small businesses (businesses with annual revenues under \$1 million) is moderately below the portion of businesses defined as such. The bank's market shares of such loans exceed the bank's overall market share in each full-scope AA.

Small Loans to Farms

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

The borrower distribution of small loans to farms is good in the Six Counties AA and good in the Four Counties AA. In the Six Counties AA, the bank's portion of loans made to small farms (farms with annual revenues under \$500 thousand) is close to the portion of farms so defined. The bank's market share of such loans exceeds the bank's overall market share in the Six Counties AA. In the Four Counties AA, the bank's portion of loans made to small farms is close to the portion of farms so defined. The bank's market share of such loans is also close to the bank's overall market share in the Six Counties AA.

Community Development Lending

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

ZFNB has made no community development loans in Idaho during the evaluation period, resulting in a neutral impact upon the bank's performance.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusions for the state of Idaho. There was limited information available for identifying the bank's product innovation or flexible loan products.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the combined Bear Lake/Boundary/Latah-Nez Perce/Payette/Washington Counties AA is not inconsistent with the bank's overall "Low Satisfactory" performance under the Lending Test in Idaho. Performance in the Boise and Pocatello MSAs was insignificant, and no analysis was applied.

Refer to the Tables 1 through 11 in the state of Idaho section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Idaho is rated "Needs to Improve." Based on full-scope reviews, the bank's performance in the Six Counties and Four Counties AAs is very poor.

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

ZFNB has made no qualified investments in the full-scope AAs. While opportunities may be more limited in Idaho, and especially in rural Idaho, than in some other locations, the bank does not report any significant efforts to seek or develop investment opportunities.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Pocatello MSA is stronger than its overall "Needs to Improve" rating under the Investment Test in Idaho. This is because the bank made one small investment there totaling \$88 thousand. Because of this investment, the bank's overall performance is rated "Needs to Improve," rather than "Substantial Noncompliance." ZFNB's performance in the Boise MSA and in the combined Bear Lake/Boundary/Latah-Nez Perce/Payette/Washington Counties AA is weaker than its overall performance because no investments were made in those AAs.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Idaho is rated "Low Satisfactory." Based on full-scope reviews, the bank's performance in the Six Counties AA and the Four Counties AA is good.

Retail Banking Services

Refer to Table 13 in the state of Idaho section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

In the Six Counties AA the distribution of ZFNB's offices throughout moderate-income geographies is greater than the population living in such geographies. ZFNB has only one branch office located in a moderate-income geography, and this represents 25% of

its branches in the AA. The percentage of individuals living in the AA in moderate-income geographies is 16.3%. The AA does not contain any low-income geographies.

ZFNB's opening and closing of branches has not adversely affected the accessibility of its delivery systems in low- and moderate-income individuals or geographies. The bank did not open or close any branch offices during the evaluation period.

ZFNB's ATM network enhances the bank's delivery system for delivering retail banking services in moderate-income geographies. Each branch location includes an onsite ATM. The branch located in a moderate-income geography also includes an ATM, thus the portion of ATMs in moderate-income geographies (25% of ATMs in the AA) exceeds the portion of the population that resides in moderate-income geographies (16.3%).

ZFNB's hours and services offered throughout the Six Counties AA do not vary in a way that inconveniences certain portions of the area, particularly low- and moderate-income geographies or individuals. Services in the AA are comparable in all offices regardless of the income level of the geography. Banking hours are generally 9 a.m. to 5 p.m. on Mondays through Thursdays and 9 a.m. to 6 p.m. on Fridays in the AA. ZFNB operates an extended hour branch 9 a.m. to 7 p.m. at a grocery store location in the AA. This branch is located in an upper-income geography. Drive-up hours are comparable throughout the AA.

In the Four Counties AA the distribution of ZFNB's offices throughout moderate-income geographies is greater than the population living in such geographies. ZFNB has only one branch located in a moderate-income geography, but this represents 20% of its branch locations in the AA. Roughly 6% of individuals living in the AA live in moderate-income geographies. The AA does not contain any low-income geographies.

ZFNB's opening and closing of branches has not adversely affected the accessibility of its delivery systems for low- and moderate-income individuals or geographies. ZFNB opened four of its five branches in the AA during the evaluation period. The bank opened one branch in a moderate-income geography, one branch in a middle-income geography, and two branches in upper-income geographies.

ZFNB's ATM network enhances the bank's delivery system for retail banking services in moderate-income geographies. Each branch location includes an onsite ATM. The branch located in a moderate-income geography also includes an ATM; thus, the portion of ATMs in moderate-income geographies (20% of the ATMs in the AA) exceeds the portion of the population that resides in moderate-income geographies (6.3%).

ZFNB's hours and services offered throughout the Four Counties AA do not vary in a way that inconveniences certain portions of the area, particularly low- and moderate-income geographies or individuals. Services in the AA are comparable in all offices regardless of the income level of the geography. Banking hours are generally 9 a.m. to 5 p.m. on Mondays through Thursdays and 9 a.m. to 6 p.m. on Fridays in the AA. Drive-up hours are comparable throughout the AA.

Community Development Services

ZFNB has provided no community development services in Idaho.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Boise MSA, the Pocatello MSA, and the combined Bear Lake/Boundary/Latah- Nez Perce/Payette/Washington Counties AA is not inconsistent with its overall "Low Satisfactory" performance under the Service Test in Idaho.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term *A*Full-Scope[®]) and those that received a less comprehensive review (designated by the term *A*Limited-Scope[®]).

Time Period Reviewed	Lending Test (except CD Loans): 01/01/1997 to 12/31/1999 Investment and Service Tests and CD Loans: 07/25/1997 to 10/23/2000	
Financial Institution	Products Reviewed	
Zions First National Bank (ZFNB) Salt Lake City, Utah	Home purchase, home improvement, home refinance, small business, small farm, and community development loans. Community development investments and services.	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Utah: Salt Lake City-Ogden MSA #7160 Flagstaff MSA #2620 Provo-Orem MSA #6520 Utah Non-MSA	Full-scope Limited-scope Limited-scope Full-scope	
Idaho: Boise MSA #1080 Pocatello MSA #6340 Bear Lake County Boundary County Four Counties Latah/Nez Perce Counties Payette County Six Counties Washington County	Limited-scope Limited-scope Limited-scope Limited-scope Full-scope Limited-scope Limited-scope Full-scope Limited-scope	

Appendix B: Summary of State Ratings

RATINGS ZIONS FIRST NATIONAL BANK				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
Zions First National Bank	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
State:				
Utah	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Idaho	Low Satisfactory	Needs to Improve	Low Satisfactory	Satisfactory

(*) The Lending Test is weighted more heavily than the Investment and Service Test in the overall rating.

Appendix C: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

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 - Four Counties AA C-8

State of Utah Full-Scope Areas

Salt Lake City-Ogden MSA

Demographic Information for Full-Scope Area: Salt Lake City-Ogden MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	230	4.8	21.3	52.2	21.7	0
Population by Geography	1,072,227	1.8	18.2	57.4	22.6	0
Owner-Occupied Housing by Geography	234,111	.8	14.9	59.2	25.1	0
Businesses by Geography	47,419	6.2	26.0	47.4	20.3	0
Farms by Geography	960	2.3	12.4	61.8	23.5	0
Family Distribution by Income Level	262,143	16.6	19.6	26.6	37.2	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	95,015	3.5	19.6	63.7	15.2	0
Median Family Income		Median Housing Value		= \$72,830		
HUD Adjusted Median Family Income for 2000	= \$35,239	Unemployment Rate		= 2.3%		
Households Below the Poverty Level	= \$53,400					
	= 9.6%					

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 1990 U.S. Census and 2000 HUD updated MFI.

ZFNB’s presence in Utah and in the AA is significant, and provides ZFNB with slightly over half of its total deposits in the state. Based upon total deposits, ZFNB ranks second in the state and third in the AA with market shares of 18% and 13%, respectively. Nearly half of its branches and ATMs are in this AA.

The AA consists of the entire Salt Lake City-Ogden MSA, located in north central Utah. It is comprised of Davis, Salt Lake, and Weber Counties and is the 46th most populous metropolitan area in the nation. More than 60% of the state’s population, or 1.1 million residents, live in the area. Salt Lake City is located in the southern portion of the MSA (Salt Lake County) while Ogden is in the northern portion (Weber County). The low-income census tracts are located within these two cities. The majority of the AA’s 49 moderate-income tracts are located in Salt Lake City. The AA meets the requirements of the regulation and does not arbitrarily exclude any low- or moderate-income geographies.

Salt Lake City, as the state’s capital and largest city, provides much of the government support for surrounding areas and the state. Salt Lake City has one of the nation’s most diverse economies. The metropolitan area boasts numerous high-tech firms, various medical and business services, manufacturing, and a year-round tourism industry. Currently, more than 2,000 information-technology firms line the Wasatch Front. In addition to the increased employment in computer software and biomedical firms, there has been growth in several other employment sectors. The construction and service-

related industries have experienced significant growth due to the upcoming Winter Olympics in 2002. Unemployment is low at 3.2%, ranking Salt Lake City 68th in the nation.

Competition in this AA is intense. There are 41 financial institutions operating 330 offices in the AA. ZFNB operates 57 offices and ranks 5th in the AA with a deposit market share of 6.9%. Its major competitors include First Security Bank (recently absorbed by Wells Fargo Bank) with a 23% deposit market share, Merrill Lynch Bank USA with a 40% deposit market share, and Bank One Utah with a deposit market share of 6%. Other strong competitors include Keybank, NA, in Weber County and Barnes Banking Company in Davis County. In addition to the retail and commercial banks located in the AA, there are several credit card banks and numerous mortgage companies competing in the market.

As part of the evaluation, consideration was given to information from six community organizations supporting affordable housing, economic development, and small business interests. The contacts expressed a need for affordable housing, small business financing, and other consumer needs such as technical and educational financial services. They also indicated the ZFNB exhibits a strong commitment to the area and is highly responsive in servicing community needs. Opportunities for bank lending and service involvement exist and opportunities for investment are moderate.

State of Utah Full-Scope Areas

Utah Non-MSA AA

Demographic Information for Full-Scope Area: Utah Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	170	2.9	16.5	54.1	15.3	11.2
Population by Geography	650,623	5.2	12.1	61.6	21.0	.1
Owner-Occupied Housing by Geography	131,899	1.3	11.8	64.4	22.5	0
Businesses by Geography	20,164	.2	14.2	67.0	18.5	.1
Farms by Geography	1,657	0	16.6	72.0	11.4	0
Family Distribution by Income Level	151,114	19.0	18.7	24.4	37.9	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	57,021	7.0	19.5	62.2	11.3	0
Median Family Income		Median Housing Value		= \$64,588		
HUD Adjusted Median Family Income for 2000	= \$30,515	Unemployment Rate		= 3.3%		
Households Below the Poverty Level	= \$41,000					
	= 14.4%					

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census and 2000 HUD updated MFI.

ZFNB's presence in the non-metropolitan areas in Utah is significant. ZFNB ranks 2nd among 25 financial institutions competing for deposits in this AA with a 29% market share. Approximately 32% of ZFNB's total deposits in the state and nearly 43% of its reported CRA loans are in this AA.

The AA captures all counties in the state with the exceptions of those located in the Salt Lake City-Ogden MSA (Davis, Salt Lake, Weber), the Provo-Orem MSA (Utah), and the Flagstaff MSA (Kane). With 2.8 million residents (1998 estimates), Utah ranks as the 34th most populous state. It is also the most youthful state, with persons under 16 years of age comprising approximately 30% of the population. Utah has been among the nation's leaders in employment growth for a decade. Employment growth will rank 5th in the country from 1999 to 2004, advancing annually by 2%. The state's cluster of high-tech computer firms and other business services are leading the way in employment growth and have done much to diversify the economic base. More development is expected over the coming decade, and unemployment rates should remain under 4%, well below the national average.

However, the brisk economic development and growth in the high-tech sector has not resulted in significant growth in personal income. The per capita income level of

\$20,920 trails that of most other states, ranking Utah 45th in the nation. With wages currently at 16% below the national average, increases in the average annual wages by 3.9% yearly from 1999 to 2004 (the nation's fourth fastest rate) should not impair Utah's competitive position in the short run. It is expected that higher wages should attract new talent to the state and may help to sustain growth in the high-tech sectors. The high-tech cluster in Utah consists of only a few major employers, and the state is looking to new firms to continue to diversify.

As part of the evaluation, information was obtained from community organizations supporting affordable housing and small business development. The contacts expressed the need for affordable housing. Housing prices have increased 10% to \$166 thousand for a new home and \$182 thousand for an existing home, making it more difficult for low- and moderate-income persons to obtain good housing.

State of Idaho Full-Scope Areas

Six Counties AA

Demographic Information for Full-Scope Area: Six Counties AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	33	0	18.2	78.8	3.0	0
Population by Geography	122,552	0	16.3	78.3	5.5	0
Owner-Occupied Housing by Geography	30,379	0	15.5	78.5	6.0	0
Businesses by Geography	6,029	0	29.1	63.9	7.0	0
Farms by Geography	1,324	0	7.0	92.0	1.0	0
Family Distribution by Income Level	32,653	18.9	21.7	24.9	34.5	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	13,278	0	22.9	74.3	2.8	0
Median Family Income		Median Housing Value		= \$46,853		
HUD Adjusted Median Family Income for 2000	= \$27,799	Unemployment Rate		= 5.2%		
Households Below the Poverty Level	= 14.01%					

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census and 2000 HUD updated MFI.

This AA is comprised of six contiguous counties. Gooding, Jerome, Lincoln, and Twin Falls Counties are known as the “Magic Valley,” and Cassia and Minidoka Counties are referred to as the “Mini-Cassia” area. Deposits in this AA comprise 28% of ZFNB’s total deposits in the state of Idaho.

ZFNB operates four branch offices in the AA and ranks 7th in deposit size among 13 FDIC-insured depository institutions operating 58 offices. In terms of market share of deposits in the AA, First Security Bank (recently acquired by Wells Fargo & Company) has a dominant presence and is the deposit leader with a 33% market share, followed by US Bank with a 14% market share. Four additional institutions hold more than 10% of the deposits each. ZFNB’s presence is less significant with a deposit market share of 4%.

The local economy is strong. While other parts of the state boast a significant high-tech sector, which includes electronics-related manufacturing and business services, the traditional resource industries of agriculture and manufacturing continue to be the mainstays of the area. The Mini-Cassia area is known as “The Potato Processing Capital of the World.” There are nine large potato, sugarbeet, cheese, and fresh pack potato processing plants in the area employing over 5,000 workers. Some of the largest employers involved in growing and processing food in the AA include McCain Foods, Kraft Foods, J. R. Simplot Co., Magic Valley Foods, and Amalgamated Sugar. While agriculture is also the Magic Valley’s number one industry, progress has been made

toward diversifying the economy. The reliance on this sector has been reduced through the creation of manufacturing jobs, and the growth of the retail and service industries.

The AA has experienced positive population and employment growth in the past few years. The increase in the overall population of the Magic Valley (14% from 1991 to 1998) is attributed to the availability of good jobs in Jerome and Gooding Counties, primarily in the dairy and dairy-related industries. The population growth in the Cassia and Minidoka Counties (8% and 3%, respectively, over the same period) has been slower than many other counties in Idaho. Conversely, the slow growth is attributed to the rural character of the region and its dependence on the agriculture and food processing industries. Employment opportunities have more than kept up with the growth in the labor force as evidenced by the 3.7% decrease in the unemployment rate from a year ago. The combined unemployment rate for the area is 5.2%

As part of the evaluation, examiners reviewed one community contact involved in small business and economic development. The contact indicated that there are opportunities for banks to lend to commercial entities for start-up and expansion purposes, followed by agriculture and real estate. At the time of the interview, the contact was not aware of any community development or other credit-related projects in which banks could participate.

State of Idaho Full-Scope Areas

Four Counties AA

Demographic Information for Full-Scope Area: Four Counties AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	32	0	9.4	62.5	28.1	0
Population by Geography	150,007	0	6.3	62.7	31.0	0
Owner-Occupied Housing by Geography	33,597	0	5.1	61.0	33.9	0
Businesses by Geography	6,997	0	12.2	54.3	33.5	0
Farms by Geography	748	0	2.1	78.0	19.9	0
Family Distribution by Income Level	36,436	15.9	17.5	22.5	44.1	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	12,165	0	9.6	68.7	21.7	0
Median Family Income		Median Housing Value		= \$59,465		
HUD Adjusted Median Family Income for 2000	= \$27,799	Unemployment Rate		= 3.3%		
Households Below the Poverty Level	= 13.4%					

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census and 2000 HUD updated MFI.

The AA is comprised of four contiguous counties: Bingham, Bonneville, Jefferson, and Madison. ZFNB operates one office in each of these counties and together these manage 14% of the total deposits held by ZFNB in Idaho.

ZFNB ranks 9th in deposit size among 13 FDIC-insured depository institutions operating 48 offices in the area. The deposit market share is dominated by First Security Bank (recently acquired by Wells Fargo & Company), Bank of Commerce, US Bank, and Keybank. Together these financial institutions control 80% of the deposit market share in the AA. ZFNB's market share of deposits is very small, constituting 3% of the total.

The area is predominantly rural. Agriculture has historically been the major industry in the area producing potatoes, alfalfa, barley, wheat, hay, and cattle. The food processing/manufacturing industry, particularly potato processing and packing, has been closely related to the agricultural sector. Large food processing and potato manufacturers in the AA include Basic American Foods, Sunspiced, Inc., Nonpareil Corporation, and Idaho Potato Packers, Inc. However, the area has experienced shifts in employment from these industries and a healthier and more diversified economy has emerged. Among the growth sectors are the high-tech, health services, and business and information-oriented services. The largest and unique industrial complex in the area is the Idaho National Environmental Engineering Laboratory, a nuclear waste clean-up and research facility. Other major employers in the area include Bechtel B&W Idaho, EG&G Idaho, and Westinghouse Idaho Nuclear. Despite the growth in nonfarm

employment, however, most of the new jobs are low paying without benefits and per capita income remains lower than the state or national averages.

The Four Counties showed an increase in population from 1993 to 1999, with the exception of Madison County which declined slightly in 1999. In Bingham County, international in-migrations accounted for nearly 20% of the growth over the decade. Most in-migration was because of migrant-seasonal farm workers who found full-time, year-around employment and remained in the state. Although each county differed in unemployment rates, Jefferson County reflects the lowest rate, and Bingham County has the highest. The overall employment trends for the AA are positive, and the unemployment rate is expected to remain lower than the state or national averages. Housing costs have escalated with the population growth. In Bonneville County, the median sales price of a home in 1999 was \$91,700.

As part of the evaluation, information was considered from two community contacts in the area. The groups are involved in small business creation, business development, and housing for low- and moderate-income individuals. They stated there is a growing unmet demand for affordable housing and that there are opportunities for banks to lend to commercial entities for start-up and expansion purposes, followed by agriculture and real estate. At the time of the interview, they were not aware of any civic project needing funding in which banks could participate.

Appendix D: Tables of Performance Data

Table of Contents

Content of Standardized Tables D-2

Tables of Performance Data

- State of Utah D-5
- State of Idaho D-18

Content of Standardized Tables

A separate set of tables is provided for each state. 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: purchased loans are treated as originations/purchases; market rank is based on the number of loans originated and purchased by the bank as compared to all other lenders in the MSA/AA; and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MSA/AA.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MSA/AA.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle- and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle- and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle- and upper-income geographies compared to the

percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market rank and market share information based on the most recent aggregate market data available.

- Table 7. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle- and upper-income borrowers to the percentage distribution of families by income level in each MSA/AA. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 8. Borrower Distribution of Home Improvement Loans** - See Table 7.
- Table 9. Borrower Distribution of Refinance Loans** - See Table 7.
- Table 10. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 11. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MSA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

- Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle- and upper-income geographies to the percentage of the population within each geography in each MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

Table 14. Geographic and Borrower Distribution of Consumer Loans (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 the population within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle- and upper-income borrowers to the percentage of households by income level in each MSA/AA.

Table 1. Lending Volume

LENDING VOLUME		STATE: UTAH		Evaluation Period: 01/01/1997 TO 12/31/1999									
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA	
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)		
Full Scope													
Salt Lake City-Ogden MSA	52%	9,752	955,531	4,696	527,708	101	7,494	11	5,465	14,560	1,496,198	46%	
Utah Non-MSA	32%	10,867	788,348	3,410	312,162	1,720	90,981	3	9,182	16,000	1,200,673	36%	
Limited Scope													
Flagstaff MSA	1%	204	22,719	55	3,178	3	30	1	5	263	25,932	1%	
Provo-Orem-Orem MSA	15%	3,831	356,132	1,676	185,189	296	18,628	1	75	5,804	560,024	17%	

* Deposit Data as of June 30, 1999

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE										State: Utah		Evaluation Period: 01/01/1997 TO 12/31/1999				
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Salt Lake City-Ogden MSA	0.82	0.43	14.89	12.71	59.15	63.55	25.14	23.30	17	1.74	0.63	1.47	1.74	2.00	1,841	40.47
Utah Non-MSA	1.27	0.00	14.82	14.64	67.34	70.14	16.58	15.17	3	6.77	0.00	10.55	7.82	3.57	1,872	41.15
Limited Scope																
Flagstaff MSA	15.29	1.39	10.92	1.39	41.49	61.11	32.30	36.11	0	0.00	0.00	0.00	0.00	0.00	72	1.58
Provo-Orem-Orem MSA	1.43	2.09	5.67	4.32	58.59	66.88	34.31	26.70	6	3.33	1.80	2.19	3.62	3.18	764	16.79

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		State: Utah		Evaluation Period: 01/01/1997 TO 12/31/1999												
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Salt Lake City-Ogden MSA	0.82	1.05	14.89	15.09	59.15	55.56	25.14	28.30	5	3.97	3.94	4.53	3.56	4.77	477	36.14
Utah Non-MSA	1.27	0.00	14.82	20.24	67.34	70.09	16.58	9.67	1	32.34	0.00	44.30	33.36	18.31	672	50.91
Limited Scope																
Flagstaff MSA	15.29	0.00	10.92	33.33	41.49	66.67	32.30	0.00	0	0.00	0.00	0.00	0.00	0.00	3	0.23
Provo-Orem-Orem MSA	1.43	1.79	5.67	3.57	58.59	65.48	34.31	29.17	2	10.64	20.00	9.09	10.71	10.36	168	12.73

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE																	State: Utah		Evaluation Period: 01/01/1997 TO 12/31/1999	
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans					
	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**				
Full Scope																				
Salt Lake City-Ogden MSA	0.82	0.32	14.89	8.87	59.15	56.88	25.14	33.93	3	4.06	1.37	3.07	3.73	5.45	7,432	39.58				
Utah Non-MSA	1.27	0.01	14.82	15.84	67.34	70.10	16.58	14.04	1	16.90	0.00	22.55	18.82	9.66	8,320	44.31				
Limited Scope																				
Flagstaff MSA	15.29	0.78	10.92	5.43	41.49	56.59	32.30	37.21	0	0.00	0.00	0.00	0.00	0.00	129	0.69				
Provo-Orem MSA	1.43	1.07	5.67	2.83	58.59	62.34	34.31	33.76	1	6.86	4.61	4.53	7.02	7.00	2,897	15.43				

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS		State: Utah		Evaluation Period: 01/01/1997 TO 12/31/1999													
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans		
	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Salt Lake City-Ogden MSA	6.21	11.46	26.01	34.05	47.45	37.67	20.33	16.82	2	14.10	22.93	16.62	12.52	11.41	4,696	47.74	
Utah Non-MSA	0.19	0.18	14.30	15.81	67.29	73.31	18.07	10.62	1	24.81	37.50	29.34	27.89	13.87	3,410	34.67	
Limited Scope																	
Flagstaff MSA	3.92	0.00	18.35	10.91	50.26	67.27	27.47	21.82	0	0.00	0.00	0.00	0.00	0.00	55	0.56	
Provo-Orem MSA	4.86	2.86	11.36	8.41	57.69	59.90	25.98	28.82	1	21.69	17.02	20.32	22.53	21.47	1,676	17.04	

* Based on 1999 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Utah				Evaluation Period: 01/01/1997 TO 12/31/1999										
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans	
	% of Farms	% Bank Loans	% of Farms	% Bank Loans	% of Farms	% Bank Loans	% of Farms	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Salt Lake City-Ogden MSA	2.29	0.99	12.40	13.86	61.77	55.45	23.54	29.70	1	29.36	7.69	41.18	28.43	33.71	101	4.76
Utah Non-MSA	0.00	0.00	16.90	27.67	71.85	68.43	11.25	3.90	1	45.34	0.00	59.57	42.31	34.36	1,720	81.13
Limited Scope																
Flagstaff MSA	3.13	0.00	21.88	0.00	56.25	66.67	18.75	33.33	0	0.00	0.00	0.00	0.00	0.00	3	0.14
Provo-Orem MSA	0.52	0.00	2.86	1.01	69.01	80.74	27.60	18.24	1	74.13	0.00	100.00	74.69	72.97	296	13.96

* Based on 1999 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: Utah		Evaluation Period: 01/01/1997 TO 12/31/1999												
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full Scope																
Salt Lake City-Ogden MSA	16.64	5.81	19.61	27.97	26.60	30.74	37.16	35.09	17	1.74	2.05	2.32	2.12	2.37	1,841	40.47
Utah Non-MSA	18.83	4.86	18.93	23.13	24.39	34.94	37.85	36.75	3	6.77	9.32	10.16	9.44	6.64	1,872	41.15
Limited Scope																
Flagstaff MSA	22.68	6.94	16.13	15.28	20.20	25.00	40.98	52.78	0	0.00	0.00	0.00	0.00	0.00	72	1.58
Provo-Orem MSA	19.19	2.62	18.38	24.61	24.30	38.22	38.14	34.42	6	3.33	3.32	5.22	4.50	3.41	764	16.79

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		State: Utah		Evaluation Period: 01/01/1997 TO 12/31/1999												
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full Scope																
Salt Lake City-Ogden MSA	16.64	10.06	19.61	20.13	26.60	26.62	37.16	40.46	5	3.97	5.67	4.04	3.20	4.37	477	36.14
Utah Non-MSA	18.83	9.23	18.93	15.18	24.39	30.65	37.85	43.15	1	32.34	44.29	32.25	34.40	31.06	672	50.91
Limited Scope																
Flagstaff MSA	22.68	33.33	16.13	0.00	20.20	33.33	40.98	33.33	0	0.00	0.00	0.00	0.00	0.00	3	0.23
Provo-Orem MSA	19.19	5.95	18.38	14.29	24.30	28.57	38.14	50.00	2	10.64	12.16	12.37	9.12	11.62	168	12.73

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		State: Utah		Evaluation Period: 01/01/1997 TO 12/31/1999												
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full Scope																
Salt Lake City-Ogden MSA	16.64	5.07	19.61	16.03	26.60	26.99	37.16	49.76	3	4.06	4.45	3.96	4.45	6.53	7,432	39.58
Utah Non-MSA	18.83	4.27	18.93	13.55	24.39	28.55	37.85	52.38	1	16.90	22.80	20.34	20.63	20.50	8,320	44.31
Limited Scope																
Flagstaff MSA	22.68	1.55	16.13	17.83	20.20	17.05	40.98	59.69	0	0.00	0.00	0.00	0.00	0.00	129	0.69
Provo-Orem MSA	19.19	3.90	18.38	13.43	24.30	29.86	38.14	51.36	1	6.86	11.91	8.63	7.75	8.84	2,897	15.43

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS		State: Utah		Evaluation Period: 01/01/1997 TO 12/31/1999					
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% Bank Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Salt Lake City-Ogden MSA	83.83	36.90	75.04	12.07	12.88	14.10	13.19	4,696	47.74
Utah Non-MSA	88.67	60.29	77.92	12.87	9.21	24.81	27.58	3,410	34.67
Limited Scope									
Flagstaff MSA	88.00	14.55	89.09	5.45	5.45	0.00	0.00	55	0.56
Provo-Orem MSA	84.13	60.68	71.24	16.23	12.53	21.69	24.88	1,676	17.04

* The market consists of all other Small Business reporters in Bank's assessment area and is based on 1999 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for about one-third of the small loans to businesses originated/purchased by the bank.

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

Table11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: Utah		Evaluation Period: 01/01/1997 TO 12/31/1999					
MSA/Assessment Area	Farms With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% Bank Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Salt Lake City-Ogden MSA	90.42	74.26	76.24	18.81	4.95	29.36	28.36	101	4.76
Utah Non-MSA	97.80	91.40	85.99	10.99	3.02	45.34	46.76	1,720	81.13
Limited Scope									
Flagstaff MSA	96.88	66.67	100.00	0.00	0.00	0.00	0.00	3	0.14
Provo-Orem MSA	91.41	86.82	84.46	10.81	4.73	74.13	73.65	296	13.96

* The market consists of all other Small Farm reporters in Bank's assessment area and is based on 1999 Aggregate Small Business Data only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments - Utah

QUALIFIED INVESTMENTS State: Utah Evaluation Period: 01/01/1997 TO 12/31/1999									
MSA/Assessment Areas:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	% of Total \$-s	#	\$ (000's)
Full-Scope:									
Salt Lake City / Ogden MSA	5	3552	81	13535	86	17087	53	0	0
Utah non-MSA	4	751	29	11489	33	12240	38	0	0
Limited-Scope:									
Flagstaff MSA	0	0	5	158	5	158	1	0	0
Provo-Orem MSA	1	21	9	2544	10	2565	8	0	0

(*) APrior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.

(**) AUnfunded Commitments means legally binding investment commitments that are tacked and reported by the bank's financial reporting system.

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	State Utah		Evaluation Period: 01/01/1997 TO 12/31/1999			
MSA/Assessment Area:	Deposits		Branches					Branch Openings/Closings						Population								
	% of Rated Area Deposits in MSA/AA	# of BANK Branches in MSA/AA	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies				# of Branch Closings	# of Branch Openings	Net Change in Location of Branches (+ or -)				% of the Population within Each Geography								
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp					
Full-Scope:																						
Salt Lake City-Ogden MSA	52	57	47.11	1.75	17.55	59.65	21.05	3	5	0	0	0	+2	1.80	18.21	57.37	22.62					
Utah Non-MSA	32	49	40.49	2.04	22.45	65.31	10.20	3	1	0	-1	0	-1	1.44	14.77	67.65	16.14					
Limited-Scope:																						
Flagstaff MSA	1	1	0.83	0	0	100.00	0	0	0	0	0	0	0	0	19.40	80.60	0					
Provo-Orem MSA	15	14	11.57	14.29	14.29	64.29	7.14	0	1	0	0	+1	0	10.68	8.13	52.35	28.54					

Table 1. Lending Volume

LENDING VOLUME		STATE: IDAHO		Evaluation Period: 01/01/1997 TO 12/31/1999								
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans (#) in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Scope												
Six Counties	28%	640	32,779	121	7,160	189	15,854	0	0	950	55,793	21%
Four Counties	14%	1,086	75,199	322	25,761	408	28,722	0	0	1,816	129,682	40%
Limited Scope												
Bear Lake/Boundary/Latah-Nez Perce/Payette/Washington Cou	50%	860	46,254	174	9,796	209	9,082	0	0	1,243	65,132	27%
Boise MSA	6%	84	4,834	16	1,529	68	5,964	0	0	168	12,327	4%
Pocatello MSA	2%	311	16,647	31	2,832	18	2,699	0	0	360	22,178	8%

* Deposit Data as of June 30, 1999

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		State: Idaho		Evaluation Period: 01/01/1997 TO 12/31/1999												
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans	
	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Six Counties	0.00	0.00	15.47	8.33	78.50	88.89	6.03	2.78	26	0.66	0.00	0.39	0.71	0.18	36	12.90
Four Counties	0.00	0.00	4.80	3.64	55.07	66.67	40.13	29.70	11	3.17	0.00	2.69	4.26	1.87	165	59.14
Limited Scope																
Bear Lake/Boundary/Latah-Perce/Payette/Washington	0.00	0.00	15.00	35.71	63.09	53.57	21.90	10.71	13	1.28	0.00	2.87	1.12	0.60	56	20.07
Boise MSA	2.58	0.00	45.28	0.00	52.14	100.00	0.00	0.00	145	0.03	0.00	0.00	0.04	0.00	3	1.08
Pocatello MSA	0.00	0.00	14.72	0.00	64.76	78.95	20.51	21.05	27	0.44	0.00	0.00	0.57	0.40	19	6.81

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		State: Idaho		Evaluation Period: 01/01/1997 TO 12/31/1999												
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Six Counties	0.00	0.00	15.47	8.16	78.50	85.71	6.03	6.12	7	5.64	0.00	2.88	5.98	8.57	49	24.38
Four Counties	0.00	0.00	4.80	2.22	55.07	73.33	40.13	24.44	6	6.89	0.00	4.00	8.36	4.63	45	22.39
Limited Scope																
Bear Lake/Boundary/Latah-Perce/Payette/Washington	0.00	0.00	15.00	22.50	63.09	66.25	21.90	11.25	3	10.47	0.00	15.52	9.75	8.62	80	39.80
Boise MSA	2.58	0.00	45.28	50.00	52.14	50.00	0.00	0.00	24	0.53	0.00	0.60	0.49	0.00	6	2.99
Pocatello MSA	0.00	0.00	14.72	14.29	64.76	61.90	20.51	23.81	11	3.87	0.00	4.00	3.35	5.26	21	10.45

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE																
State: Idaho										Evaluation Period: 01/01/1997 TO 12/31/1999						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans	% Owner Occ Units	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Six Counties	0.00	0.00	15.47	9.01	78.50	86.85	6.03	4.14	3	7.96	0.00	5.45	8.75	4.61	555	22.20
Four Counties	0.00	0.00	4.80	2.40	55.07	67.43	40.13	30.17	1	13.77	0.00	7.69	16.80	10.08	875	35.00
Limited Scope																
Bear Lake/Boundary/Latah-Perce/Payette/Washington	0.00	0.00	15.00	13.26	63.09	63.26	21.90	23.48	2	11.16	0.00	10.05	11.28	11.55	724	28.96
Boise MSA	2.58	0.00	45.28	57.33	52.14	42.67	0.00	0.00	29	0.87	0.00	1.23	0.64	0.00	75	3.00
Pocatello MSA	0.00	0.00	14.72	5.17	64.76	64.21	20.51	30.63	4	5.77	0.00	2.57	6.14	6.25	271	10.84

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL BUSINESS		State: Idaho		Evaluation Period: 01/01/1997 TO 12/31/1999												
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans	% of Businesses	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full Scope																
Six Counties	0.00	0.00	29.11	22.31	63.86	76.03	7.03	1.65	10	2.78	0.00	2.92	3.03	0.71	121	18.22
Four Counties	0.00	0.00	14.83	4.66	48.20	77.02	36.97	18.32	8	6.33	0.00	2.65	9.97	2.98	322	48.49
Limited Scope																
Bear Lake/Boundary/Latah-Perce/Payette/Washington	0.00	0.00	26.35	20.69	59.31	61.49	14.34	17.82	7	4.87	0.00	4.18	4.88	5.90	174	26.20
Boise MSA	2.33	0.00	41.04	62.50	56.63	37.50	0.00	0.00	17	0.48	0.00	0.73	0.26	0.00	16	2.41
Pocatello MSA	0.00	0.00	33.67	22.58	57.31	61.29	9.03	16.13	12	2.21	0.00	1.73	2.67	2.02	31	4.67

* Based on 1999 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL FARM		State: Idaho		Evaluation Period: 01/01/1997 TO 12/31/1999													
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans		
	% of Farms	% Bank Loans	% of Farms	% Bank Loans	% of Farms	% Bank Loans	% of Farms	% Bank Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**	
Full Scope																	
Six Counties	0.00	0.00	7.02	3.17	91.99	93.65	0.98	3.17	6	5.23	0.00	3.13	5.39	13.95	189	21.19	
Four Counties	0.00	0.00	2.75	1.72	67.80	74.75	29.45	23.53	2	16.80	0.00	17.95	16.62	18.32	408	45.74	
Limited Scope																	
Bear Lake/Boundary/Latah-Perce/Payette/Washington	0.00	0.00	13.77	11.00	76.85	87.08	9.38	1.91	3	14.61	0.00	10.00	16.55	4.49	209	23.43	
Boise MSA	0.18	0.00	40.65	72.06	59.17	27.94	0.00	0.00	6	4.82	0.00	8.15	2.45	0.00	68	7.62	
Pocatello MSA	0.00	0.00	10.79	38.89	79.14	38.89	10.07	22.22	4	12.93	0.00	50.00	9.30	11.59	18	2.02	

* Based on 1999 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HMDA HOME PURCHASE		State: Idaho		Evaluation Period: 01/01/1997 TO 12/31/1999												
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Purchase Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full Scope																
Six Counties	18.92	11.11	21.75	11.11	24.89	25.00	34.45	52.78	26	0.66	1.18	0.34	0.63	1.11	36	12.90
Four Counties	15.07	1.82	16.48	15.76	21.94	38.18	46.51	43.64	11	3.17	0.98	2.72	4.95	3.94	165	59.14
Limited Scope																
Bear Lake/Boundary/Latah-Perce/Payette/Washington	19.95	5.36	19.28	14.29	22.66	30.36	38.11	50.00	13	1.28	1.52	1.00	1.35	1.83	56	20.07
Boise MSA	23.79	0.00	24.98	33.33	25.10	33.33	26.13	33.33	145	0.03	0.00	0.03	0.04	0.06	3	1.08
Pocatello MSA	19.88	0.00	17.47	21.05	25.38	52.63	37.28	26.32	27	0.44	0.00	0.39	0.89	0.39	19	6.81

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		State: Idaho		Evaluation Period: 01/01/1997 TO 12/31/1999												
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share By Borrower Income*					Total Home Improvement Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full Scope																
Six Counties	18.92	10.20	21.75	22.45	24.89	28.57	34.45	38.78	7	5.64	8.47	6.63	6.14	4.80	49	24.38
Four Counties	15.07	2.22	16.48	11.11	21.94	24.44	46.51	62.22	6	6.89	0.00	6.76	6.40	8.63	45	22.39
Limited Scope																
Bear Lake/Boundary/Latah-Perce/Payette/Washington	19.95	8.75	19.28	22.50	22.66	22.50	38.11	46.25	3	10.47	10.17	13.43	9.63	10.08	80	39.80
Boise MSA	23.79	66.67	24.98	33.33	25.10	0.00	26.13	0.00	24	0.53	2.99	0.67	0.00	0.00	6	2.99
Pocatello MSA	19.88	19.05	17.47	4.76	25.38	23.81	37.28	52.38	11	3.87	6.56	1.12	3.03	5.26	21	10.45

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE																
State: Idaho																
Evaluation Period: 01/01/1997 TO 12/31/1999																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank*	Market Share by Borrower Income*					Total Home Mortgage Refinance Loans	
	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**	% of Families	% Bank Loans**		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full Scope																
Six Counties	18.92	4.32	21.75	15.86	24.89	27.57	34.45	51.17	3	7.96	6.49	8.52	8.78	10.41	555	22.20
Four Counties	15.07	2.63	16.48	9.26	21.94	23.77	46.51	63.43	1	13.77	10.92	12.41	14.83	17.71	875	35.00
Limited Scope																
Bear Lake/Boundary/Latah-Perce/Payette/Washington	19.95	3.04	19.28	12.15	22.66	24.59	38.11	59.25	2	11.16	9.69	9.92	11.45	14.33	724	28.96
Boise MSA	23.79	4.00	24.98	25.33	25.10	28.00	26.13	42.67	29	0.87	0.47	0.84	1.02	1.53	75	3.00
Pocatello MSA	19.88	3.32	17.47	9.59	25.38	29.15	37.28	57.56	4	5.77	3.36	3.60	7.12	8.97	271	10.84

* Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

** As a percentage of loans with borrower income information available.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL BUSINESS		State: Idaho		Evaluation Period: 01/01/1997 TO 12/31/1999					
MSA/Assessment Area	Businesses With Revenues of \$1 million or less		% Distribution of Loans by Original Amount Regardless of Business Size			Market Share*			Total Small Loans to Businesses
	% Business**	% Bank Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Six Counties	87.08	63.64	85.12	11.57	3.31	2.78	3.20	121	18.22
Four Counties	87.87	67.08	77.95	16.15	5.90	6.33	6.92	322	48.49
Limited Scope									
Bear Lake/Boundary/Latah-N Perce/Payette/Washington C	88.22	63.22	89.66	6.90	3.45	4.87	5.75	174	26.20
Boise MSA	87.89	93.75	81.25	6.25	12.50	0.48	0.79	16	2.41
Pocatello MSA	85.74	61.29	67.74	25.81	6.45	2.21	2.85	31	4.67

* The market consists of all other Small Business reporters in Bank's assessment area and is based on 1999 Aggregate Small Business Data only

** Businesses with revenues of \$1 million or less as a percentage of all businesses.

*** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for about one-third of the small loans to businesses originated/purchased by the bank.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL FARM		State: Idaho		Evaluation Period: 01/01/1997 TO 12/31/1999					
MSA/Assessment Area	Businesses With Revenues of \$ 1million or less		% Distribution Loans by Original Amount Regardless of Farm Size			Market Share*		Total Small Farm Loans	
	% Farms**	% Bank Loans***	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$ 1 Million or Less	#	% of Total****
Full Scope									
Six Counties	92.22	90.48	72.49	20.63	6.88	5.23	5.48	189	21.19
Four Counties	88.14	86.76	78.92	16.18	4.90	16.80	15.66	408	45.74
Limited Scope									
Bear Lake/Boundary/Latah-Perce/Payette/Washington	97.13	85.65	91.87	6.22	1.91	14.61	13.69	209	23.43
Boise MSA	92.63	97.06	73.53	17.65	8.82	4.82	5.24	68	7.62
Pocatello MSA	92.81	66.67	44.44	38.89	16.67	12.93	10.75	18	2.02

* The market consists of all other Small Farm reporters in Bank's assessment area and is based on 1999 Aggregate Small Business Data only

** Farms with revenues of \$1 million or less as a percentage of all farms.

*** As a percentage of loans with borrower income information available.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: Idaho		Evaluation Period: 01/01/1997 TO 12/31/1999					
MSA/Assessment Areas:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	% of Total \$-s	#	\$ (000's)
Full-Scope:									
Six Counties	0	0	0	0	0	0	0	0	0
Four Counties	0	0	0	0	0	0	0	0	0
Limited-Scope:									
Bear Lake/Boundary/Latah-Nez Perce/Payette/Washington Counties	0	0	0	0	0	0	0	0	0
Boise MSA	0	0	0	0	0	0	0	0	0
Pocatello MSA	0	0	1	88	1	88	100	0	0

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

(**) Unfunded Commitments means legally binding investment commitments that are tacked and reported by the bank's financial reporting system.

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														State: Idaho		Evaluation Period: 01/01/1997 TO 12/31/1999			
MSA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population					
	% of Rated Area Deposits in MSA/AA	# of BANK Branches in MSA/AA	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies				# of Branch Closings	# of Branch Openings	Net Change in Location of Branches (+ or -)				% of the Population within Each Geography					
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp		
Full-Scope:																			
Six Counties	28	4	19	0	25.00	50.00	25.00	0	0	0	0	0	0	0	0	16.26	78.29	5.45	
Four Counties	14	5	23.81	0	20.00	40.00	40.00	0	4	0	+1	+1	+2	0	6.31	62.68	31.01		
Limited-Scope:																			
Bear Lake/Boundary/Latah-Nez Perce/Payette/Washington Counties	50	8	38.10	0	25.00	75.00	0	0	0	0	0	0	0	0	0	19.17	60.91	19.92	
Boise MSA	6	1	4.76	0	0	100.00	0	0	1	0	0	+1	0	4.08	47.47	48.45	0		
Pocatello MSA	2	3	14.28	0	66.37	33.33	0	0	1	0	+1	0	0	0	16.42	64.33	19.25		