



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## PUBLIC DISCLOSURE

July 12, 2010

### COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Sabadell United Bank, N.A.  
Charter Number: 16401

1111 Brickell Avenue  
Miami, Florida 33130

Office of the Comptroller of the Currency

South Florida Field Office  
9800 NW41st Street, Suite 120  
Doral, Florida 33178

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

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## Overall CRA Rating

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

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

Performance Levels	Sabadell United Bank, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

\* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- The bank originated an excellent volume of small loans to businesses.
- The geographic distribution of loans is excellent, with a significant majority of loans originated in the bank’s assessment area.
- Excellent community development lending had a positive impact on the Lending Test rating.
- The bank has an excellent level of qualified investments when consideration is given to the strong performance in two limited-scope assessment areas.
- Service delivery systems are accessible to geographies and individuals of different income levels. Also, an adequate level of community development services is being provided.

## Definitions and Common Abbreviations

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

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

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

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

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

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Description of Institution

Sabadell United Bank, National Association (SUB) is an intrastate bank headquartered in Miami, Florida. Formally known as Mellon United National Bank, it was acquired from The Bank of New York Mellon by Banco Sabadell, S.A. on January 15, 2010. Banco Sabadell, with total assets of approximately \$109 billion as of March 31, 2010, is part of the Banco Sabadell Group, the fourth largest commercial banking group in Spain. SUB has no subsidiaries but because of the ownership structure has numerous affiliates, the vast majority of which operate outside the United States. No activity of any affiliate is included in this examination.

SUB operates 15 offices in Florida including 11 in Miami-Dade County, two in Broward County, and two in Palm Beach County. Since the last examination, the bank closed a branch in Collier County (Naples). Originally opened in October 2006, the branch closed January 22, 2009.

The bank offers a wide variety of domestic and international banking services for individuals and businesses but its strategic focus is serving the commercial banking needs of businesses and professionals. Residential mortgage lending and consumer lending are not part of SUB's core business strategy and represent a small portion of the bank's lending activity. Residential mortgage loans are primarily originated as an accommodation to existing customers. The bank primarily meets its CRA obligations related to home mortgage lending through community development lending.

As of March 31, 2010, SUB reported total assets of \$1.8 billion. Net loans of \$870 million represented 49 percent of total assets and consisted of commercial real estate loans (44 percent), commercial and industrial loans (25 percent), residential mortgage loans including single- and multi-family (20 percent), and construction loans (8 percent). The remainder of the loan portfolio includes consumer loans and loans to non-depository financial institutions. Tier 1 Capital was \$113 million, or 6.3 percent of total assets. Deposits totaled \$1.5 million and the loan-to-deposit ratio was 58 percent. This ratio is not consistent with the history of the bank and primarily is the result of the aforementioned sale. A portion of the loan portfolio was not purchased by the new owners. Historically, the bank had a much higher loan-to-deposit ratio. According to Call Report data as of March 31, June 30, and September 30, 2009 the bank's loan-to-deposit ratio was 112 percent, 112 percent and 95 percent, respectively.

There are no legal, financial, or other factors impeding SNB's ability to help meet the credit needs of the community it serves. At the last CRA evaluation dated April 30, 2007 and conducted under the name Mellon United National Bank, the bank was rated "Outstanding".



## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The bank's CRA performance was assessed using Large Bank Examination Procedures that include the Lending, Investment, and Service tests. Lending Test performance included small loans to businesses, home mortgage loans, and community development loans. The volume of home improvement loans and the level of the bank's market share of all types of home mortgage loans were not sufficient for a meaningful analysis. Agriculture lending is not a business line for the bank and no such loans were reported. Therefore, small loans to farms were not analyzed and applicable tables are not included as part of the tables in Appendix C. Community development investments and services were also evaluated.

The Lending Test evaluation period, with the exception of community development loans, is January 1, 2007 through March 31, 2010. The evaluation period for community development loans, the Investment Test, and the Service Test is April 30, 2007, the date of the last CRA examination, through July 12, 2010.

### Data Integrity

This evaluation is based on accurate data. Based on internal reviews, HMDA data was deemed accurate. A sample of small loans to business data was drawn to determine accuracy. Some errors were noted. The data was corrected and then used at this examination. Community development loans, investments and services submitted by management were verified to ensure they met the regulatory definition for community development. Some items submitted for consideration were excluded from this evaluation because they did not meet the definition or purpose of community development.

### Selection of Areas for Full-Scope Review

The bank's assessment area includes MSA 33100 (Miami-Ft. Lauderdale-Palm Beach, FL). MSA 33100 is comprised of three Metropolitan Divisions (MDs), including: MD 33124 (Miami-Miami Beach-Kendall, FL) consisting of Miami-Dade County, MD 22744 (Fort Lauderdale-Pompano Beach-Deerfield, FL) consisting of Broward County, and MD 48424 (West Palm Beach-Boca Raton-Boynton Beach, FL) consisting of Palm Beach County and each is analyzed separately. (Each MD is referred to hereafter by its county name.) During the majority of the evaluation period the bank's assessment area also included MSA 34940 (Naples-Marco Island, FL) and it is therefore part of this examination.

The Miami-Dade portion of the assessment area was selected for a full-scope review. As of June 30, 2009, the most recent date for which information is publically available, the Miami-Dade assessment area represents 84 percent of the bank's deposits. It also represents 73 percent of branch offices, and 72 percent of reported loan activity. The Broward County, Palm Beach County and MSA 34940 (Naples-Marco Island, FL) assessment areas received a limited-scope review. The Broward assessment area accounted for approximately nine percent of the bank's deposits and the Palm Beach assessment area represented

approximately seven percent. During the time it was open, the MSA 34940 assessment area represented less than one percent of the bank's total deposits.

For additional information, see Appendix A.

## **Ratings**

The bank's overall rating is based primarily on performance in the Miami-Dade full-scope assessment area as it represents the most significant portion of the bank's activities.

Under the Lending Test, most consideration was given to small loans to businesses, which is reflective of the bank's primary business strategy. At this examination, small loans to businesses represent 93 percent (by number) of lending activity analyzed.

## **Other**

Community credit needs in the assessment area were determined by reviewing recent housing and demographic information and community contacts conducted by the OCC in connection with this and other CRA examinations of banks operating in the same assessment area. For this examination, we conducted two community contacts. One contact included a conference presentation by two separate non-profit affordable housing organizations that are currently focused on efforts in Miami-Dade County related to HUD's Neighborhood Stabilization Program (NSP). The other was with a non-profit organization that facilitates Small Business Administration lending.

Critical needs identified included ownership opportunities for low- and moderate-income families, the stabilization of low- and moderate-income neighborhoods heavily impacted by foreclosure activity, affordable housing rental opportunities, and loans for small businesses, particularly start-up businesses. Other needs include financial literacy training, including credit and foreclosure counseling, and job training programs.

For additional information, see the Market Profile in Appendix B.

## **Fair Lending or Other Illegal Credit Practices Review**

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## Conclusions with Respect to Performance Tests

### LENDING TEST

#### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test is rated "Outstanding", given the positive impact of community development lending which primarily helped to meet affordable housing needs in the bank's assessment areas. Based on a full-scope review, the bank's performance in the Miami-Dade assessment area is excellent given the positive impact of community development lending which primarily helped to meet affordable housing needs in the assessment area.

#### Lending Activity

Refer to Table 1 Lending Volume of Appendix C for the facts and data used to evaluate the bank's lending activity.

Lending activity in the full-scope Miami-Dade assessment area is excellent, as a result of small business lending activity and considering performance context.

Lending activity for small loans to businesses (loans less than or equal to \$1 million) is excellent in the Miami-Dade assessment area. Based on 2008 aggregate data (the most recent available) the bank's market share of small loans to businesses is 4.15 percent (based on dollar volume) and the bank is ranked 7<sup>th</sup> of 132 lenders reporting such loans in the Miami-Dade assessment area. This exceeds the bank's deposit market share as of June 30, 2008 of 1.56 percent and deposit market share rank of 15<sup>th</sup> in Miami-Dade County.

Market share and rank of small loans to businesses are based on the dollar volume of loans rather than number of loans because of the inclusion of credit card lenders in the reporting. Credit card lenders, who do not have deposits in the assessment area, originate a large number of loans, but the dollar volume is significantly smaller. For example, the top six reporters of small loans to businesses are all credit card lenders that combined have a market share of 82.75 percent based on number of loans but only 27.25 percent based on dollar volume. Therefore, a comparison based on dollar volume of loans is more meaningful. However, if the top six reporters noted here were to be eliminated from calculations, SUB's market share of small loans to businesses, based on number of loans, would be 2.17 percent, which also exceeds its deposit market share.

Overall, home mortgage lending activity is adequate, considering the bank's primary business focus. The bank's market share of originated or purchased multi-family housing loans is lower than its deposit market share in Miami-Dade County but its ranking of multi-family housing loans is near to its deposit market rank. SUB is ranked 14<sup>th</sup> of 53 total lenders reporting multi-family housing loans in Miami-Dade County. The bank's market share of multi-family housing loans is .64 percent.

The bank's market share and rank of other home mortgage loans (purchase, home improvement, and refinancing combined since the volume of any individual product is so minimal) is significantly lower than its deposit market share and rank, however these levels are consistent with the bank's primary business focus and the large number of lenders reporting home mortgage activity in the assessment area. SUB's market share of originated or purchased home purchase, refinance, and home improvement loans, according to 2008 aggregate data, is .02 percent and the bank is ranked 164 of 535 total lenders reporting such loans in the Miami-Dade assessment area.

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

The geographic distribution of loans in the full-scope Miami-Dade assessment area is excellent, considering the bank's business strategy. The geographic distribution of small loans to businesses is excellent while the geographic distribution of home mortgage loans is adequate.

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

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's small loans to businesses.

The geographic distribution of small loans to businesses in the full-scope Miami-Dade assessment area is excellent particularly considering the bank's strong performance in low-income geographies.

The percentage of the bank's loans in low-income geographies significantly exceeds the percentage of businesses located in low-income geographies. In moderate-income geographies the percentage of the bank's loans is somewhat lower than the percentage of businesses located in moderate-income geographies. The bank's market share of loans in low-income geographies significantly exceeds its overall market share of small loans to businesses in the full-scope Miami-Dade assessment area. The bank's market share in moderate-income geographies is very near to its overall market share of small loans to businesses in the full-scope Miami-Dade assessment area.

#### ***Home Mortgage Loans***

Refer to Tables 2, 4, and 5 in Appendix C 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 in the full-scope Miami-Dade assessment area is adequate, given the bank's business strategy.

The geographic distribution of multi-family loans is good. In low-income geographies the percentage of the bank's loans exceeds the percentage of multi-family homes in those geographies. In moderate-income geographies, the percentage of the bank's loans is somewhat lower than the percentage of multi-family homes in those geographies.

The geographic distribution of home purchase loans is adequate. No home purchase loans were reported in low-income geographies. In moderate-income geographies the percentage of

bank loans is somewhat lower than the percentage of owner-occupied housing units in those geographies.

The geographic distribution of refinance loans is poor. No refinance loans were reported in low-income geographies and the percentage of bank loans in moderate-income geographies is lower than the percentage of owner-occupied housing units in those geographies.

### ***Lending Gap Analysis***

SNB's reports detailing lending activity over the evaluation period for home mortgage and small loans to businesses were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

### ***Inside/Outside Ratio***

A substantial majority of home mortgage and small loans to businesses originated by SUB during the evaluation period are within the bank's overall assessment area. Overall, 98 percent of loans by number and 94 percent by dollar amount are inside the bank's overall assessment area. This performance was positively factored into the overall analysis of the distribution of loans by income level of the geography.

By type, 96 percent of home mortgage loans by number and 68 percent by dollar are inside the overall assessment area. For small loans to businesses, 98 percent of loans by both number and dollar amount are inside the bank's overall assessment area.

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

The bank's distribution of loans by the income level of the borrower in the full-scope Miami-Dade assessment area is adequate. The distribution of small loans to businesses is adequate and the distribution of home mortgage loans is very poor, but consistent with the bank's business strategy.

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

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination of small loans to businesses.

The borrower distribution of small loans to businesses in the full-scope Miami-Dade assessment area is adequate. The percentage of small loans to small businesses (businesses with gross annual revenues of \$1 million or less) is somewhat lower than the percentage of such businesses in the full-scope Miami-Dade assessment area. The bank's market share of small loans to small businesses exceeds its overall market share of small loans to businesses in the Miami-Dade assessment area.

## ***Home Mortgage Loans***

Refer to Tables 8 and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans by the income level of the borrower is very poor in the full-scope Miami-Dade assessment area, but consistent with the bank's business strategy. The bank reported no home purchase or refinance loans to low- or moderate-income borrowers during the evaluation period.

## **Community Development Lending**

Refer to Table 1 Lending Volume of Appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

In the full-scope Miami-Dade assessment area community development lending is excellent and it had a positive impact on the Lending Test.

During the community development evaluation period, the bank originated 18 community development loans totaling \$9.4 million dollars in the full-scope Miami-Dade assessment area. Of the total, 64 percent of community development loan dollars (\$6 million) were responsive to affordable housing needs, an important need in the Miami-Dade assessment area. The majority of affordable housing dollars (\$5.2 million) funded the purchase or refinance multi-family housing units in low- and moderate-income geographies that provide housing opportunities to low- and moderate-income families and individuals. These loans represent a total of 82 rental units affordable to low- and moderate-income families, many of whom receive HUD Section 8 housing assistance payments. Remaining affordable housing loan dollars (\$781,000) represent five loans that are part of the bank's participation in a loan pool established by a local community development entity (CDE) with the mission of providing loans to non-profit affordable housing developers for land acquisition and development.

The remaining 36 percent of community development loan dollars (\$3.4 million) are helping to revitalize and stabilize low- and moderate-income geographies in Miami-Dade County. One loan, totaling \$1.1 million, helped to rehabilitate a building in a moderate-income geography of South Miami and brought 16 new jobs to the area. The other loan, totaling \$2.3 million is for a commercial building in a low-income geography of one of the county's three Enterprise Zones. These zones, which are defined as distressed areas, are targeted for the expansion and maintenance of businesses and jobs. The building provides space for nine different small businesses.

## **Product Innovation and Flexibility**

Product innovations and flexibility had a neutral impact on the Lending Test. The bank did not use innovative or flexible lending products during the evaluation period.

## Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Lending Test in the Broward County and Palm Beach County assessment areas is not inconsistent with the bank's overall "Outstanding" performance under the Lending Test. Performance in the MSA 34940 (Naples-Marco Island, FL) assessment area is inconsistent with the bank's overall "Outstanding" performance under the Lending Test. Performance in MSA 34940 is weaker than the bank's overall performance but consistent with the limited amount of time the branch was open. Performance in MSA 34940 did not impact the bank's overall performance. Refer to the Tables 1 through 12 in Appendix C for the facts and data that support this conclusion.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test is rated "Outstanding" considering the strong performance in the Broward County and Palm Beach County limited-scope assessment areas. Based on a full-scope review, the bank's performance in the Miami-Dade assessment area is adequate, considering the limited opportunities available and the limited amount of time the bank has been able to direct its investment activities.

Refer to Table 14 of Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Under previous ownership, the bank received consideration for investments made by its affiliate Mellon Bank Community Development Corporation. At that time, the only investments for which the bank had direct responsibility were grants and donations. With the sale of the bank, affiliate investments were no longer applicable and therefore the bank has no prior period investments. Not until the time of the sale (January 15, 2010) did SUB become responsible for making all its qualified investments.

Qualified investment dollars are primarily in a mutual fund that allocates participant investments in CRA qualified securities. During the evaluation period, SUB made three investments in the fund totaling \$10 million. However, the fund has not had sufficient time to allocate all of the investments in the bank's assessment areas. While 78 percent of total investments are allocated to investments in counties within the bank's various assessment areas, the remainder is allocated to investments in counties outside the assessment areas but within what can be termed the South Florida Region. Therefore, the fund investments are presented in Table 14 under "South Florida Region", but the impact of the assessment area allocations is taken into consideration when reaching conclusions about performance in each of the assessment areas. Although Miami-Dade represents the largest assessment area, current opportunities are such that additional investments were not readily available at this time. For a discussion of investment opportunities, see the Market Profile in Appendix B.

All the securities allocated to the bank are responsive to affordable housing needs with approximately 40 percent being allocated to securities that are backed by mortgages on apartment complexes that house Section 8 residents and that were originally constructed using Low Income Housing Tax Credits. The remainder is backed by mortgages to individual low- or

moderate-income homebuyers. Affordable housing needs are considered critical throughout the overall MSA assessment area.

Investments are not considered innovative or complex. Private investors routinely provide these types of qualified investments. As previously noted, investment opportunities are discussed in the Market Profile in Appendix B.

During the current evaluation period, the bank made 37 qualified investments totaling \$307 million directly in the full-scope Miami-Dade assessment area. They represent donations to organizations whose primary mission meets one of the definitions of community development. In addition, the assessment area benefitted from approximately 10 percent of allocated fund investments.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on a limited-scope review, the bank's performance under the Investment Test in the Broward County and Palm Beach County assessment areas is not inconsistent with the bank's overall "Outstanding" performance under the Investment Test. The strong performance in these assessment areas had a positive impact on the bank's overall rating.

Performance in the MSA 34940 (Naples-Marco Island, FL) assessment area is inconsistent with the bank's overall "Outstanding" performance under the Lending Test. There were no investments in MSA 34940. Performance in MSA 34940 did not impact the bank's overall performance. Refer to the Table 14 in Appendix D for the facts and data that support this conclusion.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test is rated "High Satisfactory". Based on a full-scope review, the bank's performance in the Miami-Dade assessment area is good.

### **Retail Banking Services**

The bank's retail service delivery systems are accessible to geographies and individuals of different income levels. Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Branches in the Miami-Dade assessment area are accessible to geographies and individuals of different income levels. Of the branches in the Miami-Dade assessment area, the percentage of branches in low-income geographies exceeds the percentage of population residing in such geographies however both branches are located in the same, primarily business, downtown Miami geography. The percent of branches in moderate-income geographies is near to the percentage of population residing in moderate-income geographies.



No branches were opened or closed in the Miami-Dade assessment area during the evaluation period, having a neutral impact on overall retail banking services.

A wide range of banking products and services are offered throughout the Miami-Dade assessment area, as described in the bank's Public File. Products, services, and business hours are reasonable and comparable among branch locations, regardless of the income level of the geography. There are no alternative delivery systems that increase the effectiveness of delivering retail banking services to low- and moderate-income geographies or low- and moderate-income individuals.

## **Community Development Services**

The bank's provision of community development services in the full-scope Miami-Dade assessment area is adequate.

During the evaluation period, four different bank officers provided technical assistance to seven different organizations whose mission meets the definition of community development. They served on the board of directors of three different affordable housing organizations and on the finance committee and loan review committee of other affordable housing and community service organizations. In addition, technical support on financial matters was provided to two affordable housing organizations operating in the Miami-Dade assessment area.

Of note is the assistance provided to Camillus House, a non-profit organization that focuses on providing shelter, programs, and services to the homeless. This organization is currently beginning construction of new facilities to expand its operation. A bank officer is providing assistance to the organization by helping to find funding sources for the project and has been instrumental in attempting to form a loan pool funded by area banks.

Also noteworthy is the bank's continuing participation in Neighborhood Lending Partners of South Florida, where an officer serves on the board of directors. This non-profit community development entity provides financing for developers of housing affordable to low- and moderate-income persons and families. The current economic crisis is having a negative impact on the projects funded by the organization, and additional time and effort has been necessary.

In addition, the bank made its facilities available to organizations for meetings and fund raising activities. During the evaluation period, six different organizations whose mission meets the definition of community development conducted 33 meetings/events at the bank.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Broward County, Palm Beach County, and MSA 34940 (Naples-Marco Island, FL) assessment areas is inconsistent with the bank's overall "High Satisfactory" performance under the Service Test. Branch distribution in low- and moderate-income geographies within all three limited-scope assessment areas is weaker than the bank's overall "High Satisfactory" performance. This weaker performance did not negatively impact the bank's overall performance. Refer to Table 15 of Appendix C for the facts and data that support this conclusion.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): (01/01/07 to 03/31/10) Investment and Service Tests and CD Loans: (04/30/07 to 07/12/10)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Sabadell United Bank, N. A. Miami, Florida	Small Loans to Businesses Residential Mortgage Loans Community Development Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Miami-Dade County, FL (MD 33100)	Full-Scope	
Broward County, FL (MD 22744)	Limited-Scope	
Palm Beach County, FL (MD 48424)	Limited-Scope	
Naples-Marco Island, FL (MSA 34940)	Limited Scope	

## Appendix B: Market Profiles for Full-Scope Areas

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### Miami-Dade Assessment Area

The bank's full-scope assessment area consists of all of Miami-Dade County, which is equivalent to Metropolitan Division (MD) 33124. The assessment area meets the requirements of the CRA regulation and does not arbitrarily exclude low- and moderate-income geographies. The following table provides detailed demographic information about the assessment area.

Insert Table from the Core Table Package here.

Based on the 2000 Census, Miami-Dade County consists of 347 census tracts (geographies) of which 27 (8 percent) are low-income, 99 (29 percent) are moderate-income, 114 (33 percent) are middle-income, and 104 (30 percent) are upper-income. The greatest concentration of low- and moderate-income geographies can be found in the city of Miami.

Miami-Dade County is a densely populated urban center. According to the 2000 Census, the total population is 2.25 million however 2006 estimates by the US Census Bureau place the total population at 2.4 million. Overall, owner occupancy is high in the assessment area reaching 60 percent (based on 2006 estimates) as a result of the housing boom that impacted the area through 2006 however in low- and moderate-income geographies the level of renter occupancy is high (69 percent and 56 percent, respectively). These geographies also represent high levels of households below the poverty level (47 percent and 27 percent, respectively), indicating a need for affordable rental housing. These households would have difficulty qualifying for a home loan even at current housing prices. Community contacts indicate that affordable rental housing remains a need in Miami-Dade County.

Miami-Dade County, particularly the city of Miami, has been severely impacted by the housing crisis. The state of Florida consistently ranks among the top five states in the nation for foreclosure activity, according to RealtyTrac Inc. RealtyTrac data as of May 2010 shows that one in every 127 housing units in Miami-Dade County is in foreclosure compared with one in every 400 housing units nationwide. These high foreclosure rates put additional stress on the stability of neighborhoods, particularly those that are low- and moderate-income.

Housing prices in Miami-Dade County have declined significantly. According to data from the Florida Association of Realtors, median housing prices declined 51 percent from a high of \$392,900 in August 2007 to \$192,000 in April 2010. When these prices are compared with the county's HUD Adjusted Median Family Income of \$52,200 for 2010 it is clear that with the assistance of subsidizes and other special programs low-or moderate-income families may have an opportunity to purchase a home, however current economic conditions have reduced the availability of such assistance and special mortgage products targeted to low- and moderate-income buyers.

Local economic conditions are weak. Prior to the National Bureau of Economic Research declaring the United States officially in a recession local economists indicated the economy of Florida was in recession earlier, due to the large decline in the real estate values. In Miami-Dade County, housing starts have declined to the lowest level in a decade according to the Metro Study Corporation. The decline in jobs particularly construction and construction-related jobs has driven the county's unemployment rate to 12.3 percent (not seasonally adjusted) at May 2010 compared with 11.2 percent (not seasonally adjusted) for the state of Florida. The weak economy has led to a rapid decline in commercial real estate values, where prices declined 35 percent in 2009 and are predicted to decline an additional 10 to 15 percent in 2010. This economic climate indicates a need for activities that support job creation, job placement and job training programs, and community services particularly for low- and moderate-income persons and families.

Banking competition within the assessment area continues to be intense. In addition to community and mid-size banks, branches of the largest banks in the country operate in Miami-Dade County. As of June 30, 2009 there were 75 deposit taking financial institutions in Miami-Dade County operating 665 branches. In addition to competition for deposits and loans, the level of competition in the assessment area is very high for qualified community development investments and loans.

Opportunities for community development lending, investments, and services in Miami-Dade County became limited as the economy declined, but expanded somewhat this year with the implementation of HUD's Neighborhood Stabilization Programs (NSP). Statewide affordable housing entities are continuing to construct some affordable rental housing, generally with the assistance of Low Income Housing Tax Credits, but local non-profit and for-profit developers have generally stopped such activities. With the awarding of some \$98 million in NSP funds to local non-profit organizations for 2010, these organizations are acquiring foreclosed or abandoned properties, rehabilitating them, and making them available for sale to low- and moderate-income persons or families. The program also allows some funds to be used for down-payment assistance. According to community contacts for this examination, the allocation will provide community development loan opportunities for banks.

In addition, community development loan opportunities exist in the federally designated Empowerment Zone that targets economic development with the goal of revitalizing the area by stimulating and retaining jobs as well as Empowerment and Enterprise Zones designated by the county. There are also areas designated as Targeted Urban Areas ("TUA") that are the focus for the Urban Economic Revitalization Plan for Miami-Dade County in which loans can be made.

Community development investment options, however, remain limited. Mortgage-backed securities are an option but they have become less available in light of the economic crisis. Low Income Housing Tax Credits remain available but they are generally complex for community banks and demand is low because of the lack of taxable income limiting the number of complexes being constructed. Miami-Dade County, the state and the region do have community development financial institutions ("CDFIs") and private equity organizations which need support for their community development activities. Opportunities exist to contribute to qualified non-profit organizations whose missions are focused on providing affordable housing and community services for low- and moderate-income persons, particularly in the areas of job training and job placement, as noted by a community contact

made for another CRA examination in the same assessment area. However, the extent of these activities has been impacted by the financial condition of area banks.

Opportunities exist to provide targeted financial literacy training in schools and in cooperation with local community organizations. This training could include homeownership, credit, and foreclosure counseling, as well as information on general banking services for the un-banked population.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

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

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.

Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

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

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

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



Institution ID: MELLON UNITED NATIONAL BANK (10000016401) (Included)

Table 1. Lending Volume

LENDING VOLUME													Geography: FLORIDA		Evaluation Period: JANUARY 1, 2007 TO MARCH 31, 2010	
Assessment Area (2010):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***				
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)					
<b>Full Review:</b>																
Full Scope - MD 33124 Dade Cd	72.40	39	65,344	2,086	483,568	0	0	18	9,400	2,143	558,312	83.99				
<b>Limited Review:</b>																
Limited Scope - MD Broward Cd	12.06	4	11,674	348	84,900	0	0	5	2,800	357	99,374	8.56				
Limited Scope - MD 48424 Beach Cd	15.24	3	5,947	444	104,238	0	0	4	5,200	451	115,385	7.45				
Limited Scope - MS/ (Naples-Marco Isl)	0.30	0	0	9	2,425	0	0	0	0	9	2,425	0.00				

\* Loan Data as of March 31, 2010. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from April 30, 2007 to July 12, 2010.

\*\*\* Deposit Data as of June 30, 2009. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: MELLON UNITED NATIONAL

BANK (10000016401) (Included)

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: FLORIDA					Evaluation Period: JANUARY 1, 2007 TO MARCH 31, 2010					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Full Scope - MD 33124 Miami-Dade County FL	8	88.89	1.69	0.00	19.82	12.50	36.99	0.00	41.51	87.50	0.01	0.00	0.00	0.01	0.02	
<b>Limited Review:</b>																
Limited Scope - MD 22744 Broward County FL	0	0.00	1.16	0.00	23.67	0.00	45.93	0.00	29.24	0.00	0.00	0.00	0.00	0.00	0.01	
Limited Scope - MD 48424 - Palm Beach County FL	1	11.11	1.53	0.00	24.63	0.00	36.35	0.00	37.50	100.00	0.00	0.00	0.00	0.00	0.00	
Limited Scope - MSA 34940 (Naples-Marco Island, FL)	0	0.00	2.30	0.00	13.08	0.00	47.98	0.00	36.65	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Mortgage Data (Eastern)

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

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

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: MELLON UNITED NATIONAL

BANK (10000016401) (Included)

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2007 TO MARCH 31, 2010					Market Share (%) by Geography				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Full Scope - MD 33124 Miami-Dade County FL	1	100.00	1.69	0.00	19.82	0.00	36.99	0.00	41.51	100.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Limited Scope - MD 22744 Broward County FL	0	0.00	1.16	0.00	23.67	0.00	45.93	0.00	29.24	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Scope - MD 48424 - Palm Beach County FL	0	0.00	1.53	0.00	24.63	0.00	36.35	0.00	37.50	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Scope - MSA 34940 (Naples-Marco Island, FL)	0	0.00	2.30	0.00	13.08	0.00	47.98	0.00	36.65	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Mortgage Data (Eastern)

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

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

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: MELLON UNITED NATIONAL

BANK (10000016401) (Included)

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2007 TO MARCH 31, 2010						
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Full Scope - MD 33124 Miami-Dade County FL	13	81.25	1.69	0.00	19.82	7.69	36.99	7.69	41.51	84.62	0.04	0.53	0.04	0.02	0.03
<b>Limited Review:</b>															
Limited Scope - MD 22744 Broward County FL	1	6.25	1.16	0.00	23.67	0.00	45.93	0.00	29.24	100.00	0.01	0.00	0.00	0.00	0.01
Limited Scope - MD 48424 - Palm Beach County FL	2	12.50	1.53	0.00	24.63	0.00	36.35	50.00	37.50	50.00	0.01	0.00	0.03	0.00	0.02
Limited Scope - MSA 34940 (Naples-Marco Island, FL)	0	0.00	2.30	0.00	13.08	0.00	47.98	0.00	36.65	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Mortgage Data (Eastern)

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

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

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: MELLON UNITED NATIONAL

BANK (10000016401) (Included)

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: FLORIDA					Evaluation Period: JANUARY 1, 2007 TO MARCH 31, 2010					Market Share (%) by Geography				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa ll	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
Full Scope - MD 33124 Miami-Dade County FL	17	85.00	6.85	11.76	35.49	29.41	30.24	41.18	27.42	17.65	0.65	2.06	0.31	0.55	0.60	
<b>Limited Review:</b>																
Limited Scope - MD 22744 Broward County FL	3	15.00	2.27	0.00	32.48	66.67	48.64	0.00	16.61	33.33	0.17	0.00	0.47	0.00	0.00	
Limited Scope - MD 48424 - Palm Beach County FL	0	0.00	3.13	0.00	32.78	0.00	31.51	0.00	32.58	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Scope - MSA 34940 (Naples-Marco Island, FL)	0	0.00	2.08	0.00	7.03	0.00	35.11	0.00	55.78	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Mortgage Data (Eastern)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Institution ID: MELLON UNITED NATIONAL

BANK (10000016401) (Included)

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES				Geography: FLORIDA				Evaluation Period: JANUARY 1, 2007 TO MARCH 31, 2010							
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Full Scope - MD 33124 Miami-Dade County FL	2,068	72.08	4.65	12.57	21.49	16.97	32.28	31.14	41.10	39.31	0.38	1.22	0.37	0.38	0.33
<b>Limited Review:</b>															
Limited Scope - MD 22744 Broward County FL	348	12.13	4.53	27.01	21.79	11.49	42.25	29.60	31.42	31.90	0.09	0.88	0.05	0.06	0.09
Limited Scope - MD 48424 - Palm Beach County FL	444	15.48	3.19	9.01	21.01	17.12	34.23	40.99	41.34	32.88	0.14	0.35	0.15	0.20	0.08
Limited Scope - MSA 34940 (Naples- Marco Island, FL)	9	0.31	1.51	0.00	11.20	0.00	44.77	0.00	42.52	100.00	0.01	0.00	0.00	0.00	0.03

\* Based on 2008 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2009).

Institution ID: MELLON UNITED NATIONAL

BANK (10000016401) (Included)

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: FLORIDA					Evaluation Period: JANUARY 1, 2007 TO MARCH 31, 2010					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****						
<b>Full Review:</b>																
Full Scope - MD 33124 Miami-Dade County FL	8	88.89	23.00	0.00	16.98	0.00	18.53	0.00	41.50	100.00	0.02	0.00	0.00	0.00	0.02	
<b>Limited Review:</b>																
Limited Scope - MD 22744 Broward County FL	0	0.00	20.85	0.00	18.17	0.00	20.48	0.00	40.50	0.00	0.01	0.00	0.00	0.00	0.01	
Limited Scope - MD 48424 - Palm Beach County FL	1	11.11	19.86	0.00	18.56	0.00	20.60	0.00	40.98	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Scope - MSA 34940 (Naples-Marco Island, FL)	0	0.00	19.06	0.00	19.32	0.00	20.65	0.00	40.97	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2008 Peer Mortgage Data (Eastern)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 33.3% of loans originated and purchased by bank.

Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: MELLON UNITED NATIONAL

BANK (10000016401) (Included)

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: FLORIDA								Evaluation Period: JANUARY 1, 2007 TO MARCH 31, 2010					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families*	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Full Scope - MD 33124 Miami-Dade County FL	1	100.00	23.00	0.00	16.98	0.00	18.53	0.00	41.50	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Limited Scope - MD 22744 Broward County FL	0	0.00	20.85	0.00	18.17	0.00	20.48	0.00	40.50	0.00	0.00	0.00	0.00	0.00	0.00
Limited Scope - MD 48424 - Palm Beach County FL	0	0.00	19.86	0.00	18.56	0.00	20.60	0.00	40.98	0.00	0.00	0.00	0.00	0.00	0.00
Limited Scope - MSA 34940 (Naples-Marco Island, FL)	0	0.00	19.06	0.00	19.32	0.00	20.65	0.00	40.97	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Mortgage Data (Eastern)  
 \*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.  
 \*\*\* Percentage of Families is based on the 2000 Census information.  
 \*\*\*\* As a percentage of loans with borrower income information available. No information was available for 100.0% of loans originated and purchased by bank.  
 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)



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**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE				Geography: FLORIDA				Evaluation Period: JANUARY 1, 2007 TO MARCH 31, 2010							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families*	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans*** *	Overa II	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Full Scope - MD 33124 Miami-Dade County FL	13	81.25	23.00	0.00	16.98	0.00	18.53	0.00	41.50	100.00	0.02	0.00	0.00	0.00	0.02
<b>Limited Review:</b>															
Limited Scope - MD 22744 Broward County FL	1	6.25	20.85	0.00	18.17	0.00	20.48	0.00	40.50	100.00	0.01	0.00	0.00	0.00	0.01
Limited Scope - MD 48424 - Palm Beach County FL	2	12.50	19.86	0.00	18.56	0.00	20.60	0.00	40.98	100.00	0.02	0.00	0.00	0.00	0.04
Limited Scope - MSA 34940 (Naples-Marco Island, FL)	0	0.00	19.06	0.00	19.32	0.00	20.65	0.00	40.97	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2008 Peer Mortgage Data (Eastern)

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

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

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 23.1% of loans originated and purchased by bank.

Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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BANK (10000016401) (Included)

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: FLORIDA		Evaluation Period: JANUARY 1, 2007 TO MARCH 31, 2010				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Full Scope - MD 33124 Miami-Dade County FL	2,086	72.25	74.59	47.32	47.46	25.31	27.23	0.38	0.64
<b>Limited Review:</b>									
Limited Scope - MD 22744 Broward County FL	348	12.05	75.93	52.59	47.13	24.14	28.74	0.09	0.18
Limited Scope - MD 48424 - Palm Beach County FL	444	15.38	76.65	43.92	50.23	19.82	29.95	0.14	0.23
Limited Scope - MSA 34940 (Naples-Marco Island, FL)	9	0.31	76.38	88.89	44.44	0.00	55.56	0.01	0.02

\* Based on 2008 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2009).

\*\*\*\* 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 15.62% of small loans to businesses originated and purchased by the bank.

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**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: FLORIDA				Evaluation Period: APRIL 30, 2007 TO JULY 12, 2010			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
South Florida Region	0	0	3	10,000	3	10,000	96.53	0	0
Full Scope - MD 33124 Miami-Dade County FL	0	0	37	307	3	307	2.96	0	0
<b>Limited Review:</b>									
Limited Scope - MD 22744 Broward County FL	0	0	15	47	15	47	0.45	0	0
Limited Scope - MD 48424 - Palm Beach County FL	0	0	2	6	2	6	0.06	0	0
Limited Scope - MSA 34940 Collier County	0	0	0	0	0	0	0.00	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: FLORIDA				Evaluation Period: APRIL 30, 2007 TO JULY 12, 2010					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Full Scope - MD 33124 Miami-Dade County FL	83.99	11	73.33	18.18	18.18	18.18	45.45	0	0	0	0	0	0	4.89	28.61	35.68	30.79
<b>Limited Review:</b>																	
Limited Scope - MD 22744 Broward County FL	8.56	2	13.33	50.00	0.00	0.00	50.00	0	0	0	0	0	0	3.57	26.43	43.13	26.88
Limited Scope - MD 48424 - Palm Beach County FL	7.45	2	13.33	0.00	0.00	50.00	50.00	0	0	0	0	0	0	4.21	29.32	33.88	32.37
Limited Scope - MSA 34940 (Naples-Marco Island, FL)	0.00	0	0.00	0.00	0.00	0.00	0.00	0	1	0	0	0	-1	7.48	18.77	45.24	28.51

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**Full Scope - MD 33124 Miami-Dade County FL**

Demographic Information for Full Scope Area: Full Scope - MD 33124 Miami-Dade County FL						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	347	7.78	28.53	32.85	29.97	0.86
Population by Geography	2,253,362	4.89	28.61	35.68	30.79	0.02
Owner-Occupied Housing by Geography	449,333	1.69	19.82	36.99	41.51	0.00
Business by Geography	424,921	4.65	21.49	32.28	41.10	0.48
Farms by Geography	4,730	2.77	19.13	34.25	43.68	0.17
Family Distribution by Income Level	552,484	23.00	16.98	18.53	41.50	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	220,856	8.31	40.20	35.41	16.08	0.00
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		40,266 52,200 18%	Median Housing Value (Yr-end 2009) Unemployment Rate (May 2010)		\$211,200 12.3%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2010 HUD updated MFI