



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **Public Disclosure**

January 11, 2001

# **Community Reinvestment Act Performance Evaluation**

**TCF National Bank Colorado  
Charter Number: 23269**

**9200 E. Panorama Circle, Suite 100  
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**NOTE: This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

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## General Information

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

This document is an evaluation of the CRA performance of **TCF National Bank Colorado** prepared by the **Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of **January 11, 2001**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.

## Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

**Home Mortgage Loans** - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling 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 non-farm nonresidential properties or (2) commercial and industrial loans to U.S. addresses.

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

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

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

## Overall CRA Rating

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

The following table indicates the performance level of **TCF National Bank Colorado (TCFC)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	TCF National Bank Colorado 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:

- A good level of lending activity characterized by excellent geographic distribution and excellent concentration in the assessment areas. Borrower distribution is excellent and was favorably affected by the use of a flexible home improvement loan program.
- An excellent level of investments which meet important community development needs.
- A good distribution of the bank's branches, augmented by a good level of community development services that are responsive to identified needs in the bank's assessment areas.

## Description of Institution

TCF National Bank Colorado (TCFC) is a relatively new bank, chartered July 1, 1997. Its headquarters office is located in Englewood, Colorado, and it operates a network of branches in the Denver and Colorado Springs MSAs. TCFC has total assets of \$71 million and net Tier 1 Capital of \$5.5 million as of September 30, 2000.

The bank is an intrastate bank, but is affiliated with TCF National Bank, which is a mid-size bank with operations in Illinois, Indiana, Michigan, Minnesota, and Wisconsin. Both banks are owned by TCF Financial Corporation, which has over \$10 billion in assets. Other affiliates include a mortgage corporation and companies involved in commercial leasing and sales of annuities and mutual funds. TCFC does not have any subsidiaries.

TCFC specializes in consumer real estate lending. It has total loans of \$52 million, and of those, 97 percent are secured by residential properties. TCFC does a significant amount of refinancing of home purchase loans, a smaller amount of home equity lines of credit, and some purchase money mortgage lending. Currently the bank does not make commercial loans.

TCFC has twelve branches in two assessment areas. The assessment areas are the entire Denver MSA and the entire Colorado Springs MSA. The bank has eight branches in the Denver Assessment Area and four in the Colorado Springs Assessment Area. All but one of the branches are located in grocery stores. The branches have extended hours for customer convenience and there is an ATM at each branch. In addition to the branches and ATMs, the bank has a purely administrative office in Englewood, a suburb of Denver.

There are no legal factors impeding the ability of the bank to meet the service, investment, and credit needs of its assessment areas. However, there are financial factors that constrain TCFC's CRA performance. The bank's small size means that it has limited resources to deploy. While the CRA performance of most banks of this size are evaluated under Small Bank CRA criteria, TCFC must be evaluated under Large Bank CRA criteria due to its affiliation with TCF Financial Corporation. Also, being a relatively new and growing bank, TCFC has not yet attained profitability. These factors create limitations on the size, number, and variety of the bank's loans, services, investments, grants, and donations, especially compared to other bank's evaluated under Large Bank CRA criteria. These factors cause TCFC to limit its loan product offerings and focus on retail lending, which is an impediment to meeting some of the credit needs of the assessment areas. The bank was not involved in any mergers or acquisitions during the evaluation period. The growth of the bank has been through internal operations and de novo branches.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This is the first evaluation of the bank's performance under the CRA since it opened for business in 1997. This evaluation assesses the bank's performance from July 1, 1997 through December 31, 2000. The bank does not have any CRA reportable loans to small farms or small businesses. We evaluated HMDA lending activity from July 1, 1997, through September 30, 2000. We considered all Community Development, Investment Test, and Service Test information from July 1, 1997 through December 31, 2000. Home purchase, home improvement, refinance, and community development loans were reviewed in conjunction with the Lending Test. Additionally, any special loan programs offered by the bank were included in our analysis, to the extent appropriate. The Investment Test focused on review of qualifying investments, grants, and donations. Community development services, retail banking locations, and retail banking services were reviewed in connection with the Service Test. For more information about the scope of this evaluation please refer to Appendix A.

### Data Integrity

We performed a separate data integrity examination of the bank's loan reporting process in November 2000. At that examination, we tested the accuracy of the data the bank collected on its HMDA reportable loans. We determined the bank's publicly reported HMDA data was accurate. TCFC did not have any reportable small business or small farm loans in this evaluation period. The accuracy of the bank's investment, service, and community development information was verified during this CRA examination. No significant errors were found in this information.

### Selection of Areas for Full-Scope Review

TCFC operates in only two assessment areas, both located in Colorado. We selected the Denver Assessment Area for a full-scope review and the Colorado Springs Assessment Area for a limited-scope review. As shown in Table 1 in Appendix C, the bank receives a significant majority of its deposits from the Denver Assessment Area, and makes most of its loans in that area. So its CRA performance in Denver is substantially representative of its overall performance. See Appendix B for a complete description of the Denver Assessment Area.

During the evaluation period, the bank did expand the size of both of its assessment areas. In 2000, TCFC decided that its assessment areas should include entire MSAs instead of substantially most of the geographies in the MSAs that were concentrated around its banking offices. This change did not have a material impact upon the bank's CRA performance.



## **Ratings**

The bank's overall rating is based primarily on the assessment area that received a full-scope review. In general, the performance in each assessment area is weighted according to the percentage of deposits received from that area. Hence, TCFC's performance in the Denver Assessment Area carries the most weight in developing the overall conclusions for the bank.

## **Other**

We considered information we had obtained through seven recently-conducted interviews with various community representatives. We conducted one of the interviews during this evaluation. The other six were conducted by the OCC and the Federal Deposit Insurance Corporation with officials from local and federal government agencies, nonprofit organizations, and a Community Development Financial Institution, all from within the Denver MSA. They indicated there is a need for banks to finance affordable housing projects; provide low cost financial services, including affordable home mortgage loans for low- and moderate-income individuals; and provide home ownership counseling to low- and moderate-income individuals. In addition, there is a need for financial education for low- and moderate-income individuals, including budgeting, managing bank accounts, and understanding credit histories. The community representatives also indicated there is need for small business loans and technical support, particularly to minority and women owned businesses.

We also reviewed information provided by the bank about needs for financial services in the Denver MSA. During the evaluation period, a nonprofit neighborhood association described the following needs in a letter to the bank: down payment and closing cost assistance; flexible underwriting criteria; home ownership and maintenance workshops (bilingual); home improvement loans; pre-approved loans and commitment letters to potential homebuyers; beautification projects to improve the appearance of neighborhoods; lower rates and charges for low- and moderate-income families; technical assistance for home buyers; child care; vocational training; and micro-loans from \$500 to \$10,000 for small business development. The group also described a need for local support to fund community building projects in partnership with the association and other nontraditional funding support.

## **Fair Lending Review**

The OCC performed an analysis of 1999 HMDA lending data, public comments, and consumer complaint information in accordance with the OCC's risk-based fair lending approach. The analysis of this data revealed no basis for this office to conduct a comprehensive fair lending examination in connection with the CRA evaluation. Therefore, OCC has not yet performed a full-scope fair lending review of the bank. TCFC has adequate fair lending policies and procedures in place and periodically provides training to its employees to prevent discriminatory practices from occurring.

## Conclusions with Respect to Performance Tests

### LENDING TEST

There are several important contextual issues we considered in the evaluation of the bank's Lending Test performance. One is the highly competitive nature of the home mortgage loan market in the Denver MSA, with hundreds of lenders active in the market. Another factor is the area's need for new housing to accommodate the high growth in population. TCFC's recent entry into the market is also a factor, as it struggles to achieve name recognition and market share. From its inception through 1999, the bank was reliant upon loans purchased from affiliates to bolster its lending activity.

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test is rated "Outstanding." Based on a full-scope review, the bank's overall lending performance in the Denver MSA is excellent. This conclusion is primarily based on a good level of lending activity, excellent concentration in the assessment area, and excellent geographic distribution of loans.

### Lending Activity

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

During this evaluation period, TCFC provided a good amount of home mortgage financing relative to its size and condition. This is evidenced by a high loan-to-deposit ratio, with home mortgage lending constituting a significant portion of the loan portfolio. Because of the small size of the bank relative to the Denver MSA market, we placed more reliance on the loan-to-deposit ratio in evaluating lending activity than we did on comparing the bank's loan market share to its deposit market share. As of June 30, 1999, TCFC held less than one-tenth of one percent of the FDIC-insured deposits in the MSA, making any comparison of loan market share to deposit market share not meaningful.

Therefore, we relied on the loan-to-deposit ratio as the best indicator of lending activity. During this period of over three years, TCFC's loan-to-deposit ratio averaged 90 percent. This compares very favorably to an average loan-to-deposit ratio of 60 percent for 19 other area financial institutions for the same period. We compared TCFC with banks having total assets between \$25 million and \$150 million located in the Denver Assessment Area. However, the bank's loan-to-deposit ratio was favorably affected by its purchase of 101 HMDA loans totaling about \$11 million during the first two and one-half years of operation. This is a moderating factor in our conclusion about the bank's high loan-to-deposit ratio.

When analyzing the bank's performance, we focused our attention on its home mortgage lending, and in particular home mortgage refinance loans, in which the bank specializes. Of the 338 HMDA loans reported by the bank during the evaluation period, the majority of these, 271, were refinance loans. Also, one of the community groups contacted expressed the need for lower rate loans. The bank's home refinance lending has helped address that need.

For the year ended at December 31, 1999, TCFC ranked as the 125th highest home mortgage refinance lender in the Denver Assessment Area. While this is much lower than its deposit market rank of 39th, there are a large number of lenders active in the market that do not take deposits in this market. To illustrate the influence the nonbank and out of area lenders can have on market rank comparisons, there are about 50 financial institutions in the Denver MSA that take FDIC-insured deposits. But there are about 475 HMDA reporting lenders active in the market. In this market structure, market rank comparisons between lending activity and deposit-taking activity are unfairly distorted for smaller banks that are at a competitive disadvantage.

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

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

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

TCFC's geographic distribution of home mortgage loans by income level of census tract is excellent. This is true in all three categories of home mortgage loans (refinance, home purchase, and home improvement). Because market share analysis is not a reliable indicator for this bank's performance, the best measure of TCFC's loan distribution is a comparison of lending patterns to demographics. For home purchase and home improvement loans, the bank's loan penetration in both low- and moderate-income geographies greatly exceeded the relevant demographic measure, which was the percentage of owner-occupied housing units in low- and moderate-income geographies. For home refinance loans, the distribution of the bank's loans significantly exceeded the demographic in low-income geographies and was reasonably close to the demographic in moderate-income geographies. The excellent distribution to low-income geographies carries enough weight to lead to an overall excellent geographic distribution for home refinance loans.

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

Analyzing the bank's lending activity for conspicuous gaps is problematic when comparing the 498 census tracts in the Denver MSA to its HMDA lending volume of 338 loans during this evaluation period. We did not note any conspicuous gaps in the bank's lending patterns that disadvantaged low- or moderate-income geographies. During the evaluation period, the bank penetrated 26 percent of low-income tracts, 37 percent of moderate-income tracts, 73 percent of middle-income tracts, and 38 percent of upper-income tracts in the MSA. While there are clusters of census tracts where the bank did not make loans, these clusters include middle- and upper-income census tracts. The lending pattern tended to reflect the geographic distribution of the bank's branches and the population, and is considered reasonable. Thus, our lending gap analysis had a neutral effect on our conclusions about the geographic distribution of the bank's lending activity.

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

TCFC's lending activity reflects an excellent concentration in its assessment areas. Fully 93% of the loans originated by the bank were made to borrowers in its assessment areas. The bank's excellent lending focus on its assessment areas had a positive effect on our conclusions about the geographic distribution of its lending activity.

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

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

Refer to Tables 7, 8, and 9 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 overall distribution of home mortgage loans by income level of borrower is considered excellent for all three categories of loans.

TCFC's distribution of home improvement loans by borrower income level was excellent for both low- and moderate-income borrowers. The bank's loan penetration to low- and moderate-income borrowers substantially exceeded the demographic comparison, which was the percentage of families with low- and moderate-incomes. The strength of the performance in this type of loan is at least partly attributable to the flexible loan program discussed below.

For both refinance and home purchase loans, TCFC's percentage of lending to moderate-income borrowers greatly exceeded the percentage of moderate-income families in the assessment area, which is also indicative of excellent performance. The bank's lending does not compare as favorably with the demographic for low-income families. We considered this adequate even though the percentage of the bank's refinance and home purchase loans to low-income families falls substantially below the percentage of low-income families. Some reasons for this are the high poverty level in the Denver MSA and the high cost of housing. See the Market Profile in Appendix B for details. We considered TCFC's overall lending performance for refinance and home purchase loans excellent in light of the difficulties in lending to lower income families in this market.

Another reason for the bank's less favorable record with low-income borrowers is its limited product offerings. TCFC does not offer FHA, VA, or loans requiring private mortgage insurance. TCFC does not have a department to handle escrow accounts. Therefore TCFC is not as competitive as some other lenders who have the expertise and infrastructure to support these types of loan programs.

Market share statistics are too small to be meaningful in the evaluation of borrower distribution.

### **Community Development Lending**

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

The bank does not have any CD loans in the Denver MSA, which had a neutral impact on the evaluation of the bank's Lending Test performance.

### **Product Innovation and Flexibility**

TCFC offers a home improvement loan product specifically designed to assist low- and moderate-income borrowers. The program is entitled the Target Area Home Improvement Loan program (TAHIL). The program allows loan-to-value ratios of up to 90 percent and debt-to-income ratios up to 55 percent, which are more lenient than the bank's normal underwriting standards. The bank also offers reduced interest rates on this product. Qualifying borrowers must be located in a low- or moderate-income census tract. Use of the product has been limited. To date the bank has only originated \$45 thousand in TAHIL loans; however, the bank has generated another \$603 thousand dollars in other loan products when soliciting for TAHIL loans. The bank directed solicitations at potential borrowers in low- and moderate-income census tracts.

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

Based on a limited-scope review, the bank's performance under the Lending Test in the Colorado Springs MSA is not inconsistent with its overall "Outstanding" performance under the Lending Test. Refer to Tables 1 through 11 in Appendix C for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusion for Area Receiving Full-Scope Review**

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

The bank's performance under the Investment Test is "Outstanding." Based on a full-scope review, TCFC's performance in the Denver MSA is excellent. This conclusion is based primarily upon the bank's high dollar amount and number of investments, grants, and donations when compared to its size, earnings, and capital. Other factors influencing this rating are the community needs met by the investments and the positive impact of the investments on the community.

The Denver MSA contains a significant number and variety of community development investment opportunities, and there are numerous financial institutions competing for these investments. See the Market Profile for the Denver MSA in Appendix B for a more complete description. The bank's investment activity displays very good responsiveness to community development and credit needs, particularly for affordable housing.

Within the context of the bank's small size and unprofitable operation, it made a high dollar amount of qualifying investments during the evaluation period. TCFC's total investments in the Denver MSA equal 34 percent of that part of its net Tier 1 Capital allocated to this assessment area according to the percentage of its deposits derived from the area. This represents a significant allocation of resources to meet the community development needs of the assessment area.

The bank's largest investment is a \$1.2 million mortgage-backed security. All of the home mortgage loans that collateralize the security are to low- and moderate-income borrowers located in the Denver MSA. And eight of the twelve census tracts penetrated by the loans are low- or moderate-income. While not complex or innovative, this investment specifically targets the need for affordable housing, which is one of the most pressing needs in the Denver MSA.

The Housing Development Program was the recipient of the second largest qualified investment made by TCFC during the evaluation period. The bank gave \$10 thousand in grants to the program. The program is a partnership between The Enterprise Foundation, Mile High United Way, the City and County of Denver, and local financial institutions. Annually, the program gives grants to local nonprofit developers of affordable housing to support their core operations. Since 1992, the program has provided \$4.2 million of grants to 15 nonprofit affordable housing developers in the Denver MSA. During 1999, the most recent period for which statistics are available, the grants helped nonprofit developers produce 406 units of affordable housing.

In addition to the investments already discussed, TCFC made a significant number of other investments that benefited twelve different groups or projects. These groups or projects provide benefits to the Denver MSA in the areas of affordable housing, education, counseling, emergency shelter, health care, housing subsidies, grants to individuals and small businesses, technical assistance to individuals and small businesses, vocational training, child care, emergency low-cost loans, housing rehabilitation, and others. Most of these are important community development needs articulated by community groups and government agencies.

The bank's investment activity had a very beneficial impact upon the community. TCFC helped twelve low- or moderate-income persons or families get affordable loans for housing units, leveraged grant money to help in the construction of numerous affordable housing units, helped repair or upgrade several housing units owned by low- or moderate-income persons, and helped provide needed community services to numerous low- and moderate-income persons or families.

Generally, the bank did not take a leadership role in its investments, grants, and donations. And none of them is innovative or complex. Nevertheless, the high level and the attempt to help meet a variety of important community needs indicates excellent performance in the Investment Test for the Denver MSA.

### **Conclusion for Area Receiving Limited-Scope Review**

Based on a limited-scope review, the bank's performance under the Investment Test in the Colorado Springs MSA is not inconsistent with its overall "Outstanding" performance under the Investment Test. Refer to Table 12 in Appendix C 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 is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Denver MSA is good. This conclusion is based primarily upon TCFC's good distribution of facilities and its community development services targeted at important needs.

### **Retail Banking Services**

Refer to Table 13 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.

An important contextual issue for the Service Test is the bank's recent entrance into the Colorado market and the challenges that entails. Particularly in the Denver MSA, the financial services sector is mature, with numerous banks, thrifts, credit unions, and other financial service providers already well established, including nationally and regionally recognized brand names. And, the past several years have seen high growth occur in the population as well as in virtually all sectors of the economy, with associated significant increases in real estate prices. These factors in combination make it difficult for a new bank to get started in the Denver MSA. In view of these market conditions, it made economic sense for TCFC to enter the Denver market in the suburbs where the most growth has occurred and where a less recognized brand name may have better prospects of gaining a foothold. As of June 30, 1999, the bank held less than one-tenth of one percent of the FDIC insured deposits in the MSA.

All of TCFC's branches in the Denver MSA are small facilities located in Cub Foods grocery stores. Utilization of grocery store locations is a strategy of the parent corporation, and clearly that strategy is reflected in TCFC's operations in Colorado. All of the branches are in suburban areas of the Denver MSA. TCFC did not close any branches during this evaluation period.

Within the context of the bank's recent entry into the market and its small size, the distribution of its branches is good. TCFC does not have any branches in low-income census tracts, but there are very few low-income census tracts in the suburbs of the Denver MSA. Only 5 of the 34 low-income census tracts in the Denver MSA are in the suburbs. And only two percent of the four suburban counties population in the MSA live in low-income tracts. The bank's concentration of branches in moderate-income tracts is excellent, somewhat exceeding the concentration of population in those tracts. Further, the bank's Edgewater branch is close to a cluster of low-income census tracts in west Denver, and is accessible to them along major traffic arterials that are served by public transportation.

TCFC's traditional product delivery systems are augmented by ATMs, 24-hour telephone banking, and internet banking. The bank has proprietary ATMs open 24 hours a day at each of its branches. The ATMs are full service. There is no data available to show that these alternative delivery systems increase the accessibility of TCFC's services to low- or moderate-income persons or geographies. As a result, we could not place significant weight on the bank's alternative delivery systems when drawing conclusions about the TCFC's performance for this test.

TCFC's hours and services are good. All branches offer a full range of products and services, with the exception of commercial loans and some kinds of mortgage loans. There is no variation between branches in hours of operation and services offered. All branches are open seven days a week. Branches are open 9:00am to 8:00pm on weekdays, 9:00am to 6:00pm on Saturdays, and 10:00am to 6:00pm on Sundays. TCFC's branches are open for business for more hours than any other bank in the MSA. These extended hours increase the convenience and accessibility of TCFC's services for all of its customers, including low- and moderate-income persons.

TCFC offers a checking account product that requires no minimum balance after the initial deposit of \$100 and charges no fees other than the cost of checks. This allows customers, including those who have low or moderate incomes, to maintain accounts without substantial fees. The bank also offers a reduced-fee checking account tailored to senior citizens on fixed incomes.

### **Community Development Services**

TCFC provided a good level of community development services that were responsive to the needs of the Denver MSA. Two officers of the bank served on the advisory board and provided technical assistance to the Housing Development Program (in addition to grants discussed under the Investment Test). The program has identified affordable housing as a critical component in building individual stability and independence, and helping people move up the economic ladder to gain greater accessibility to financial services.

Another officer of the bank served on the board of a nonprofit organization. Through that activity, he gave technical assistance to organizations that provide community services in the areas of food, education, counseling, and health care targeted primarily at low- and moderate-income persons. These services help stabilize or improve the lives of low- and moderate-income persons, thus enhancing their ability to obtain or hold jobs and be in a position to gain access to services offered by financial institutions.

Two other officers of the bank were instructors at local schools. They taught economics and banking in Junior Achievement programs at schools where the students are primarily from low- and moderate-income neighborhoods. Their participation in the program helped students become better prepared for adult life and eventually avail themselves of the services provided by financial institutions.

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

Based on a limited-scope review, the bank's performance under the Service Test in the Colorado Springs MSA is not inconsistent with its overall "High Satisfactory" performance under the Service Test. Refer to Table 13 in Appendix C for the facts and data that support these conclusions.

## 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 area that received a comprehensive examination review (designated by the term "Full-Scope") and the one that received a less comprehensive review (designated by the term "Limited-Scope").

<b>Time Period Reviewed</b>	Lending Test : 07/01/97 to 09/30/00, with CD Loans through 12/31/00 Investment Test: 07/01/97 to 12/31/00 Service Tests : 07/01/97 to 12/31/00	
<b>Financial Institution</b>		<b>Products Reviewed</b>
TCF National Bank Colorado (TCFC) Englewood, Colorado		HMDA Loans, Special Loan Programs, and CD Loans.
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
NA	NA	NA
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Denver MSA #2080 Colorado Springs MSA #1720	Full-Scope Limited-Scope	NA NA

# Appendix B: Market Profiles for Full-Scope Areas

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### Market Profiles for Areas Receiving Full-Scope Reviews

Denver MSA #2080 .....1

**Denver MSA #2080**

Demographic Information for Full-Scope Area: Denver MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	498	7%	22%	33%	21%	17%
Population by Geography	1,622,980	7%	24%	43%	26%	0%
Owner-Occupied Housing by Geography	399,963	4%	20%	45%	31%	0%
Businesses by Geography	88,846	9%	24%	36%	31%	0%
Farms by Geography	1,785	4%	19%	44%	33%	0%
Family Distribution by Income Level	424,057	19%	19%	24%	38%	0%
Distribution of Low- and Moderate-Income Families throughout AA Geographies	159,023	12%	36%	40%	12%	0%
Median Family Income	= \$40,222	Median Housing Value				= \$89,581
HUD Adjusted Median Family Income for 2000	= \$62,100	Unemployment Rate (September 30, 2000)				= 2.3%
Households Below the Poverty Level	= 10%					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 1990 U.S. Census, and 2000 HUD updated MFI and Dun & Bradstreet Business Geodemographic Data.

The bank has defined its Denver Assessment Area as the entire MSA, which consists of five contiguous counties. These are Adams, Arapahoe, Denver, Douglas, and Jefferson. The assessment area complies with regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas.

The Denver metropolitan area is home to 49 percent of Colorado’s residents and 53 percent of its jobs. For the past few years, the Denver MSA has enjoyed a booming economy with a diverse employment base. The strong economy has been fueled by large municipal and commercial construction projects, a hot residential construction market, an influx of people, and growth in high tech firms. Biotechnology, computer technology, and communications technology have grown rapidly and are important sectors of the economy. A cluster of telecommunication companies resides in the Denver metropolitan area, dubbing the area as “Communications Valley.” The prosperity enjoyed by the Denver MSA has created a strong retail trades sector. According to a recent newspaper article, Denver has one of the highest per capita concentrations of retail store space in the nation. The retail trade sector is one of the biggest providers of jobs in the area, although these are not high paying jobs.

While the employment picture appears to be very good, a recent economic report indicates the employment growth Denver has enjoyed during the past five years showed signs of slowing down in 2000. This is partly due to layoffs in the manufacturing sector and partly due to mergers and acquisitions in the telecommunication industry. Unemployment in the five counties currently averages below three percent. Most people have jobs except for the hardcore unemployed. However, there are underemployment issues. Many lower-income individuals work two to three jobs to keep up with the cost of living; the consumer price index has persistently outpaced that of the nation during the past several years.

Housing costs are high. The median housing price rose to well over \$200,000 in 2000. Few low- or moderate-income families can afford to purchase homes. Also, upper-income individuals have begun to move into traditionally moderate-income areas, looking for properties to upgrade. This trend of gentrification has become a concern among affordable housing providers. The high cost of housing was recently illustrated in an article in the *Rocky Mountain News*, which quoted HUD data that said from 1992 to 1998, the median cost of a home increased 61 percent, while wages only increased by 28 percent. Similarly, rents have increased by 44 percent.

Although the banks provide loans for affordable housing development, there are no special programs available for nonprofit developers. Due to stiff competition from market rate developers, affordable housing providers have difficulties obtaining land for development and contractors to build the projects. The consolidated plans of four counties in the Denver MSA focus considerable attention on the need for affordable housing. But land and materials costs are so high that real estate developers have no financial incentive to build affordable housing. Real estate development in and near downtown Denver has focused on mid-range and high-end lofts, condos, and apartments, with only a few mixed-income condominium projects. Suburban housing construction has been explosive, but heavily focused on mid-range and high-end single family residences. However, there are a few low- and moderate-income housing projects scattered throughout the MSA.

The city and county of Denver has a U.S. Department of Housing and Urban Development-designated Empowerment Zone/Enterprise Community. Denver and other counties in the MSA also have areas designated as Redevelopment Zones and Blighted Areas. The entire Denver MSA has 34 low-income CTs and 109 moderate-income CTs. Twenty-eight of the low-income CTs are located in Denver County. Several of them are located in the Five Points area. The eastern part of the city near Stapleton Airport and the area around East Colfax Avenue, has also experienced some economic decline in recent years.

About 66 percent of the bank's deposits come from the Denver Assessment Area. However, when compared to other banks in this assessment area, TCFC only has a market share of 0.09 percent. The bank faces stiff competition from numerous, larger banking companies which operate branches in the assessment area. These include Wells Fargo Bank, National Association; U.S. Bank National Association; FirstBanks of Colorado; First Trust Corporation; Bank One, Colorado, National Association; Commercial Federal Bank; World Savings Bank, F.S.B.; Vectra Bank Colorado, National Association; Resources Trust Company; and Key Bank, National Association. The seven largest financial institutions, as measured by their total deposits, together hold 76 percent of the deposits in the assessment area. This indicates market dominance by a few large institutions. TCFC's CRA performance should be framed in that context.

There are a variety of organizations working in the Denver MSA to meet community development needs. There are community development corporations, private foundations, nonprofits, government agencies, community development financial institutions, charities, churches, and others competing for resources to serve the community. These entities work in the areas of affordable housing, small business, emergency relief, education, child care, technical support, vocational training, counseling, health care, advocacy, women's issues, minority issues, and others. There are also a number of loan programs available through public and private venues to serve community needs. Nevertheless, community contacts report that the demand for funding, housing, and services still far outstrips the supply. And this suggests there is ample opportunity for financial institutions to engage in community development activities.



## 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: purchased loans are treated as originations/purchases; market rank is based on the number of loans originated and purchased by the bank as compared to all other lenders in the MSA/assessment area; and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MSA/assessment area.

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

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

- Table 7. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MSA/assessment area. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 8. Borrower Distribution of Home Improvement Loans** - See Table 7.
- Table 9. Borrower Distribution of 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/assessment area.

Table 1. Lending Volume

LENDING VOLUME		Evaluation Period: 07/01/1997 TO 09/30/2000										
MSA/Assessment Area	% of Rated Area Deposits in MSA/AA <sup>*</sup>	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)	
<b>Full Scope</b>												
Denver MSA	66	338	36,770	0	0	0	0	0	0	338	36,770	78
<b>Limited Scope</b>												
Colorado Springs MSA	34	92	9,099	0	0	0	0	1	100	93	9,199	22

<sup>\*</sup> Deposit Data as of June 30, 1999.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE																
Evaluation Period: 07/01/1997 TO 09/30/2000																
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**
<b>Full Scope</b>																
Denver MSA	4	8	20	33	45	51	31	8	194	0.03	0.03	0.07	0.03	0.01	49	75
<b>Limited Scope</b>																
Colorado Springs MSA	1	0	19	13	46	81	34	6	141	0.04	0.00	0.00	0.10	0.00	16	25

\* 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										Evaluation Period: 07/01/1997 TO 09/30/2000						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank <sup>*</sup>	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**
<b>Full Scope</b>																
Denver MSA	4	5	20	50	45	28	31	17	190	0.01	0.00	0.05	0.00	0.00	18	78
<b>Limited Scope</b>																
Colorado Springs MSA	1	0	19	60	46	40	34	0	51	0.13	0.00	0.37	0.14	0.00	5	22

\* 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										Evaluation Period: 07/01/1997 TO 09/30/2000						
MSA/Assessment Area	Low Income Geographies		Moderate Income Geographies		Middle Income Geographies		Upper Income Geographies		Overall Market Rank <sup>*</sup>	Market Share by Geography <sup>*</sup>					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 <sup>**</sup>
<b>Full Scope</b>																
Denver MSA	4	5	20	17	45	47	31	31	125	0.15	0.18	0.11	0.18	0.11	271	79
<b>Limited Scope</b>																
Colorado Springs MSA	1	3	19	31	46	41	34	25	97	0.20	0.00	0.29	0.20	0.18	71	21

<sup>\*</sup> Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

<sup>\*\*</sup> 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 LOANS TO BUSINESSES										Evaluation Period: 07/01/1997 TO 09/30/2000						
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:																
Denver MSA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Limited-Scope:																
Colorado Springs MSA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

\* Based on 2000 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 LOANS TO FARMS										Evaluation Period: 07/01/1997 TO 09/30/2000						
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:																
Denver MSA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Limited-Scope:																
Colorado Springs MSA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

\* Based on 2000 Aggregate Small Farm 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 businesses originated and purchased in the rated area.

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE																	Evaluation Period: 07/01/1997 TO 09/30/2000																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank <sup>*</sup>	Market Share by Borrower Income <sup>*</sup>					Total Home Purchase Loans																		
	% of Families	% Bank Loans <sup>**</sup>	% of Families	% Bank Loans <sup>**</sup>	% of Families	% Bank Loans <sup>**</sup>	% of Families	% Bank Loans <sup>**</sup>		Overall	Low	Mod	Mid	Upp	#	% of Total <sup>***</sup>																	
<b>Full Scope</b>																																	
Denver MSA	19	8	19	35	25	37	38	20	194	0.03	0.05	0.05	0.06	0.02	49	75																	
<b>Limited Scope</b>																																	
Colorado Springs MSA	18	6	20	31	23	31	39	31	141	0.04	0.15	0.07	0.07	0.03	16	25																	

<sup>\*</sup> Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No income information was available for 0% of the loans made by TCF.

<sup>\*\*\*</sup> 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																
Evaluation Period: 07/01/1997 TO 09/30/2000																
MSA/Assessment Area	Low Income Borrowers		Moderate Income Borrowers		Middle Income Borrowers		Upper Income Borrowers		Overall Market Rank <sup>*</sup>	Market Share By Borrower Income <sup>*</sup>					Total Home Improvement Loans	
	% of Families	% Bank Loans <sup>**</sup>	% of Families	% Bank Loans <sup>**</sup>	% of Families	% Bank Loans <sup>**</sup>	% of Families	% Bank Loans <sup>**</sup>		Overall	Low	Mod	Mid	Upp	#	% of Total <sup>***</sup>
<b>Full Scope</b>																
Denver MSA	19	31	19	25	25	19	38	25	190	0.01	0.00	0.04	0.00	0.00	18	78
<b>Limited Scope</b>																
Colorado Springs MSA	18	0	20	20	23	80	39	0	51	0.13	0.00	0.19	0.36	0.00	5	22

<sup>\*</sup> Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No income information was available for 9% of loans originated by TCFC.

<sup>\*\*\*</sup> 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										Evaluation Period: 07/01/1997 TO 09/30/2000						
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***
<b>Full Scope</b>																
Denver MSA	19	8	19	34	25	37	38	21	125	0.15	0.14	0.29	0.24	0.12	271	79
<b>Limited Scope</b>																
Colorado Springs MSA	18	7	20	35	23	34	39	24	97	0.20	0.27	0.53	0.29	0.19	71	21

\* 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. No information was available for 1% of loans originated by TCFC.

\*\*\* 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 LOANS TO BUSINESSES		Evaluation Period: 07/01/1997 TO 09/30/2000							
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share**		Total Small Loans To Businesses	
	% of Businesses*	% BANK Loans	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$1 million or less	#	% of Total***
Full-Scope:									
Denver MSA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Limited-Scope									
Colorado Springs MSA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

\*\* Based on 1999 Aggregate Small Business Data only.

\*\*\* 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 LOANS TO FARMS		Evaluation Period: 07/01/1997 TO 09/30/2000							
MSA/Assessment Area:	Farms with Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share***		Total Small Farm Loans	
	% of 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									
Denver MSA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Limited Scope									
Colorado Springs MSA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

\*\* Based on 2000 Aggregate Small Farm Data only.

\*\*\* 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									
Evaluation Period: 07/01/1997 TO 12/31/2000									
MSA/Assessment Area	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Scope</b>									
Denver MSA	0	0	24	1,237	24	1,237	82	0	0
<b>Limited Scope</b>									
Colorado Springs MSA	0	0	4	263	4	263	18	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that remains outstanding.

\*\* "Unfunded Commitments" means legally binding commitments reported on Report of Condition Schedule L-"Off-Balance Sheet Items".

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																		Evaluation Period: 07/01/1997 TO 12/31/2000																	
MSA/Assessment Area	Deposits	Branches						Branch Openings/Closings						Population																					
	% of Rated Area Deposits in MSA/AA	# of Bank Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies (%)				# of Branch Closings	# of Branch Openings	Net change in Location of Branches (+ or -)				% of the Population with Each Geography*																					
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp																		
<b>Full Scope</b>																																			
Denver MSA	66	8	67	0	25	25	50	0	3	0	0	1	2	7	24	43	26																		
<b>Limited Scope</b>																																			
Colorado Springs MSA	34	4	33	0	25	25	50	0	2	0	0	1	1	2	26	44	28																		

\* The percentage of the population in the MSA/AA that resides in these geographies.