



Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

September 25, 1997

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Bank of Whittier, National Association
Charter Number 17548**

**15141 East Whittier Boulevard
Whittier, California 90603**

**Comptroller of the Currency
50 Fremont Street, Suite 3900
San Francisco, California 94105**

NOTE: This evaluation is not, nor should it 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.

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 Community Reinvestment Act (CRA) performance of the **Bank of Whittier** prepared by the **Office of the Comptroller of the Currency**, the institution's supervisory agency, **as of September 25, 1997**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

INSTITUTION'S CRA RATING: This institution is rated **“Satisfactory.”**

The Bank of Whittier demonstrates a commitment to serving the communities in which it operates.

- The loan to deposit ratio is comparable with similar banks in Southern California.
- The majority of loan originations are within the bank's assessment area.
- Lending to businesses of different sizes within the area is reasonable.

DESCRIPTION OF INSTITUTION:

The Bank of Whittier, National Association, is a full-service commercial bank with one office in Whittier, California. It is wholly-owned by Greater Pacific Bancshares, a one-bank holding company. There is an automatic teller machine at the Whittier office .

There are no financial or legal impediments that hinder the bank's ability to meet the credit needs of its community. As of June 30, 1997, the bank reported total assets of \$29 million centered in loans. The following chart reflects the bank's loan portfolio by major product type.

**Loans Outstanding by Major Product Type
As of June 30, 1997**

Loan Type	\$ Volume	% Loans by \$
Commercial and Commercial Real Estate	11,517,536	64%
Small Business Administration	1,976,148	11%
Consumer	4,717,964	25%
Total	18,211,648	100%

The last CRA performance evaluation in September 1995 rated the bank "Satisfactory."

DESCRIPTION OF THE BANK OF WHITTIER'S ASSESSMENT AREA:

The bank's assessment area consists of 69 census tracts in portions of two adjacent primary metropolitan statistical areas (PMSA), Orange County and Los Angeles-Long Beach. The two PMSAs are within the Los Angeles-Riverside-Orange County consolidated metropolitan statistical area (CMSA). The assessment area complies with regulatory requirements and does not arbitrarily exclude low- or moderate-income geographies.

Assessment Area Composition by Income Level of Census Tracts

Census Tract Type	# Tracts	% Tracts by #
Low Income	1	1%
Moderate Income	8	13%
Middle Income	30	43%
Upper Income	30	43%
Total	69	100%

There are 345,953 residents in the bank’s assessment area. Median family income for the Los Angeles area, based on 1990 U.S. Census data, is \$39,035 with a median housing value of \$222,099. Median family income for Orange County is \$51,269 with median housing value of \$230,464. The local economy is centered in services, trade, manufacturing, real estate development and government. Most sectors are growing following a prolonged recovery from the recession. Economic reports show Orange County leading Southern California’s recovery with unemployment levels currently at 3.6%, a seven-year low. Los Angeles, slower to enter the economic expansion, shows recent improvement in most sectors with an unemployment rate of 6.6%. Job growth in the area is centered in services and construction, followed by manufacturing, and retail and wholesale trade. Numerous banks and financial institutions serve the area, resulting in strong competition for market share. We contacted two local community development corporations and determined that there is a need in the community for housing rehabilitation and commercial redevelopment.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

The bank’s commitment to the Community Reinvestment Act is reflected in the performance criteria explained below.

Loan to Deposit Ratio

The bank’s loan to deposit ratio is satisfactory. The average loan to deposit ratio since the last CRA examination is 73%. The ratio ranged from a low of 66% in December 1995 to a high of 79% in December of 1996. This performance is comparable with other local financial institutions with total assets of less than \$100 million. Their ratios averaged 71%, ranging from a low of 65% in March 1996 to a high of 77% in December 1996. The bank’s loan to deposit ratio is more favorable when it includes originated SBA loans sold in the secondary market. For example, as of June 30, 1997, the loan to deposit ratio would be 75% if sold portions of SBA loans are included.

Lending In Assessment Area:

The bank originated a majority of the number and dollar volume of its loans within the assessment area during 1997. We prepared the following analysis based on data provided by the bank. We tested the data for accuracy.

**Lending Inside and Outside the Assessment Area
Loan Originations from January 1997 to September 1997**

	# Loans	% Loans by #	\$ Loans	% Loans by \$
In Assessment Area	26	63%	1,663,651	52%
Out Of Area	15	37%	1,516,435	48%
Total	41	100%	3,180,086	100%

Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes:

The bank is primarily a business lender. Loans to businesses constitute a substantial majority of the loan portfolio. For this reason, we sampled business loans to ensure the bank is lending to businesses of different sizes. We did not sample consumer loans because they did not constitute a significant portion of the bank's loan originations.

Small business lending in the assessment area is reasonable. This is reflected in the charts which follow. We randomly sampled 20 business loans which originated between January 1996 and September 1997.

**Lending to Businesses of Different Sizes in Assessment Area
Sample of Loan Originations from January 1996 to September 1997**

	# Business Loans	% Total (#)	\$ Business Loans	% Total (\$)
Loans to Small Businesses (Revenue < \$1 Million)	11	55%	947,678	35%
Loans to Large Businesses (Revenue > \$1 Million)	9	45%	1,726,278	65%
Total Business Loans	20	100%	2,673,956	100%

Distribution of Business Lending by Loan Size
Sample of Loan Originations from January 1996 to September 1997

Business Loan Originations	# Business Loans	% Business Loans	# Loans Business Revenues < \$1,000,000	% Loans Business Revenues < \$1,000,000
\$0 - \$100,000	13	65%	9	81%
\$100,001 - 250,000	3	15%	1	9%
\$250,001 - \$500,000	4	20%	1	9%
\$500,001 +	0	0	0	0
Total	20	100%	11	100%

Geographic Distribution of Loans:

We did not analyze the distribution of loans in the assessment area because there are too few low- or moderate-income census tracts to make such an analysis meaningful (middle- and upper-income census tracts comprise 60 of the 69 tracts in the area).

Responses to Complaints:

The bank has received no CRA-related complaints since the last CRA performance evaluation.

Fair Lending Analysis:

The bank is in compliance with Fair Lending laws and regulations. Our fair lending review, conducted along with this examination, found no unusual patterns or discriminatory lending practices.