



PUBLIC DISCLOSURE

September 30, 2012

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Wells Fargo Bank, National Association
Charter Number: 1

101 North Phillips Avenue
Sioux Falls, South Dakota 57104

Office of the Comptroller of the Currency

Large Bank Supervision
Constitution Center
400 7th Street SW
Washington, DC 20219-0001

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, 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.

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Overall CRA Rating

General Information and Overall CRA Rating

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 (low- and moderate-income) neighborhoods, consistent with the safe and sound operation of the institution. Upon conclusion of such assessment, 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 Wells Fargo Bank, National Association (WFB) issued by the OCC, the institution's supervisory agency, for the evaluation period starting November 13, 2009 to November 13, 2012. 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 **Needs to Improve**.

The following table indicates the performance level of WFB with respect to the Lending, Investment, and Service Tests:

Performance Levels	Wells Fargo Bank, National Association 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 following:

Fair Lending and Other Illegal Credit Practices

- The bank's overall CRA Performance Evaluation rating was lowered from "Outstanding" to "Needs to Improve" as a result of the extent and egregious nature of the evidence of discriminatory and illegal credit practices, as described in the Fair Lending and Other Illegal Credit Practices section of this document.
- The findings reflect an extensive and pervasive pattern and practice of violations across multiple lines of business within the bank, resulting in significant harm to large numbers of consumers. The bank failed to implement an effective compliance risk management program designed to properly prevent, identify and correct violations. Further, bank management instituted policies, procedures and performance standards that contributed to several of the violations for which evidence has been identified.

Lending Test

- WFB demonstrated lending levels that reflected excellent responsiveness to the credit needs in the majority of assessment areas (AAs). In the majority of AAs, WFB's market share, as measured by its ranking or percentage, generally exceeded the ranking or percentage market share of deposits.
- WFB's geographic distribution and distribution by income of the borrower or revenue of the farm or business has been generally good. Although there were some AAs where performance was excellent, other AAs showed only adequate performance.
- WFB's volume and nature of community development (CD) lending had a significantly positive influence on the Lending Test performance. CD lending had a significantly positive influence on 24 of the 54 rating areas and a positive influence on 12 of the 54 rating areas.

Investment Test

- WFB's performance, as measured primarily by volume of investments, was excellent in 35 of the 54 rating areas.
- Community contacts indicated that WFB was particularly responsive to the identified CD needs in many of its AAs.

- WFB is a leader in providing Equity Equivalent Investments (EQ2). Although a small percentage of total investments, the EQ2 is a significant source of capital for many CD organizations.

Service Test

- In the majority of WFB's rating areas, WFB's retail delivery systems, including branches and ATMs, are readily accessible to all portions of the bank's AAs.
- WFB's opening and closing of branches generally has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals.
- In 16 of WFB's rating areas, the bank is considered a leader in providing CD services. However, in most rating areas, CD services were relatively high or adequate.

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/AA.

Census Tract (CT): Small, relatively permanent statistical subdivisions of a county delineated by local participants as part of the U.S. Census Bureau's Participant Statistical Areas Program. The primary purpose of CTs is to provide a stable set of geographic units for the presentation of decennial census data. CTs generally have between 1,500 and 8,000 people, with an optimum size of 4,000 people.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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 U.S. 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, the disposition of the application (e.g., approved, denied, and withdrawn), 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/AA.

Median Family Income (MFI): The median income derived from the U.S. Census Bureau's American Community Survey data every 5 years and used to determine the income level category of geographies. In addition, it is the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level of individuals within a geography. For any given geography, 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 (MD): 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 (MSA): 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 multistate 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 multistate metropolitan area, the institution will receive a rating for the multistate 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 secured either 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 (Tier 1 Capital): The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Description of Institution

Wells Fargo Bank, National Association (WFB), is an interstate financial institution headquartered in Sioux Falls, South Dakota. WFB conducts business within 54 AAs located in 39 states and 15 multistate MSAs. WFB is a wholly-owned subsidiary of Wells Fargo & Company (WFC) headquartered in San Francisco, California. WFC is a diversified financial services company providing banking, insurance, investments, mortgage loans, and consumer finance largely through WFB. Based on asset size, WFC is the fourth largest bank holding company in the United States.

As of September 30, 2012, WFB had total assets of \$1.2 trillion, deposits of \$953 billion and total loans of \$761 billion. Approximately 59 percent of the bank's loan portfolio is comprised of real estate loans, predominately loans secured by 1-4 family residential properties. Commercial and industrial loans comprise 20 percent of the loan portfolio, and loans to individuals for household, family, and personal purposes comprise 12 percent of the portfolio. WFB has a Tier 1 Capital base of \$96 billion.

At the request of WFB and in accordance with provisions of the CRA, this evaluation considers affiliate activities.

WFB is a full service bank with 6,194 branches and 12,241 ATMs. The bank offers a complete line of diversified financial products and services to consumers and businesses centered in retail and business banking, mortgage banking, trust services, and investment management. The bank's business strategy focuses on retail and wholesale banking with an emphasis on mortgage, small business, and CD lending. The bank, through its Wells Fargo Home Mortgage division, provides mortgage services to all 50 states through more than 718 mortgage stores, the WFB branch network, and the Internet.

WFB was rated "**Outstanding**" at the previous CRA evaluation dated September 30, 2008.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation considers home mortgage loan products (home purchase, home improvement, home refinance, and multifamily, where applicable), small loans to businesses and small loans to farms, retail services, and qualified CD lending, investments and services. Conclusions drawn on home mortgage products, and small loans to businesses and farms are based upon bank performance during calendar years 2008 through 2011. At the bank's request, retail services, CD activities of the bank, other bank subsidiaries, and affiliates reflect performance through December 31, 2012. Please refer to Appendix A for a detailed listing of products, entities included in the review, and evaluation periods by state or multistate MSA.

Data Integrity

Prior to this examination, we tested the accuracy of the bank's HMDA and CRA lending data. We also reviewed the appropriateness of CD activities provided for consideration in our evaluation. This included the testing of CD loans, investments, and services for accuracy and to determine if they qualify as CD.

Selection of Areas for Full-Scope Review

Each multistate metropolitan area where the bank has offices received a full-scope review.

In each state where the bank has a branch, a sample of AAs within that state was selected for full-scope reviews. The full-scope AAs in each state represent a substantial majority of each state's lending and deposit activity. Refer to the "Scope" section under each State and multistate Metropolitan Area Rating section for details regarding how the areas were selected.

Ratings

The bank's overall rating is a blend of the multistate metropolitan area ratings and state ratings.

The state ratings are based on those AAs that received full-scope reviews. Refer to the "Scope" section under each State Rating section for details regarding how the AAs were weighted in arriving at the respective ratings.

Fair Lending or Other Illegal Credit Practices Review

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

We also considered other material practices WFB engaged in during the evaluation period involving home mortgage lending practices and foreclosure issues that provide relevant context for the Bank's activities during the period of the CRA evaluation.

The following evidence of discriminatory or other illegal credit practices adversely affected WFB's overall CRA Performance Rating:

- Evidence of noncompliance with the Fair Housing Act (FHA) and Equal Credit Opportunity Act (ECOA). The OCC determined it had reason to believe that, from 2004 through 2008, WFB engaged in a pattern or practice of discrimination on the basis of race or color in violation of the FHA and ECOA and referred the matter to the U.S. Department of Justice (DOJ). In July 2012, DOJ and WFB entered a consent order that provided \$125 million in compensation for African American and Hispanic wholesale borrowers who were steered into subprime mortgage loans and who paid higher fees and rates than white borrowers. WFB also agreed to provide \$50 million in direct down payment assistance to borrowers in communities around the country where DOJ identified large numbers of discrimination victims and which were hard hit by the housing crisis. In addition, WFB agreed to conduct a review to determine whether there were African-American and/or Hispanic borrowers who received subprime Wells Fargo loans from the Bank's retail channel. Based on its review, the Bank agreed to provide an additional \$59.3 million in compensation to African-American and Hispanic retail subprime borrowers. For further information on the consent agreement, please refer to DOJ Consent Order 1:12-cv-01150, filed July 12, 2012, and Notice Regarding Additional Monetary Relief 1:12-cv-01150-JDB, filed December 19, 2012.
- Evidence of unfair or deceptive acts or practices, in violation of section 5 of the Federal Trade Commission Act (FTC Act), by bank employees at the Bank's now defunct affiliate, Wells Fargo Financial, Inc., concerning the steering of potential prime borrowers into more costly subprime loans and falsifying income information in mortgage applications between January 2004 and June 2008. In the previous

CRA performance evaluation, dated September 30, 2008, which covered that period, WFB opted to have the OCC consider loans originated by its affiliate, Wells Fargo Financial. Wells Fargo & Company and Wells Fargo Financial, Inc. entered into a consent cease and desist order with the Board of Governors of the Federal Reserve System (Board) and agreed to compensate affected borrowers and pay an \$85 million civil money penalty (CMP). For further information, see the Board's Order to Cease and Desist and Order of Assessment of a Civil Money Penalty Issued Upon Consent, Docket Nos. 11- 094-B-HC1, 11-094-I-HC1, 11-094-B-HC2, and 11-094-I-HC2, July 20, 2011.

- Evidence of unfair and abusive practices, in violation of the Consumer Financial Protection Act (CFPA), by Bank employees when they, without customers' authorizations, opened deposit accounts and transferred funds into them from authorized accounts, applied for credit card accounts, issued and activated debit cards, and created email addresses to enroll consumers in online-banking services. In a consent order with the CFPB, WFB agreed to pay full restitution to all victims and a \$100 million CMP. The City and County of Los Angeles brought a related action under California Business and Professions Code sections 17200 *et seq.* and required restitution to harmed customers, prospective relief, as well as a total penalty of \$50 million payable to the City and County. The OCC also brought a related action in which it assessed a \$35 million CMP and ordered restitution to harmed customers for the Bank's unsafe and unsound sales practices. For further information, please refer to the CFPB consent order, 2016- CFPB-0015, filed September 8, 2016; *People v. Wells Fargo & Co.*, case no. BC580778, [Proposed] Stipulated Final Judgment, dated September 1, 2016, available at <http://www.lacityattorney.org/allegations-against-wells-fargo>; and OCC enforcement actions nos. 2016-077 and 2016-079, both dated September 6, 2016.
- Evidence of noncompliance with the Servicemembers Civil Relief Act (SCRA). On February 9, 2015, DOJ announced that under its National Mortgage Settlement (NMS), Wells Fargo agreed to pay over \$28 million to 239 service members and their co-borrowers for non-judicial foreclosures that violated the SCRA. For further information, refer to DOJ's news release, <http://www.justice.gov/opa/pr/service-members-receive-over-123-million-unlawful-foreclosures-under-servicemembers-civil>, and the NMS consent agreement with DOJ, 1112-cv-00361-RMC, filed April 4, 2012.
- Evidence of noncompliance with the SCRA. On September 29, 2016, DOJ and OCC entered into related consent agreements with WFB. The consent order with DOJ resolved allegations that WFB violated the SCRA by repossessing 413 motor vehicles owned by SCRA-protected servicemembers without first obtaining court orders from at least January 1, 2008 through July 1, 2015. The consent order with the OCC resolved findings that, between approximately 2006 and 2016, WFB violated three separate provisions of the SCRA. WFB failed to (i) apply the six percent interest rate cap to servicemember obligations and liabilities; (ii) accurately disclose servicemembers' military status to the court via affidavits filed in eviction

proceedings; and (iii) obtain court orders prior to repossessing servicemembers' automobiles. WFB agreed to pay appropriate compensation to servicemembers, including over \$4.1 million for its improper vehicle repossessions. Additionally, WFB agreed to pay DOJ a \$60,000 CMP and OCC a \$20 million CMP. WFB self-identified these violations, disclosed them to the regulatory agencies, and began corrective action prior to issuance of the consent orders. For further information, refer to DOJ's consent order, 2:16-cv-07336, filed September 29, 2016, and OCC's enforcement actions nos. 2016-081 and 2016-082, both dated September 29, 2016.

- Evidence of unfair or deceptive acts or practices, in violation of section 5 of the FTC Act, in connection with debt cancellation products sold to the Bank's consumer credit cardholders from 2006 to 2013. The OCC found that the Bank unfairly imposed recurring late fees on customer's when debt cancellation benefit payments were posted to the account after the minimum payment due date and also deceptively billed customers for the full debt cancellation product fee while marketing a "risk-free" 30-day review period in which the Bank would credit fees if the customer cancelled within the review period. The OCC also found that the Bank engaged in an unfair practice when it billed its credit customers for credit monitoring services they did not receive. The Bank has reimbursed harmed customers. For further information, see OCC enforcement action no. 2015-048, June 3, 2015.
- Evidence of unfair and deceptive practices, in violation of the CFPB, in the servicing of private student loans by WFB's Education Financial Services (EFS) division. In its consent order with WFB, the CFPB found that EFS allocated partial payments in a manner that unfairly maximized fees incurred by many consumers and provided billing statements that described how partial payments would be treated in a deceptive manner. WFB self-identified the violations, disclosed them to the regulatory agencies, and initiated corrective actions prior to the issuance of the consent order. WFB agreed to provide relief in the amount of \$410,000 to affected borrowers and pay a \$3.6 million CMP to the CFPB. For further information, refer to CFPB's consent order no. 2016-CFPB- 0013, filed August 22, 2016.
- Evidence of noncompliance with Section 8(a) of the Real Estate Settlement Procedures Act (RESPA). The Consumer Financial Protection Bureau (CFPB) found that, from 2008 through 2013, loan officers employed by the Bank participated in a scheme involving the now defunct Genuine Title, LLC, to exchange marketing services for referrals of settlement-service business in connection with consumers' home-mortgage transactions in violation of RESPA. The Bank was required to pay \$10 million in total remediation to customers who may have been harmed and CMPs of \$21 million to the CFPB and \$3 million to the Consumer Protection Division of the State of Maryland's Office of the Attorney General. For further information, see CFPB consent order 2015-CFPB-0002, filed January 22, 2015.

- Evidence of noncompliance with the FHA involving allegations by the U.S. Department of Housing and Urban Development (HUD) that WFB d/b/a Wells Fargo Home Mortgage discriminated against women who were pregnant, or had recently given birth, and were on maternity leave between August 2011 and August 2012. For further information, see the HUD Conciliation Agreement No. 07-13-0213-8, October 8, 2014.
- Evidence of noncompliance with the FHA involving allegations by HUD that WFB engaged in differential treatment of "Real Estate Owned" (REO) properties in minority neighborhoods that had been hard hit by the foreclosure crisis. As part of the agreement, WFB committed to invest a total of \$39 million in 45 communities across the country through various programs. For further information, see the HUD Conciliation Agreement No. 00-13-0001-8, June 6, 2013.

The OCC does not have additional public information regarding non-compliance with statutes and regulations prohibiting discriminatory or other illegal credit practices with respect to this institution. In determining this institution's overall CRA rating, the OCC has considered information that was made available to the OCC on a confidential basis during its consultations.

These findings reflect an extensive and pervasive pattern and practice of discriminatory and illegal credit practices across multiple lines of business within the bank, resulting in significant harm to large numbers of consumers. The bank failed to implement an effective compliance risk management program designed to properly prevent, identify and correct violations. Further, bank management instituted policies, procedures and performance standards that contributed to the violations for which evidence has been identified. As a result of the significant extent and egregious nature of these findings, the CRA Performance Evaluation overall rating was lowered from "Outstanding" to "Needs to Improve."

The OCC will consider any evidence of discriminatory or other illegal credit practices relative to this institution with respect to the fair lending and consumer protection laws and regulations that other Federal regulators may provide to the us before the end of the institution's next performance evaluation in that subsequent evaluation even if the information provided concerns activities that occurred during the evaluation period addressed in this performance evaluation.

Comments Applicable to All Rating Areas

Lending Test

Lending Gap Analysis

We performed a lending gap analysis to determine if there were significant clusters of census tracts with no lending or very low levels of lending. We identified census tracts where lending levels were below what would be expected given the economic conditions and demographic data for those tracts. Of the census tracts with lower than expected lending levels, we identified contiguous groups of low- and moderate-income census tracts and conducted additional review and analysis. After careful review and analysis which included consultation with OCC Community Affairs officers, we concluded that these contiguous low- and moderate-income tracts with lower than expected lending levels were a random occurrence and not evidence of willful neglect or denial of banking services on the part of WFB.

Inside/Outside Ratio

We analyzed the loans made inside and outside of WFB's combined AAs. We found that, in aggregate, a majority in number (88 percent) and amount (89 percent) were made within the bank's 54 AAs, located in 39 states and 15 multistate MSAs. Furthermore, a majority of HMDA loans and small business and farm loans were made inside the bank's combined AAs. Loans made by affiliates were not considered in this analysis.

Performance Context Factors

Evaluating the CRA performance of Wells Fargo Bank requires examiners to rate and conclude on numerous performance criteria within three separate tests over 388 assessment areas, in 54 state and multistate rating areas.

We are required by the CRA to evaluate the bank's performance in the context of factors affecting the bank's ability to provide lending, investments, or services in its AAs. We are also required to document these performance context factors (PCF) in the performance evaluation. Although we are only required to consider complete PCF on AAs receiving a full review (also known as full scope AAs), this nonetheless involves identifying and documenting the effect of PCF in 92 full scope AAs across 54 state and multistate rating areas.

Promoting consistency and efficiency in evaluating a bank's CRA performance are primary objectives of the large bank CRA examination process. In addition, based on our experience with previous evaluations, we determined that performance context data was either stale, irrelevant, or was not consistently available within each assessment area. We also determined that PCF were not consistently applied within each assessment area or the effect of a specific factor on the performance criteria was only anecdotal and the significance of the effect could not be quantified in a positive or negative way.

To ensure that our consideration of PCF in WFB's PE mitigated the key issues identified and achieved the primary objectives of the large bank CRA examination process,

- We developed a consistent and objective methodology to consider PCF across AAs in a way that was appropriate to different products and income levels of borrowers and geographies within the AA,
- We verified the effect of the PCF on the bank's ability to provide lending, investments, or services, and
- We only used PCF that could be supported by data that was reliable and consistently available in all AA.

In addition, to ensure that the performance evaluation was appropriately documented in the most efficient way possible without redundancy or overburdening the reader, we described in this section under each applicable performance criteria:

- The PCF affecting the performance criteria,
- The sources of economic or demographic data supporting the PCF,
- The methodology we used to assess the effect of the PCF on the performance criteria, and
- How the PCF and its effect on performance criteria would be documented in other sections of the performance evaluation.

Unless stated otherwise in the specific performance criteria section of the 54 state and multistate rating areas, conclusions that differ from what the data in the standardized tables might imply are due to the specific PCF data and methodology described below.

Lending Test

Lending Activity

Per the Large Bank CRA Examiner Guidance (LBCRAEG), “the primary way an examiner put the lending volume (number or dollar) into perspective is by comparing the bank’s deposit market share in an AA to its market rank and market share in that AA for each loan product (number and dollar).”

To ensure consistency in our evaluation of lending activity, we used PCF from the same source and evaluated the data following the same methodology for each AA. We obtained bank deposit market share and ranking reports for each AA as of June 30, 2011 from the Federal Deposit Insurance Corporation Summary of Deposits website. Using reported HMDA data available on all institutions for each AA, we generated reports showing the market share percent and ranking for WFB’s home purchase, home refinance, and home improvement loans and small loans to business and farms. A separate market share and ranking report was generated for each loan product.

The first step in our evaluation was to calculate the ratio of loan market share for each loan category to the deposit market share. If the ratio was close to or exceeded 100 percent, we concluded that lending activity was excellent. Conclusions for ratios less than 100 percent were commensurate with the performance range applicable to the ratio.

After assessing our initial conclusion, we then reviewed the rankings of the bank’s loan and deposit market share relative to the loan and deposit market share of other banks in the AA. We compared the deposit market share ranking to the loan product market share ranking and evaluated whether comparison between rankings resulted in a conclusion similar to conclusions drawn using market share percentages. If the comparison of the ranking resulted in an improvement in our conclusions, the original conclusion was overridden.

Our conclusions on lending activity were based on the aggregate of the conclusions for all lending products. Our narrative describing the conclusion refers to the comparison of the deposit and loan product market share and rank. However, the comparison is initially based on the market share with an adjustment for ranking.

In a limited number of AAs, the market share or ranking was adjusted for the presence of a non-deposit taking lender with significant market share. In these cases, the issue was noted and the final conclusion was adjusted to reflect the effect of the lender’s market share on our evaluation of the bank.

Geographic and Borrower Distribution of Home Purchase and Home Refinance Loans

Because of the limited availability of reliable data and other resource constraints, we only used PCF in our evaluation of home purchase and home refinance loans in these performance criteria. We chose to focus our limited resources on these two products because their performance had the most effect on overall conclusions for these performance criteria.

We used three categories of PCF to evaluate these performance criteria. Each category is discussed separately due to the different types of data and methodologies used in our assessment.

Category 1 - Economic and demographic data pertaining to the assessment area and the bank's ability to lend

Negative economic factors can affect the demand for credit in an AA and therefore the bank's ability to lend in the AA. Similarly, certain demographic factors can reduce the likelihood that the population represented by the demographic comparator would be in the market for a specific loan product.

Through discussions with members of the OCC Economics Division and WFB personnel, we selected economic and demographic PCF factors that met the two primary criteria, previously identified:

1. The PCF had a verifiable effect on demand for credit from low- or moderate-income borrowers or geographies or the PCF had a verifiable effect on the demographic that we use to compare the bank's distribution of lending.
2. The data on these economic factors could be obtained from reliable sources in all of WFB's 92 full scope AAs.

The resulting PCF reflect a careful consideration of advantages and disadvantages of using certain data or methodologies relative to the overarching concern for ensuring relevant and accurate data applied consistently and efficiently across multiple products and AAs.

The PCF and sources of the PCF data that met our criteria are listed below:

- The percentage of families living in poverty compared to the percentage of low-income families in the AA (American Community Survey)
- The unemployment rate in the AA (American Community Survey)

- The affordability ratio (Median Home Value/Median Family Income - American Community Survey 2011 5 year estimate of the median home value divided by the HUD 2011 estimate of median family income)
- Households with housing cost burden - the percentage of households that are considered housing cost burdened (American Community Survey)
- The percentage of families living in poverty compared to the percentage of low-income families in the AA (American Community Survey)
- The percentage decline in home values from 2007-2011 in the AA as a ratio of the national rate of decline in home values (American Community Survey)
- Underwater mortgages - the percentage of home mortgages that are secured by homes valued at less than what the borrower owes the bank (CoreLogic)
- The percentage of homes in foreclosure as a percentage of all homes in the AA (Lender Processing Service)
- The percentage of families renting their homes in the AA (American Community Survey)

The following PCF were only used for certain performance criteria and products because the effect on the other products was not supported or the PCF did not apply to the demographic comparator:

- The affordability ratio and households with housing cost burden were only used for home purchase loans.
- Home value declines, underwater mortgages, and foreclosure rates were only used for home refinance loans.
- The percent of renting families was only used in our evaluation of WFB's distribution of home refinance loans to borrowers of different income levels. Because owner occupied homes is the comparator used to evaluate geographic distribution of home refinance loans, the percent of renting families does not affect our analysis.
- The percent of low-income families living at or below the poverty level is only considered in evaluating lending to low-income families or geographies. The poverty level would only affect the bank's ability to make loans to moderate-income families if the poverty level was within the range of moderate-income families. This level of poverty occurred in three of the 92 AAs. However, the

actual percentage of moderate-income families affected was minimal in two of the three. In the El Paso MSA, where the poverty level affected the moderate-income population, we considered this additional factor.

We determined the effect of the economic and demographic PCFs on our evaluation of performance by first assessing the degree to which each economic or demographic factor affected a specific AA. We did this by calculating the ratio of the PCF to the national average for that factor. We assessed a score based on the amount that the PCF negatively deviated from the national average. For example, if the ratio of the AA PCF to the PCF national average exceeded 100 percent, we assessed a score based on the percent above 100.

We then aggregated all the factors pertaining to a specific product or performance criteria in the AA and established a severity level based on the final score. We then adjusted the performance range for the specific product and performance criteria by a percent that correlated with the level of severity.

Category 2 – HMDA Applications

This category of PCF consisted of HMDA reportable applications received by all lenders in an AA for a product regardless of action taken. The Interagency Questions and Answers Regarding Community Reinvestment specifically reference this data as a potential source of PCF when assessing the demand for a product within an AA. This PCF helps us understand the demand for a product relative to the assumed potential market indicated by the demographic comparator used in the specific performance criteria.

We identified situations where the demand for a product as indicated by the percent of all applications received from low- and moderate-income borrowers or geographies was significantly below the demographics. We then reviewed community contacts, market profiles, or complaints and determined if the difference in demand indicated by the applications received was a result of circumstances within the bank's control or evidence of red lining, discrimination, or other illegal credit practices.

In situations where there was no indication of these circumstances, we compared the percent of all industry applications received from low- and moderate-income borrowers and geographies to the percent of low- and moderate-income geographies and borrowers. If bank performance indicated that its level of lending to borrowers or geographies was better than the demand indicated by the applications, we considered adjusting the bank's performance to reflect this PCF.

Category 3 – Volume of Loans Relative to All Other Lenders

In very specific circumstances, we determined it was beyond the capacity of the bank to originate a sufficient number of loans to achieve a level of acceptable performance in lending to low- and moderate-income borrowers or geographies.

In our evaluation, we identified AA where WFB was the number one ranked lender to low- or moderate-income borrowers or geographies, but its performance was below acceptable levels. However, in some of these AA, we also determined that the amount of loans that the bank needed to originate to achieve acceptable performance was significant as compared to the number of loans already originated by all other lenders in the AA during the same time. In these very specific circumstances, we concluded it was beyond the capacity of the bank to make sufficient loans without engaging in unsafe or unsound banking practices given the number of loans already originated by the bank and the total loans made by all lenders in the AA. Similar to the Category 2, we only adjusted our conclusions if there was no indication that this PCF was a result of circumstances within the bank's control or there was evidence of red lining, discrimination, or other illegal credit practices on the part of the bank.

Documenting the PCF in Primary and Non- Primary Rating Areas

We documented the PCF differently in primary versus non-primary rating areas. However, the effect of the PCF on these performance criteria was evaluated consistently for all full scope assessment areas.

In primary rating areas, if our initial conclusions were affected by one or more of the three PCF categories, we stated after the initial conclusion that our evaluation was affected by PCF and indicated which of the three categories affected the conclusion. We then stated our revised final conclusions for all income levels and product that were changed by the PCF.

In the primary rating area market profiles, we included a narrative discussion of the economic and demographic PCF affecting the geographic and borrower distribution performance criteria. We indicated the severity conclusion for each PCF based on the ratio of the specific factor to the national average. We then summarized the cumulative effect of these PCF as either moderately severe, severe, or extremely severe. If information on the second and third PCF categories affected the evaluation conclusions, we only identified these factors within the AA or rating area affected.

In non-primary rating areas, we simply indicated in the description of the institution and in the performance criteria conclusion narrative whether economic and demographic PCF, analysis of HMDA Applications, or analysis of the Volume of Loans Relative to All Other Lenders affected the geographic and borrower distribution conclusions overall or in a specific AA.

Community Development Lending

We considered the number and dollar volume of CD loans with emphasis placed on those loans that were particularly innovative, complex, or responsive to the needs of the AA. To ensure consistency in our consideration of PCF related to CD loans within the 92 full scope AAs across 54 state and multistate rating areas, we were required to develop a methodology to determine objectively and consistently how much additional consideration would be given to CD loans evidencing responsiveness, complexity, or innovation.

By definition, most if not all CD loans would be considered responsive to the needs of the AA. However, we identified CD loans that we considered particularly responsive to the needs of the AA because the bank demonstrated that the CD loan fulfilled a unique need in the community and was originated through discussions with local community groups. We gave extra credit to these CD loans and considered this in addition to the number and amount of all CD loans. We also applied the same methodology to loans showing characteristics of innovation and complexity. In assessment areas where we adjusted conclusions for these factors, we indicated the number of loans that we considered innovative, complex, or particularly responsive.

The merger of Wachovia Bank and WFB occurred midway into the evaluation period. As a result, the rating areas and AAs in this PE that were acquired solely through the merger (and did not overlap with existing WFB AAs and rating areas) were evaluated under a shorter evaluation period. To ensure a consistent and objective review of CD lending among the 92 full scope AAs across 54 state and multistate rating areas, we annualized the number and amount of CD loans to facilitate our evaluation. In rating areas where we adjusted CD lending conclusions for the shorter evaluation period, we indicated that the shorter evaluation period was considered in our conclusions.

Investment Test

Similar to CD loans, we considered the number and dollar volume of CD investments with emphasis placed on those investments that were particularly innovative, complex, or responsive to the needs of the AA. However, unlike CD lending, responsiveness, innovation, and complexity were assessed as a separate performance criteria within the investment test with a separate conclusion stated. Therefore, negative conclusions on responsiveness could have a negative effect on the investment test conclusion.

As with CD loans, we identified investments that we considered particularly responsive to the needs of the AA because the bank demonstrated that the investment fulfilled a unique need in the community and was created through discussions with local community groups. We also identified investments that were innovative and complex. Our conclusion on responsiveness were based on the number and dollar volume of investments meeting the criteria for being particularly responsive, innovative, or

complex as a percentage of the total number and dollar volume of investments. Depending on the percentage, we concluded that responsiveness was either, excellent, good, adequate, poor, or very poor. Conclusions on the responsiveness of the investments in addition to the number and dollar amount of investments relative to the needs in the AA determined the overall conclusion for the investment test.

As was also the case with CD loans, we considered the shorter evaluation period for AAs added to WFB's performance evaluation through its merger with Wachovia Bank. To ensure a consistent and objective review of investments among the 92 full scope AAs across 54 state and multistate rating areas, we annualized the number and amount of investments to facilitate our evaluation.

Documentation in Primary and Non-Primary Rating Areas

We documented investment test conclusions similarly in both primary and non-primary rating areas. We stated separate conclusions for responsiveness and identified the needs that were met by the investments. In rating areas where we adjusted investment conclusions for the shorter evaluation period, we indicated that the shorter evaluation period was considered in our conclusions.

Service Test

Branch Distribution

Bordering Branches

We considered branches identified by WFB that bordered low- and moderate-income geographies and reportedly served the residents of these geographies. Through sampling, we verified that these branches were less than 1000 feet from the geographies and there were no barriers or other impediments that would prevent a resident of the low- and moderate-income geography from obtaining full use of the bordering branch's banking services. We considered bordering branches and branches within low- and moderate-income geographies equally in our evaluation.

Bordering Branch Documentation in Primary and Non-Primary Rating Areas

In both primary and non-primary ratings areas, we documented the effect of bordering branches in the same way. For each full scope AA, we first stated our initial branch distribution conclusion without considering the bordering branches. We then identified the number of bordering branches that we considered and stated the final conclusion after factoring in the bordering branches.

Community Development Services

The primary factor in this evaluation is the responsiveness of the CD services to the needs of the AA. However, it was difficult to evaluate fully the responsiveness of the CD services relative to the hours of CD services reported by the bank. Responsiveness was a factor identified by the bank. We found the bank's assessment to be very subjective and in the end was not consistent from one branch to the next. Our evaluation of CD services relied heavily on the hours of services relative to the bank's capacity to provide CD services in the AA (as measured by the number of branches within the AA and presumably the number of personnel available to provide CD services).

PRIMARY RATING AREAS

Charlotte-Gastonia-Rock Hill, (North Carolina-South Carolina) Multistate MSA

Minneapolis-St. Paul-Bloomington, (Minnesota-Wisconsin) Multistate MSA

New York-Northern New Jersey, (New York-New Jersey-Pennsylvania) Multistate MSA

- Newark-Union, (New Jersey-Pennsylvania) MD
- New York-White Plains-Wayne, (New York-New Jersey) MD

Washington-Arlington-Alexandria, (District of Columbia-Virginia-Maryland) Multistate MSA

State of Arizona

- Phoenix-Mesa-Scottsdale MSA
- Tucson MSA

State of California

- Fresno MSA
- Los Angeles-Long Beach-Glendale MD
- Oakland-Fremont-Hayward MD
- Riverside-San Bernardino-Ontario MSA
- San Francisco-San Mateo-Redwood City MD
- Santa Ana-Anaheim-Irvine MD

State of Colorado

- Denver-Aurora-Broomfield MSA

State of Florida

- Fort Lauderdale-Pompano Beach-Deerfield Beach MD
- Miami-Miami Beach-Kendall MD
- Orlando-Kissimmee-Sanford MSA
- Tampa-St. Petersburg-Clearwater MSA
- West Palm Beach-Boca Raton-Boynton Beach MD

State of Georgia

- Atlanta-Sandy Springs-Marietta MSA

State of Nevada

- Las Vegas-Paradise MSA

State of New Jersey

- Edison-New Brunswick MSA

State of North Carolina

- Greensboro-High Point MSA
- Raleigh-Cary MSA
- Winston-Salem MSA
- Northwestern Non-Metro

State of Pennsylvania

- Philadelphia MD

State of Texas

- Austin-Round Rock-San Marcos MSA
- Dallas-Plano-Irving MD
- El Paso MSA
- Fort Worth-Arlington MD
- Houston-Sugar Land-Baytown MSA

State of Virginia

- Richmond MSA
- Virginia Beach-Norfolk-Newport News MSA

Charlotte-Gastonia-Rock Hill (North Carolina-South Carolina) Multistate MSA Rating

CRA rating for the Multistate MSA¹: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: Outstanding

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its AA.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different sizes within its AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has a good level of qualified CD investments and grants within its AA.
- WFB's delivery systems are readily accessible to all portions of its AA.

Description of Institution's Operations in the Charlotte-Gastonia-Rock Hill MSA

Of the bank's 54 state and multistate rating areas, Charlotte-Gastonia-Rock Hill MSA ranks 9th and accounts for 3.0 percent of total bank deposits, or \$25.7 billion as of June 30, 2012. WFB has one defined AA in Charlotte-Gastonia-Rock Hill MSA, which include every county and MD in the multistate metropolitan area. Within the MSA, WFB operates 77 branches. WFB is the second largest banking institution in Charlotte-Gastonia-Rock Hill MSA with 12.9 percent of the deposit market share. Primary competitors include Bank of America, NA, and Branch Banking and Trust Company (BB&T) with deposit market shares of 78.4 percent and 2.4 percent, respectively.

It is estimated that about 44 percent of the deposits attributed to the bank in this MSA do not originate from WFB's operations within the MSA. We have taken the significant level of unaffiliated deposits into consideration when assessing the performance of WFB within the MSA and in assessing the contribution of the MSA rating to the overall bank rating. Without the unaffiliated deposits, we still consider the bank's operations within

¹ This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

the AA as significant and estimate that the MSA would be the fourteenth largest of the WFB's 54 rating areas.

Because WFB's branches in the Charlotte-Gastonia-Rock Hill MSA have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

Refer to the market profile for the Charlotte-Gastonia-Rock Hill MSA in Appendix C for detailed demographics and other performance context information.

LENDING TEST

The bank's performance under the Lending Test in Charlotte-Gastonia-Rock Hill MSA is rated **High Satisfactory**.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in Charlotte-Gastonia-Rock Hill MSA is excellent. WFB's lending activity in the Charlotte-Gastonia-Rock Hill MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, and refinance loans and small loans to businesses and farms is equal to or exceeds its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in Charlotte-Gastonia-Rock Hill MSA is good. We revised our conclusions to reflect performance context factors identified in the Charlotte-Gastonia-Rock Hill MSA. For more information, please refer to the discussion of performance for the specific product.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

WFB's distribution of home purchase loans by income level of the geography in the Charlotte-Gastonia-Rock Hill MSA is poor. Its distribution of home purchase loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to the moderately severe economic and demographic conditions discussed in the Charlotte-Gastonia-Rock Hill MSA Market Profile, we determined that distribution of home purchase loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's distribution of home purchase loans by income level of the geography in the Charlotte-Gastonia-Rock Hill MSA was revised, and is now considered adequate as a result of these performance context factors.

WFB's distribution of home improvement loans by income level of the geography in the Charlotte-Gastonia-Rock Hill MSA is good. Its distribution of home improvement loans in low-income geographies exceeds the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies significantly exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Charlotte-Gastonia-Rock Hill MSA is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to moderately severe economic conditions discussed in the Charlotte-Gastonia-Rock Hill MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's distribution of home refinance loans by income level of the geography in the Charlotte-Gastonia-Rock Hill MSA was

revised and is now considered adequate as a result of these performance context factors.

Small Loans to Businesses

Refer to Table 6 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank’s origination/purchase of small loans to businesses.

WFB’s geographic distribution of small loans to businesses by income level of the geography in the Charlotte-Gastonia-Rock Hill MSA is excellent. The bank’s distribution of small loans to businesses in low-income geographies exceeds the percent of businesses in low-income geographies. Additionally, the bank’s market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank’s distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank’s market share of small loans to businesses in moderate-income geographies is reasonably near to its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank’s origination/purchase of small loans to farms.

We did not assess geographic distribution of small loans to farms in the Charlotte-Gastonia-Rock Hill MSA because the number of loans originated in the AA was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AA.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in Charlotte-Gastonia-Rock Hill MSA is good.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank’s home mortgage loan originations and purchases.

WFB’s borrower distribution of home purchase loans by income level of the borrower in the Charlotte-Gastonia-Rock Hill MSA is good. Its distribution of loans to low-income

borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to moderately severe economic and demographic conditions discussed in the Charlotte-Gastonia-Rock Hill MSA Market Profile, we determined that distribution of home purchase loans compared to the percent of low- and moderate-income borrowers should be considered excellent for low-income borrowers. WFB's borrower distribution of home purchase loans by income level of the borrower in the Charlotte-Gastonia-Rock Hill MSA was revised and is now considered excellent as a result of these performance context factors.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Charlotte-Gastonia-Rock Hill MSA is good. Its distribution of home improvement loans to low-income borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers is somewhat lower than its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Charlotte-Gastonia-Rock Hill MSA is adequate. Its distribution of home refinance loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

Refer to Table 11 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Charlotte-Gastonia-Rock Hill MSA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB's market share of loans to

businesses with gross annual revenue of \$1 million or less significantly exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank’s origination/purchase of small loans to farms.

We did not assess borrower distribution of small loans to farms in the Charlotte-Gastonia-Rock Hill MSA because the number of loans originated in the AA was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AA.

CD Lending

Refer to Table 1 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the bank’s level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of WFB’s CD lending had a significantly positive effect on Lending Test performance in the Charlotte-Gastonia-Rock Hill MSA. During the evaluation period, the bank originated 12 CD loans totaling \$63.3 million and equal to 2.2 percent of allocated Tier 1 Capital. We considered the shorter evaluation period for the Charlotte-Gastonia-Rock Hill MSA when assessing the effect of CD ending on performance.

Stating the level of CD loans as a percent of Tier 1 Capital allocated to the AA is somewhat misleading in the Charlotte-Gastonia-Rock Hill MSA due to the fact that Tier 1 Capital is allocated as a percentage of FDIC deposits associated with the AA. Because Charlotte, North Carolina is the former headquarters of Wachovia Bank, a significant volume of deposits are a result of corporate accounting and do not reflect consumer and commercial accounts in the Charlotte-Gastonia-Rock Hill MSA. Our assessment of CD lending performance considered the level of CD loans relative to the WFB’s operations serving the banking needs of the Charlotte-Gastonia-Rock Hill MSA.

Seventy-five percent of these loans were targeted to affordable housing and 25 percent to community services needs identified in the Charlotte-Gastonia-Rock Hill MSA. Thirty-three percent of WFB’s CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Charlotte-Gastonia-Rock Hill MSA include the following:

- In December 2010, WFB provided a \$3.2 million loan to finance a 168-unit affordable housing project located in Charlotte, North Carolina.
- In October 2011, WFB provided a \$300,000 line of credit for the purpose of providing working capital to a nonprofit affordable housing developer located in a moderate-income census tract in Charlotte, North Carolina. This nonprofit housing development and financial corporation is organized to expand affordable and well-maintained housing within stable neighborhoods for low- and moderate-income families in the city of Charlotte and Mecklenburg County.

INVESTMENT TEST

Refer to Table 14 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

WFB's Investment Test performance in Charlotte-Gastonia-Rock Hill MSA is rated **High Satisfactory**.

During the evaluation period, the bank made 160 grants and qualified investments totaling \$63 million or 2.2 percent of allocated Tier 1 Capital. The total included 140 grants and contributions worth \$7.7 million. WFB has nine ongoing qualified investments originated in prior periods that total \$20.6 million, are equal to 0.8 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

Stating the level of investments as a percent of Tier 1 Capital allocated to the AA is somewhat misleading in the Charlotte-Gastonia-Rock Hill MSA due to the fact that Tier 1 Capital is allocated as a percentage of FDIC deposits associated with the AA. Because Charlotte, North Carolina is the former headquarters for Wachovia Bank, a significant volume of deposits are a result of corporate accounting and do not reflect consumer and commercial accounts in the Charlotte-Gastonia-Rock Hill MSA. Our assessment of investment performance considered the level of grants and investments relative to the WFB's operations serving the banking needs of the Charlotte-Gastonia-Rock Hill MSA.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing, economic development, community services, and neighborhood revitalization and stabilization. Investments during the current evaluation period have created over 712 units of affordable housing in the Charlotte-Gastonia-Rock Hill MSA.

Examples of significant investments made in the Charlotte-Gastonia-Rock Hill MSA during the evaluation period include the following:

- WFB invested \$8.2 million to rehabilitate a 170 unit affordable housing project for low- and moderate-income seniors and households.
- In May 2010, WFB invested \$500,000 through an EQ2 in Grameen America. WFB's investment was used to help capitalize the loan fund in North Carolina. Grameen uses microfinancing to help low-income people improve their lives and move out of poverty. Grameen's activities include microlending, financial education, establishment of credit history and personal savings.

SERVICE TEST

The bank's performance under the Service Test in the Charlotte-Gastonia-Rock Hill MSA is rated **Outstanding**.

Retail Banking Services

Refer to Table 15 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in the Charlotte-Gastonia-Rock Hill MSA is excellent.

In the Charlotte-Gastonia-Rock Hill MSA, delivery systems are readily accessible to geographies and individuals of different income levels.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is near to the percentage of the population residing in these geographies and is good. However, when considering 10 middle and upper income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves and is excellent in moderate-income geographies.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Charlotte-Gastonia-Rock Hill MSA is good and did not affect branch distribution in a negative or positive way. During the evaluation period, WFB closed one branch throughout the AA resulting in a net loss of one branch in upper-income geographies.

Reasonableness of Business Hours and Services

WFB's branch hours and services are adequate and do not vary in a way that inconveniences portions of the Charlotte-Gastonia-Rock Hill MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 25 percent of stores located in those geographies maintained Saturday hours, compared to 37 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in the Charlotte-Gastonia-Rock Hill MSA.

In the Charlotte-Gastonia-Rock Hill MSA, WFB provides a relatively high level of CD services. WFB employees provided a total of 743 hours of CD services. These hours represented 226 different CD service activities that benefited 95 different organizations and amounted to over three and a half hours of CD services per branch per year. Of the CD service activities, 12.4 percent were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Charlotte-Gastonia-Rock Hill MSA include the following:

- A WFB employee serves on an advisory committee charged with reviewing and advising an affordable housing organization on programs and opportunities to support low-income families in the MSA.
- A WFB employee serves on the board of directors as treasurer for a CD qualified organization. As the treasurer, the employee provides financial expertise in the management of the organization's budget and fundraising efforts.

Minneapolis-St. Paul-Bloomington (Minnesota-Wisconsin) Multistate MSA Rating

CRA rating for the Multistate MSA: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: Outstanding

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of WFB's AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its AA.
- The distribution of WFB's borrowers reflects excellent penetration among retail customers of different income levels and business customers of different size within its AA.
- WFB's CD lending has a positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its AA.
- WFB's delivery systems are readily accessible to all portions of its AA.

Description of Institution's Operations in the Minneapolis-St. Paul-Bloomington MSA

Of the bank's 54 state and multistate rating areas, Minneapolis-St. Paul-Bloomington MSA ranks second and accounts for 9.4 percent of total bank deposits, or \$79.4 billion as of June 30, 2012. WFB has one defined AA in the Minneapolis-St. Paul-Bloomington MSA, which includes all of the counties in the MSA. Within the MSA, WFB operates 101 branches. WFB is the largest banking institution in the Minneapolis-St. Paul-Bloomington MSA with 49.72 percent of the deposit market share. Primary competitors include US Bank, NA, and TCF Bank with deposit market shares of 27 percent and 3.2 percent, respectively. It is estimated that 75 percent of the deposits attributed to the bank in this MSA do not originate from WFB's operations within the MSA.

We have taken the significant level of unaffiliated deposits into consideration when assessing the performance of WFB within the MSA and in assessing the contribution of the MSA rating to the overall bank rating. Without the unaffiliated deposits, we still consider the bank's operations within the AA as significant and estimate that the MSA would be the tenth largest of the WFB's 54 rating areas.

Refer to the market profile for the Minneapolis-St. Paul-Bloomington MSA in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in the Minneapolis-St. Paul-Bloomington MSA is excellent.

WFB's lending activity in the Minneapolis-St. Paul-Bloomington MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, and refinance loans and small loans to businesses and farms is equal to or exceeds its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in Minneapolis-St. Paul-Bloomington MSA is good. We revised our conclusions to reflect performance context factors identified in the Minneapolis-St. Paul-Bloomington MSA. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

WFB's distribution of home purchase loans by income level of the geography in the Minneapolis-St. Paul-Bloomington MSA is excellent. Its distribution of home purchase loans in low-income geographies exceeds the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies approximates the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share.

WFB's distribution of home improvement loans by income level of the geography in the Minneapolis-St. Paul-Bloomington MSA is adequate. Its distribution of home improvement loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income

geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is reasonably near its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Minneapolis-St. Paul-Bloomington MSA is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to the economic and demographic conditions discussed in the Minneapolis-St. Paul-Bloomington MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's distribution of home refinance loans by income level of the geography in the Minneapolis-St. Paul-Bloomington MSA was revised and is now considered adequate as a result of these performance context factors.

Small Loans to Businesses

Refer to Table 6 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

WFB's geographic distribution of small loans to businesses by income level of the geography in the Minneapolis-St. Paul-Bloomington MSA is adequate. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is reasonably near its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near to its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank’s origination/purchase of small loans to farms.

We did not assess the geographic distribution of small loans to farms in the Minneapolis-St. Paul-Bloomington MSA because the number of loans originated in the AA was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AA.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in the Minneapolis-St. Paul-Bloomington MSA is excellent.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank’s home mortgage loan originations and purchases.

WFB's borrower distribution of home purchase loans by income level of the borrower in the Minneapolis-St. Paul-Bloomington MSA is excellent. Its distribution of loans to low-income borrowers exceeds the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers substantially meets its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Minneapolis-St. Paul-Bloomington MSA is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Minneapolis-St. Paul-Bloomington MSA is good. Its distribution of home refinance loans to low-income borrowers is somewhat lower than the percent of low-income

families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

Refer to Table 11 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Minneapolis-St. Paul-Bloomington MSA is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

WFB's distribution of small loans to farms based on the revenue size of the farm in the Minneapolis-St. Paul-Bloomington MSA is good. WFB's percentage of small loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

CD Lending

Refer to Table 1 in the Minneapolis-St. Paul-Bloomington MSA section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a positive effect on performance in the Minneapolis-St. Paul-Bloomington MSA. During the evaluation period, the bank originated 74 CD loans totaling \$160.8 million and equal to 1.8 percent of allocated Tier 1 Capital. Stating the level of CD loans as a percent of Tier 1 Capital allocated to the

AA is somewhat misleading in the Minneapolis-St. Paul-Bloomington MSA due to the fact that Tier 1 Capital is allocated as a percentage of FDIC deposits associated with the AA. A significant volume of deposits are a result of corporate accounting and do not reflect consumer and commercial accounts in the Minneapolis-St. Paul-Bloomington MSA. Our assessment of CD lending performance considered the level of CD loans relative to the WFB's operations serving the banking needs of the Minneapolis-St. Paul-Bloomington MSA.

Thirty-four percent of these loans were targeted to affordable housing, 54 percent to community services, and 12 percent to economic development needs identified in the Minneapolis-St. Paul-Bloomington MSA. Sixteen percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Minneapolis-St. Paul-Bloomington MSA include the following:

- In April 2012, WFB provided a \$10.5 million loan for the purpose of funding the construction of a 66-unit LIHTC affordable housing complex located in Savage, Minnesota. All 66 of the units are restricted to low- and moderate-income families or individuals. Additionally, tenants residing in these units will receive supportive services including case management designed to address barriers leading to long-term homelessness.
- In May 2012, WFB provided an \$8.6 million loan for the purpose of funding the construction of a 101-unit LIHTC affordable housing complex in Minneapolis, Minnesota. The development is intended to assist very-low-income adults who are experiencing long-term homelessness through a variety of tenant subsidy programs.

INVESTMENT TEST

Refer to Table 14 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

WFB's Investment Test performance in Minneapolis-St. Paul-Bloomington MSA is rated **Outstanding**.

During the evaluation period, the bank made 322 grants and qualified investments totaling \$119.7 million that are equal to 1.3 percent of allocated Tier 1 Capital. The total included 277 grants and contributions worth \$19.3 million. WFB has 79 ongoing qualified investments originated in prior periods that total \$89 million, are equal to one percent of allocated Tier 1 Capital, and provide continuing benefit to the community. Stating the level of CD investments as a percent of Tier 1 Capital allocated to the AA is somewhat misleading in the Minneapolis-St. Paul-Bloomington MSA due to the fact that

Tier 1 Capital is allocated as a percentage of FDIC deposits associated with the AA. A significant volume of deposits are a result of corporate accounting and do not reflect consumer and commercial accounts in the Minneapolis-St. Paul-Bloomington MSA. Our assessment of CD investment performance considered the level of CD investments relative to the WFB's operations serving the banking needs of the Minneapolis-St. Paul-Bloomington MSA.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing, economic development, community services, neighborhood revitalization and stabilization. Investments during the current evaluation period have created over 579 units of affordable housing in the Minneapolis-St. Paul-Bloomington MSA.

Examples of significant investments made in the Minneapolis-St. Paul-Bloomington MSA during the evaluation period include the following:

- In March 2009, WFB invested \$3 million through an EQ2 in an affordable housing fund. WFB's investment was used to help capitalize a subsidiary fund, which provides long-term, below-market interest rate loans to non-profit housing organizations. All projects are targeted to low- and moderate-income residents.
- In August 2012, WFB contributed \$7.2 million to NeighborWorks® America as part of WFB's NeighborhoodLIFT Down Payment Assistance Program and to fund NeighborWorks® America homeownership and foreclosure prevention activities in the MSA area. NeighborWorks® America is the country's preeminent leader in affordable housing and CD. The organization works to create opportunities for lower-income people to live in affordable homes in safe, sustainable neighborhoods that are healthy places for families to grow.

SERVICE TEST

The bank's performance under the Service Test in the state of Minneapolis-St. Paul-Bloomington MSA is rated **Outstanding**.

Retail Banking Services

Refer to Table 15 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in Minneapolis-St. Paul-Bloomington MSA is excellent. Delivery systems are readily accessible to all portions of WFB's AA. The percentage distribution of branches in low- and moderate-income geographies approximates and exceeds respectively the percentage of the population residing in these geographies.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in Minneapolis-St. Paul-Bloomington MSA is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB closed six branches throughout the AA resulting in a net loss of one branch in a low-income geography, two branches in moderate-income geographies, two branches in middle-income geographies, and one branch in an upper-income geography during the evaluation period. However, branch distribution after branch closings remained excellent.

Reasonableness of Business Hours and Services

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Minneapolis-St. Paul-Bloomington MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 88 percent of branches located in those geographies maintained Saturday hours, compared to 94 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an excellent level of CD services in Minneapolis-St. Paul-Bloomington MSA. WFB is a leader in providing CD services. WFB employees provided a total of 4,406 hours of CD services. These hours represented 625 CD service activities that benefited 86 different organizations and amounted to more than ten hours per branch per year. Of the CD service activities, 3.5 percent were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Minneapolis-St. Paul-Bloomington MSA include the following:

- A WFB employee serves on the loan committee of a non-profit organization that

loans money to small immigrant owned businesses. The organization works within the immigrant communities of Minnesota to start and sustain successful businesses, build assets and promote community reinvestment.

- A WFB employee serves on, and chairs, the loan committee for an affordable housing fund that assists organizations working in neighborhoods statewide threatened by foreclosure, to acquire vacant, boarded homes to repair and sell to responsible homeowners. The loan funds also help create new affordable housing opportunities for individuals and families so they can afford to purchase newly rehabilitated energy-efficient homes. WFB has also invested in the fund. The effect of the investment is discussed under the Investment Test.

New York-Northern New Jersey Long Island (New York-New Jersey-Pennsylvania) Multistate MSA Rating

CRA rating for the Multistate MSA: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to credit needs of its full-scope AAs.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope AAs.
- The distribution of WFB's borrowers reflects adequate penetration among retail customers of different income levels and business customers of different size within its full-scope AAs.
- WFB's CD lending has a positive effect on Lending Test performance.
- WFB has a significant level of qualified CD investments and grants within its full-scope AAs.
- WFB's delivery systems are accessible to essentially all portions of its full-scope AAs.
- To the extent changes have been made, WFB's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals within its full-scope AAs.

Description of Institution's Operations in the New York-Northern New Jersey-Long Island MSA

Of the bank's 54 state and multistate rating areas, New York-Northern New Jersey-Long Island MSA ranks sixth and accounts for \$32.1 billion or 3.8 percent of total bank deposits as of June 30, 2012.

WFB has two defined AAs in the New York-Northern New Jersey-Long Island MSA, which include two of the four MDs that make up the MSA. For consistency with prior periods, the two other MDs, the Edison-New Brunswick, NJ MD and the Nassau-Suffolk, NY MD, were selected for full-scope reviews as part of the New Jersey and New York state rating areas.

WFB operates 208 branches. WFB is the seventh largest banking institution in New York-Northern New Jersey-Long Island MSA with 3.7 percent of the deposit market

share. Primary competitors include JP Morgan Chase Bank and Bank of New York Mellon, with 34.3 percent and 7.8 percent, respectively.

Scope of Evaluation in the State of New York-Northern New Jersey-Long Island MSA

The New York-White Plains-Wayne and Newark-Union multistate MDs were selected for full-scope review.

Because WFB's branches in the MSA have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for the MSA is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

Refer to the market profiles for the New York-White Plains-Wayne, NY-NJ and Newark-Union, NJ-PA multistate MDs in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in New York-Northern New Jersey-Long Island MSA is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance in the New York-White Plains-Wayne and Newark-Union multistate MDs is good.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in the New York-Northern New Jersey-Long Island MSA full-scope AAs is excellent.

New York-White Plains-Wayne MD: WFB's lending activity in the New York-White Plains-Wayne MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms was equal to or exceeded its ranking or percentage market share of deposits.

Newark-Union MD: WFB's lending activity in the Newark-Union MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to farms was equal to or exceeded its ranking or percentage market share of deposits, and for small loans to businesses was reasonably near its ranking of deposits.

Distribution of Loans by Income Level of the Geography

Distribution of loans by income level of the geography in the New York-Northern New Jersey-Long Island MSA full-scope AAs is adequate.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

New York-White Plains-Wayne MD: WFB's geographic distribution of home purchase loans by income level in the New York-White Plains-Wayne MD is excellent. Its distribution of loans in low-income geographies exceeds the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies exceeds the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share.

WFB's geographic distribution of home improvement loans by income level in the New York-White Plains-Wayne MD is excellent. Its distribution of loans in low-income geographies is near to the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies approximates the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the New York-White Plains-Wayne MD is poor. Its distribution of loans in low-income geographies is lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is somewhat lower than its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home

refinance loans in moderate-income geographies is somewhat lower than its overall market share.

Newark-Union MD: WFB's geographic distribution of home purchase loans by income level in the Newark-Union MD is excellent. Its distribution of loans in low-income geographies exceeds the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies exceeds the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

WFB's geographic distribution of home improvement loans by income level in the Newark-Union MD is excellent. Its distribution of loans in low-income geographies approximates the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies exceeds the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Newark-Union MD is adequate. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is somewhat lower than its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

Small Loans to Businesses

Refer to Table 6 in the New York-Northern New Jersey-Long Island MSA section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

New York-White Plains-Wayne MD: WFB's geographic distribution of small loans to businesses in the New York-White Plains-Wayne MD is poor. The bank's distribution of small loans to businesses in low-income geographies is significantly lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is lower than its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of

small loans to businesses in moderate-income geographies is somewhat lower than its overall market share of such loans in the AA.

Newark-Union MD: WFB's geographic distribution of small loans to businesses in the Newark-Union MD is adequate. The bank's distribution of small loans to businesses in low-income geographies is lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies exceeds its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

We did not assess geographic distribution of small loans to farms in the New York-White Plains-Wayne and Newark-Union MDs because the number of loans originated in the AAs was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AAs.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in the New York-Northern New Jersey-Long Island MSA full-scope AAs is adequate.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

New York-White Plains-Wayne MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the New York-White Plains-Wayne MD is very poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is lower than its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers is significantly lower than the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is somewhat lower than its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the New York-White Plains-Wayne MD is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the New York-White Plains-Wayne MD is very poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is significantly lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is significantly lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is somewhat lower than its overall market share.

Newark-Union MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the Newark-Union MD is good. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Newark-Union MD is good. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers is equal to the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Newark-Union MD is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

Refer to Table 11 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank’s origination and purchase of small loans to businesses.

New York-White Plains-Wayne MD: WFB’s distribution of small loans to businesses based on the revenue size of the businesses in the New York-White Plains-Wayne MD is good. WFB’s percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB’s market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Newark-Union MD: WFB’s distribution of small loans to businesses based on the revenue size of the businesses in the Newark-Union MD is good. WFB’s percentage of loans to businesses with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small businesses in the AA. WFB’s market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank’s origination/purchase of small loans to businesses.

We did not assess borrower distribution of small loans to farms in the New York-White Plains-Wayne and Newark-Union MDs because the number of loans originated in the AAs was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AAs.

CD Lending

Refer to Table 1 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the bank’s level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank’s CD lending had a positive effect on performance in the New York-Northern New Jersey-Long Island MSA. We considered the shorter evaluation period for AAs within the MSA in our assessment of CD loans.

New York-White Plains-Wayne MD: The volume and nature of WFB’s CD lending had a significantly positive effect on Lending Test performance in the New York-White Plains-

Wayne MD. During the evaluation period, the bank originated 18 CD loans totaling \$554 million and equal to 24 percent of allocated Tier 1 Capital.

Approximately 61 percent of these loans were targeted to affordable housing, six percent to community services, 22 percent to economic development, and 11 percent to stabilization and revitalization efforts.

Highlights of WFB's CD lending that benefited the New York-White Plains-Wayne MD include the following:

- In August 2012, WFB provided a \$450 million loan for the purpose of refinancing a 1,689-unit Section 8 affordable housing complex located in the New York-White Plains-Wayne MD. The complex was established in 1977 specifically for performing artists with the help of New York City's Department of Housing Preservation and Development. Actors, dancers, musicians and singers make up 70 percent of the residents. Fifteen hundred and seventeen of the units are restricted to tenants earning 80 percent or less of the area's median family income.
- In September 2010, WFB provided a \$16 million loan to a loan fund in the New York-White Plains-Wayne MD. This Fund is a single purpose entity structured solely to provide financing for predevelopment and acquisition needs for affordable housing developers in the five boroughs of New York City. Its purpose is to purchase, fund and/or credit enhance project loans secured by real estate underwritten by designated lenders that encourage and facilitate the development of affordable housing, improve community stability and enable New York City to address the challenges of expiring use housing preservation properties.

Newark-Union MD: The volume and nature of WFB's CD lending had a neutral effect on Lending Test performance in the Newark-Union MD. During the evaluation period, the bank originated three CD loans totaling \$31.4 million and equal to 2.3 percent of allocated Tier 1 Capital.

One of the loans was targeted to affordable housing and the remaining two were for community services.

Highlights of WFB's CD lending that benefited the Newark-Union MD include the following:

- In May 2011, WFB provided a \$30.7 million term loan to an entity for the purpose of acquiring a 306-unit affordable housing project located in Newark, New Jersey. All 306 units are rent restricted to tenants earning less than 50 percent of the area's median family income (AMI) and either over 62 years old or disabled.
- In April 2012, WFB renewed a \$400,000 working capital line of credit and provided

an increase of \$250,000, for a total of \$650,000, for a nonprofit organization located in a low-income census tract in Elizabeth, New Jersey. This nonprofit organization provides psychiatric rehabilitation services to adults who have serious mental illnesses to help them live as independently as possible in the community.

INVESTMENT TEST

Refer to Table 14 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

WFB’s Investment Test performance in New York-Northern New Jersey-Long Island MSA is rated **High Satisfactory**. Based on full-scope reviews, the bank’s performance is excellent in the New York-White Plains-Wayne, NY-NJ MD and adequate in Newark-Union, NJ-PA MD.

Conclusions for Areas Receiving Full-Scope Reviews

New York-White Plains-Wayne MD: WFB’s Investment Test performance in the New York-White Plains-Wayne MD is excellent. During the evaluation period, the bank made 244 grants and qualified investments totaling \$292.4 million that are equal to 12.9 percent of allocated Tier 1 Capital. The total included 219 grants and contributions worth \$7.7 million. WFB has 17 ongoing qualified investments originated in prior periods that total \$32.7 million that are equal to 1.5 percent Tier 1 Capital and provide continuing benefit to the community.

WFB’s investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address a number of identified needs, notably affordable housing, primarily through affordable housing bonds or national funds, and to a limited extent to economic development and neighborhood revitalization and stabilization. Investments during the current evaluation period have created over 2,989 units of affordable housing in the New York-White Plains-Wayne MD.

Examples of significant investments made in the New York-White Plains-Wayne MD during the evaluation period are:

- In September 2011, WFB invested \$39 million in a New Markets Tax Credit (NMTC) project in Jersey City, New Jersey. The proceeds were used for the development of a campus and community resource center to service the students of a college as well as the greater Jersey City community. The project will be located in one of 17 communities to be federally designated as part of the Choice Neighborhoods Initiative to transform distressed neighborhoods and public and assisted projects into viable and sustainable mixed-income neighborhoods. This designation targets areas with high unemployment rates and under-served in regards to educational

opportunities and medical facilities.

- In July 2011, WFB invested \$350,000 in a Housing Fund. The funds will be used for the organization's Affordable Housing Loan Pool, which provides long term, low-cost loans to close funding gaps such as pre-development expenses and bridge loans in affordable housing projects in the lower Hudson Valley of New York. WFB's investment was allocated among three AAs within the Hudson Valley.

Newark-Union MD: WFB's Investment Test performance in the Newark-Union MD is adequate. During the evaluation period, the bank made 60 grants and qualified investments totaling \$37 million that are equal to 2.7 percent of allocated Tier 1 Capital. The total included 57 grants and contributions worth \$1.1 million.

WFB's investments exhibit adequate responsiveness to credit and community economic development needs. The investments in this AA address a number of identified needs, notably affordable housing, primarily through investments in mortgage backed securities and national funds, and economic development. Investments during the current evaluation period have created over 393 units of affordable housing in the Newark-Union MD.

Examples of significant investments made in the Newark-Union MD during the evaluation period are:

- In October 2012, WFB invested \$500,000 in an Economic Development Corporation based in Cranford, New Jersey. The funds will be used for the organization's new SBA 7(a) Community Advantage Loan program, funding clients' initial loans prior to being submitted to the SBA. Funds may also be used to fund loans for the organization's Business Growth Fund program. This investment will be used to make loans to businesses primarily located in the Newark-Union MD.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the New York-Northern New Jersey-Long Island Multistate MSA is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance is adequate in the New York-White Plains-Wayne MD and excellent in the Newark-Union MD.

Retail Banking Services

Refer to Table 15 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in the New York-Northern New Jersey-Long Island Multistate MSA full-scope AAs is good.

In the New York-White Plains-Wayne MD, WFB's distribution of branches is adequate. Delivery systems are reasonably accessible to essentially all portions of WFB's AA.

The percentage distribution of branches in low-income geographies is significantly lower than the percentage of the population residing in these geographies and is very poor. The percentage distribution of branches in moderate-income geographies is below the percentage of the population residing in these geographies and is adequate. However, when considering five middle- and upper-income branch locations that are in close proximity to moderate-income geographies, accessibility improves in moderate-income geographies and is good.

In the Newark-Union MD, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good. However, when considering four middle- and upper-income branch locations that are in close proximity to moderate-income geographies, accessibility improves in moderate-income geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the New York-Northern New Jersey-Long Island Multistate MSA full-scope AAs is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

WFB's record of opening and closing branches in the New York-White Plains-Wayne MD did not affect the accessibility of its delivery systems in a negative or positive way. During the evaluation period, WFB closed four branches throughout the AA resulting in a net loss of four branches in upper-income geographies during the evaluation period.

WFB's record of opening and closing branches in the Newark-Union MD is excellent. WFB has improved the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened three and closed five branches throughout the AA resulting in a net gain of one branch in a low-income geography and a net loss of three branches in upper-income geographies.

Reasonableness of Business Hours and Services

WFB's branch operating hours do not vary in a way that inconveniences portions of the New York-Northern New Jersey-Long Island Multistate MSA full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the New York-White Plains-Wayne MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 84 percent of branches located in those geographies maintained Saturday hours compared to 87 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Newark-Union MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 86 percent of branches located in those geographies maintained Saturday hours compared to 91 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an adequate level of CD services in the New York-Northern New Jersey-Long Island Multistate MSA full-scope AAs. We considered the shorter evaluation period for the MDs within the MSA in our assessment of CD services.

In the New York-White Plains-Wayne MD, WFB provides an adequate level of CD services. WFB employees provided a total of 609 hours of CD services. These hours represented 193 CD service activities that benefited 66 different organizations and amounted to almost two hours of CD service activities per branch per year. Nine percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the New York-White Plains-Wayne MD include the following:

- A WFB employee serves on the finance committee of a CD Financial Institution established in 1989 to bring financial, technical and educational resources to affordable housing and community and economic development initiatives in the lower Hudson Valley.
- A WFB employee provided Hands On Banking financial training to the students at a predominately low- and moderate-income middle school.

In the Newark-Union MD, WFB provides an adequate level of CD services. WFB employees provided a total of 563 hours of CD services. These hours represented 229 CD service activities that benefited 55 different organizations and amounted to slightly more than two hours of CD service activities per branch per year. Twenty-nine percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Newark-Union MD include the following:

- A WFB employee participates on the board of directors of a neighborhood based human services and CD agency founded by local residents in 1972. The goal of the organization is to "create a stable and compassionate community" by bringing together representatives of various local groups in an attempt to solve some of the neighborhood problems.
- A WFB employee provided technical assistance on financial education to an organization that benefits low income, unemployed residents and families in Newark and Greater Newark.

Washington-Arlington-Alexandria (District of Columbia-Virginia-Maryland) Multistate MSA Rating

CRA rating for the Multistate MSA: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: High Satisfactory

The Service Test is rated: High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its AA.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has a good level of qualified CD investment and grants within its AA.
- WFB's delivery systems are readily accessible to all portions of its AA.
- WFB provides a limited level of CD services within its AA.

Description of Institution's Operations in the Washington-Arlington-Alexandria MD

Of the bank's 54 state and multistate rating areas, Washington-Arlington-Alexandria MD ranks thirteenth and accounts for 2.3 percent of total bank deposits, or \$19 billion as of June 30, 2012. WFB has one defined AA in the Washington-Arlington-Alexandria MD, which includes all of the counties in the MD except for Jefferson County in West Virginia where the bank has no branches. Within the MD, WFB operates 134 branches. WFB is the third largest banking institution in the Washington-Arlington-Alexandria MD with 11.5 percent of the deposit market share. Primary competitors include Capital One, NA and Bank of America, NA with deposit market shares of 15 percent and 10.6 percent, respectively.

Because WFB's branches in the Washington-Arlington-Alexandria MD have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for this AA is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments, and services.

Refer to the market profile for the Washington-Arlington-Alexandria MD in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in Washington-Arlington-Alexandria MD is excellent.

WFB's lending activity in the Washington-Arlington-Alexandria MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, and refinance loans and small loans to businesses and farms is equal to or exceeds its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in Washington-Arlington-Alexandria MD is good.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

WFB's distribution of home purchase loans by income level of the geography in the Washington-Arlington-Alexandria MD is good. Its distribution of home purchase loans in low-income geographies exceeds the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is reasonably near the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to severe economic and demographic conditions discussed in the Washington-Arlington-Alexandria MD Market Profile, we determined that distribution of home purchase loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered excellent for moderate-income

geographies. WFB's distribution of home purchase loans by income level of the geography in the Washington-Arlington-Alexandria MD was revised and is now considered excellent as a result of these performance context factors.

WFB's distribution of home improvement loans by income level of the geography in the Washington-Arlington-Alexandria MD is good. Its distribution of home improvement loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is reasonably near the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies substantially meets its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Washington-Arlington-Alexandria MD is good. Its distribution of home refinance loans in low-income geographies is reasonably near the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies substantially meets its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

Small Loans to Businesses

Refer to Table 6 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

WFB's geographic distribution of small loans to businesses by income level of the geography in the Washington-Arlington-Alexandria MD is adequate. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is somewhat lower than its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies exceeds to its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

We did not assess geographic distribution of small loans to farms in the Washington-Arlington-Alexandria MD because the number of loans originated in the AAs was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AAs.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in the Washington-Arlington-Alexandria MD is good.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

WFB's borrower distribution of home purchase loans by income level of the borrower in the Washington-Arlington-Alexandria MD is good. Its distribution of loans to low-income borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Washington-Arlington-Alexandria MD is good. Its distribution of home improvement loans to low-income borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Washington-Arlington-Alexandria MD is adequate. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within

the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the Washington-Arlington-Alexandria MD Market Profile, we determined that distribution of home refinance loans compared to the percent of low- and moderate-income borrowers should be considered adequate for low-income and good for moderate-income borrowers. WFB's borrower distribution of home refinance loans by income level of the borrower in the Washington-Arlington-Alexandria MD was revised and is now considered good as a result of these performance context factors.

Small Loans to Businesses

Refer to Table 11 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Washington-Arlington-Alexandria MD is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

We did not assess borrower distribution of small loans to farms in the Washington-Arlington-Alexandria MD because the number of loans originated in the AAs was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AAs.

CD Lending

Refer to Table 1 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5

includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans. We considered the shorter evaluation period for the Washington-Arlington-Alexandria MD in our assessment of CD lending.

The volume and nature of the bank's CD lending had a significantly positive effect on performance in the Washington-Arlington-Alexandria MD. During the evaluation period, the bank originated 19 CD loans totaling \$189.7 million and equal to 8.82 percent of allocated Tier 1 Capital.

Sixty-eight percent of these loans were targeted to affordable housing, 11 percent to stabilization and revitalization efforts, 11 percent to community services, and 10 percent to economic development needs identified in the Washington-Arlington-Alexandria MD. Eleven percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Washington-Arlington-Alexandria MD include the following:

- In October 2011, WFB provided \$5.7 million in private placement bonds to be used to fund a construction loan. The loan will be used to renovate a 160-unit LIHTC affordable housing complex located in a low-income census tract in Washington, District of Columbia. All of the units are restricted to low- or moderate-income tenants.

INVESTMENT TEST

Refer to Table 14 in the "Multistate Metropolitan Areas" section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments. We considered the shorter evaluation period for the Washington-Arlington-Alexandria MD in our assessment of qualified investments.

WFB's Investment Test performance in Washington-Arlington-Alexandria MD is rated **High Satisfactory**.

We considered the shorter evaluation period for the Washington-Arlington-Alexandria MD when assessing WFB's performance in the AA. Performance context issues affecting the availability of CD investments throughout the state of Virginia had a significant impact on our assessment of CD investment performance. Please refer to the Washington-Arlington-Alexandria MD Market Profiles for more information.

During the evaluation period, the bank made 232 grants and qualified investments totaling \$57.9 million that are equal to 2.7 percent of allocated Tier 1 Capital. The total included 196 grants and contributions worth \$18.9 million. WFB has five ongoing qualified investments originated in prior periods that total \$25.5 million, are equal to 1.2 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing, economic development, community services, and revitalization and stabilization. Investments during the current evaluation period have created over 570 units of affordable housing in the Washington-Arlington-Alexandria MD.

Examples of significant investments made in the Washington-Arlington-Alexandria MD during the evaluation period include the following:

In December 2012, WFB invested \$250,000 in a nonprofit CDFI headquartered in Arlington, Virginia, and operating throughout the Washington DC metro area. Funds were used to capitalize the organization's Small Business Administration (SBA) 7(a) lending program. Launched in 2011 by the SBA, the Community Advantage Program is a pilot initiative aimed at increasing the number of SBA 7(a) lenders who reach underserved communities, targeting CDFI's which were previously not able to offer SBA 7(a) loans. The CDFI was created by a large non-profit social service provider agency whose specialty is to help resettle refugees and immigrants to the United States. The CDFI focuses specifically on providing financial resources and support services to refugee individuals, families, and small businesses in the Washington DC metro area

- In August 2011 and March 2012, WFB made two grants totaling \$9.4 million to NeighborWorks® America as part of WFB's NeighborhoodLIFT Down Payment Assistance Program and to fund NeighborWorks® America homeownership and foreclosure prevention activities in the DC area. NeighborWorks® America is the country's preeminent leader in affordable housing and CD. The organization works to create opportunities for lower-income people to live in affordable homes in safe, sustainable neighborhoods that are healthy places for families to grow.

SERVICE TEST

The bank's performance under the Service Test in the Washington-Arlington-Alexandria MD is rated **High Satisfactory**.

Retail Banking Services

Refer to Table 15 in the “Multistate Metropolitan Areas” section of Appendix D for the facts and data used to evaluate the distribution of the bank’s branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB’s distribution of branches in Washington-Arlington-Alexandria MD is excellent. Delivery systems are readily accessible to all. The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies. The percentage distribution of branches in moderate-income geographies is near to the population residing in these geographies and is excellent. However, when considering four middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in moderate-income geographies.

WFB’s ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB’s record of opening and closing branches in Washington-Arlington-Alexandria MD is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened one and closed four branches throughout the AA resulting in a net loss of one branch in a moderate-income geography and two branches in upper-income geographies during the evaluation period although the overall branch distribution after closings remained excellent.

Reasonableness of Business Hours and Services

WFB’s branch operating hours are good and do not vary in a way that inconveniences certain portions of Washington-Arlington-Alexandria MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income areas, 83 percent of branches located in those geographies maintained Saturday hours, compared to 76 percent of branches located in middle- and upper-income areas.

CD Services

WFB provided a poor level of CD services in the Washington-Arlington-Alexandria MD. WFB provides a limited level of CD services. WFB employees provided a total of 540 hours of CD services. These hours represented 166 CD service activities that benefited 46 different organizations, but amounted to less than one and a half hours per branch

per year. Less than three percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Washington-Arlington-Alexandria MD include the following:

- A WFB employee chaired the Development & Outreach Committee of a nonprofit micro lender that provides access to capital for small business in low- and moderate-income areas. The nonprofit is a CDFI dedicated to providing loans and technical assistance for community and economic development in the DC metropolitan area.

State of Arizona Rating

CRA Rating for the State:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Arizona AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Arizona AAs.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope Arizona AAs.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investment and grants within its full-scope Arizona AAs.
- WFB's delivery systems are accessible to essentially all portions of WFB's full-scope Arizona AAs.

Description of Institution's Operations in the State of Arizona

Of the bank's 54 state and multistate rating areas, Arizona ranks eleventh and accounts for 2.7 percent of total bank deposits, or \$22.9 billion as of June 30, 2012. WFB has nine defined AAs in Arizona, which include all of the fifteen counties in the state. Within the state, WFB operates 262 branches. WFB is the largest banking institution in Arizona with 26.5 percent of the deposit market share. Primary competitors include JP Morgan Chase Bank, NA and Bank of America, NA with deposit market shares of 25.3 percent and 18.8 percent, respectively.

Refer to the market profile for the Phoenix-Mesa-Glendale MSA and Tucson MSA in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Scope of Evaluation in the State of Arizona

Of WFB's nine AAs in Arizona, the Phoenix-Mesa-Glendale and Tucson MSAs were selected for full-scope review. These AAs accounts for 87.5 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Arizona is rated **Outstanding**. Based on full-scope reviews, the bank's performance in the Phoenix-Mesa-Glendale and Tucson MSAs is excellent.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in the Arizona full-scope AAs is excellent.

Phoenix-Mesa-Glendale MSA: WFB's lending activity in the Phoenix-Mesa-Glendale MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, and refinance loans and small loans to businesses and farms is equal to or exceeds its ranking or percentage market share of deposits.

Tucson MSA: WFB's lending activity in the Tucson MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, and refinance loans and small loans to businesses and farms is equal to or exceeds its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in the Arizona full-scope AAs is good. We revised our conclusions to reflect performance context factors identified in the Phoenix-Mesa-Glendale and Tucson MSAs. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Arizona section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Phoenix-Mesa-Glendale: WFB's distribution of home purchase loans by income level of the geography in the Phoenix-Mesa-Glendale MSA is adequate. Its distribution of home purchase loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of

home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to severe economic conditions affecting the AA and the level of demand for the product as evidenced by industry wide applications, we determined that distribution of home purchase loans compared to the percent of owner-occupied housing units in low-income geographies should be considered adequate in low-income geographies. WFB's distribution of home purchase loans by income level of the geography in the Phoenix-Mesa-Glendale MSA was revised and is now considered good as a result of these performance context factors.

WFB's distribution of home improvement loans by income level of the geography in the Phoenix-Mesa-Glendale MSA is poor. Its distribution of home improvement loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies exceeds its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Phoenix-Mesa-Glendale MSA is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to severe economic and demographic conditions discussed in the Phoenix-Mesa-Glendale MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate in low- and/or moderate-income geographies. WFB's distribution of home refinance loans by income level of the geography in the Phoenix-Mesa-Glendale MSA was revised and is now considered good as a result of these performance context factors.

Tucson MSA: WFB's distribution of home purchase loans by income level of the geography in the Tucson MSA is adequate. Its distribution of home purchase loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is lower than its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

WFB's distribution of home improvement loans by income level of the geography in the Tucson MSA is poor. Its distribution of home improvement loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies exceeds its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Tucson MSA is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is lower than its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

Small Loans to Businesses

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

Phoenix-Mesa-Glendale MSA: WFB's geographic distribution of small loans to businesses by income level of the geography in the Phoenix-Mesa-Glendale MSA is good. The bank's distribution of small loans to businesses in low-income geographies is reasonably near the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is somewhat lower than its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the

bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Tucson MSA: WFB's geographic distribution of small loans to businesses by income level of the geography in the Tucson MSA is good. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies exceeds the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies substantially meets its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the Arizona section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

Phoenix-Mesa-Glendale MSA: WFB's geographic distribution of small loans to farms by income level of the geography in the Phoenix-Mesa-Glendale MSA is good. The bank's distribution of small loans to farms in low-income geographies is significantly lower than the percent of farms in low-income geographies. Additionally, the bank's market share of small loans to farms in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to farms in moderate-income geographies exceeds the percent of farms in moderate-income geographies. Additionally, the bank's market share of small loans to farms in moderate-income geographies exceeds its overall market share of such loans in the AA.

Tucson MSA: WFB's geographic distribution of small loans to farms by income level of the geography in the Tucson MSA is adequate. The bank's distribution of small loans to farms in low-income geographies is significantly lower than the percent of farms in low-income geographies. Additionally, the bank's market share of small loans to farms in low-income geographies is significantly lower than its overall market share of such loans in the AA. The bank's distribution of small loans to farms in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to farms in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in the Arizona full-scope AAs is excellent. We revised our conclusions to reflect performance context factors identified

in the Phoenix-Mesa-Glendale and Tucson MSAs. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the Arizona section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Phoenix-Mesa-Glendale MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Phoenix-Mesa-Glendale MSA is excellent. Its distribution of loans to low-income borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers exceeds its overall market share.

When we assessed performance to low- and moderate-income borrowers relative to severe economic conditions affecting the AA and the level of demand for the product as evidenced by industry wide applications, we determined that the distribution of home purchase loans compared to the percent of low-income borrowers should be considered excellent. However, this did not affect the conclusion for this product in this category.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Phoenix-Mesa-Glendale MSA is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers substantially meets its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Phoenix-Mesa-Glendale MSA is adequate. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers substantially meets its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to extremely severe economic and demographic conditions discussed in the

Phoenix-Mesa-Glendale MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of low- and moderate-income borrowers should be considered adequate to low- and excellent to moderate-income borrowers. WFB's borrower distribution of home refinance loans by income level of the borrower in the Phoenix-Mesa-Glendale MSA was revised and is now considered good as a result of these performance context factors.

Tucson MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Tucson MSA is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Tucson MSA is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Tucson MSA is adequate. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the Tucson MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of low- and moderate-income borrowers should be considered adequate for low- and excellent for moderate-income borrowers. WFB's borrower distribution of home refinance loans by income level of the borrower in the Tucson MSA was revised and is now considered good as a result of these performance context factors.

Small Loans to Businesses

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

Phoenix-Mesa-Glendale MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Phoenix-Mesa-Glendale MSA is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Tucson MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Tucson MSA is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the Arizona section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

Phoenix-Mesa-Glendale MSA: WFB's distribution of small loans to farms based on the revenue size of the farm in the Phoenix-Mesa-Glendale MSA is adequate. WFB's percentage of small loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

Tucson MSA: WFB's distribution of small loans to farms based on the revenue size of the farm in the Tucson MSA is adequate. WFB's percentage of small loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

CD Lending

Refer to Table 1 in the Arizona section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic

lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a significantly positive effect on performance in Arizona full-scope AAs.

Phoenix-Mesa-Glendale MSA: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Phoenix-Mesa-Glendale MSA. During the evaluation period, the bank originated 81 CD loans totaling \$173.9 million and equal to 9.2 percent of allocated Tier 1 Capital.

Twenty percent of the CD loans addressed the identified need for affordable housing, 72 percent for community services, seven percent for economic development and one percent for stabilization and revitalization. Fourteen percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Phoenix-Mesa-Glendale MSA include the following:

- In August 2009, WFB provided a \$750,000 line of credit for the purpose of providing working capital to a nonprofit organization located in a moderate-income census tract in Mesa, Arizona. The borrower provides educational, therapeutic, rehabilitation and social services to children and adults with developmental, physical, and mental disabilities, the majority of who are low- or moderate-income. The organization's programs include behavioral health services, community living services and employment related services.
- In September 2012, WFB provided a \$1.1 million working capital line of credit to a nonprofit affordable housing developer located in a moderate-income census tract in Peoria, Arizona. This affordable housing nonprofit was formed in June 2008 to strengthen the community by providing homeownership opportunities for low-income working families through the use of donated materials, no or low interest mortgages, homeowner education/counseling, and volunteer partnerships within the community and with various organizations. The funds will be used for up-front home building and renovation costs.

Tucson MSA: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Tucson MSA. During the evaluation period, the bank originated 31 CD loans totaling \$49.1 million and equal to 12.8 percent of allocated Tier 1 Capital.

Sixteen percent of these loans were targeted to affordable housing, 55 percent to community services, and 29 percent to economic development needs identified in the Tucson MSA. Thirteen percent of WFB's CD loans were considered particularly

complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Tucson MSA include the following:

- In January 2012, WFB provided a \$4.6 million term loan for the purpose of refinancing bonds that were used for constructing a new facility for a nonprofit organization located in a low-income census tract in Tucson, Arizona and serving predominately low- and moderate-income clients. The nonprofit was formed in 1987 to build strong families and communities by helping Arizona youth and adults to cope effectively with the challenges of life. Principal activities consist of providing a full continuum of behavioral health care services, such as counseling, crisis intervention, and activities relating to the prevention of suicide.
- In January 2012, WFB renewed a \$1 million working capital line of credit to fund operations for a nonprofit organization, located in a low-income census tract in Tucson, Arizona and serving predominately low- and moderate-income clients. The nonprofit was formed in 1987 to build strong families and communities by helping Arizona youth and adults to cope effectively with the challenges of life. Principal activities consist of providing a full continuum of behavioral health care services, such as counseling, crisis intervention, and activities relating to the prevention of suicide.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Prescott MSA is not inconsistent with the bank's overall **Outstanding** performance under the Lending Test in Arizona. In the Flagstaff, Lake Havasu City-Kingman, and Yuma MSAs and the Eastern Arizona, Nogales-Douglas, and Western Arizona Non-Metropolitan AAs performance is weaker than the bank's overall **Outstanding** Lending Test performance in Arizona. Performance in the limited-scope AAs did not influence the Lending Test rating in Arizona.

Refer to the Tables 1 through 13 in the Arizona section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in Arizona is rated **Outstanding**. Based on full-scope reviews, the bank's performance in the Phoenix-Mesa-Glendale and Tucson MSAs is excellent.

In addition to the investments and grants made in the full- and limited-scope AAs, WFB made two grants totaling \$20,000 that benefited the entire state during the evaluation period. WFB has three ongoing qualified investments originated in prior periods that total \$5.2 million and provide continuing benefit to the entire state. The prior and current period statewide investments are less than one percent of allocated Tier 1 Capital allocated to the entire state. The effect on the overall state rating is minimal.

Conclusions for Areas Receiving Full-Scope Reviews

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

Phoenix-Mesa-Glendale MSA: WFB's Investment Test performance in the Phoenix-Mesa-Glendale MSA is excellent. During the evaluation period, the bank made 213 grants and qualified investments totaling \$91.8 million that are equal to 5 percent of allocated Tier 1 Capital. The total included 155 grants and contributions worth \$3.87 million. WFB has 38 ongoing qualified investments originated in prior periods that total \$51.3 million, are equal to 2.7 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing and community services. Investments during the current evaluation period have created over 248 units of affordable housing in the Phoenix-Mesa-Glendale MSA.

Examples of significant investments made in the Phoenix-Mesa-Glendale MSA during the evaluation period include the following:

- In November 2009, WFB invested \$12.6 million in a food bank. WFB's NMTC investment was used to expand operations, acquire a new building, and renovate existing facilities. The added capacity will allow St Mary's to expand their client base at a time when demand for the agency's services have grown dramatically due to the economic downturn.
- In October 2009, WFB invested \$300,000 in a CD Corporation (CDC). WFB's investment was used to provide additional funds for the CDC to expand its program into the City of Chandler. Use of funds included acquisition and rehabilitation, and the leveraging of Chandler's federal funding under the Neighborhood Stabilization Program. Through CDC's contract with the city, the organization expects to rehabilitate and sell 17 formerly foreclosed houses each year. The homes are sold to income-qualified borrowers through a community land trust program that maintains permanent home affordability.

Tucson MSA: WFB's Investment Test performance in the Tucson MSA is excellent. During the evaluation period, the bank made 22 grants and qualified investments totaling \$42.1 million that are equal to 11.3 percent of allocated Tier 1 Capital. The total included 19 grants and contributions worth \$212,500. WFB has eight ongoing qualified investments originated in prior periods that total \$2.8 million, are equal to 0.8 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing and revitalization and stabilization. Investments during the current evaluation period have created over 142 units of affordable housing in the Tucson MSA.

Examples of significant investments made in the Tucson MSA during the evaluation period include the following:

- In December 2011, WFB invested \$8.7 million in a tribal sponsored CD Corporation for a NMTC project located in Tucson, Arizona. The investment will be used to provide financing for an education center, a new 39,500 square foot center on the tribe's reservation. The site is adjacent to a recently constructed Head Start facility and is a key component of the tribe's master plan of developing the area into a comprehensive education complex.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Lake Havasu City-Kingman MSA and the Eastern Arizona Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance under the Investment Test in Arizona. The bank's performance in the Flagstaff, Prescott, and Yuma MSAs and Nogales-Douglas and Western Arizona Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance under the Investment Test for Arizona. Performance in the limited-scope AAs did not influence the Investment Test rating in Arizona.

Refer to Table 14 in the Arizona section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of Arizona is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance in the Phoenix-Mesa-Glendale MSA is adequate and in the Tucson MSA is excellent.

Retail Banking Services

Refer to Table 15 in the Arizona section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in Arizona full-scope AAs is good.

In the Phoenix-Mesa-Glendale MSA, WFB's distribution of branches is good. Delivery systems are accessible to essentially all portions of WFB's AA.

The percentage distribution of branches in low-income geographies is lower than the percentage of the population residing in these geographies and is poor. The percentage distribution of branches in moderate-income geographies is somewhat lower than the percentage of the population residing in these geographies and is adequate. However, when considering 27 middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low- and moderate-income geographies and is adequate and good respectively.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Tucson MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's AA.

The percentage distribution of branches in low-income geographies is somewhat lower than the percentage of the population residing in these geographies and is adequate. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent. However, when considering five middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low-income geographies and is good.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in Arizona full-scope AAs is adequate and has generally not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

WFB's record of opening and closing branches in the Phoenix-Mesa-Glendale MSA is adequate. WFB has generally not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened six and closed 20 branches throughout the AA resulting in a net loss of five branches in moderate-income geographies, five branches in middle-income geographies and 4 branches in upper-income geographies during the evaluation period. The majority of the closings were to consolidate redundant branches of the former Wachovia Bank branch network.

WFB's record of opening and closing branches in the Tucson MSA did not affect the accessibility of its delivery systems in a negative or positive way. During the evaluation period, WFB closed four branches throughout the AA resulting in a net loss of one branch in a middle-income geography and three branches in upper-income geographies during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of Arizona full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Phoenix-Mesa-Glendale MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 94 percent of branches located in those geographies maintained Saturday hours, compared to 96 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Tucson MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 87 percent of

branches located in those geographies maintained Saturday hours, compared to 96 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an excellent level of CD services in Arizona full-scope AAs.

In the Phoenix-Mesa-Glendale MSA, WFB is a leader in providing CD services. WFB employees provided a total of 3,979 hours of CD services. These hours represented 596 CD service activities that benefited 69 different organizations an amounted to almost five and a half CD service hours per branch per year. Thirty-seven percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Phoenix-Mesa-Glendale MSA include the following:

- A WFB employee is an active member of the board of directors of an affordable housing organization with a mission to help hard-working families realize the dream of financially stable homeownership by providing a full range of programs and services that encourage, create and support affordable homeownership.
- WFB employees provide many hours of financial education to schools and organizations that serve predominately low- and moderate-income individuals and families.

In the Tucson MSA, WFB is a leader in providing CD services. WFB employees provided a total of 1,076 hours of CD services. These hours represented 125 CD service activities that benefited 18 different organizations and amounted to more than six CD service hours per branch per year. Forty-two percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Tucson MSA include the following:

- A WFB employee is an active member of the board of directors of an organization that serves the needs of predominately low- and moderate-income children and families with more than 40 programs and services that focus on prevention, intervention and permanency to provide a permanent home that is safe and nurturing.
- WFB employees provide many hours of financial education to schools and organizations that serve predominately low- and moderate-income individuals and families.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Lake Havasu City-Kingman, AZ MSA is not inconsistent with the bank's overall **High Satisfactory** performance in Arizona. Performance under the Service Test in the Flagstaff, Prescott, and Yuma MSAs and Nogales-Douglas Non-Metropolitan AA is stronger than the bank's overall **High Satisfactory** performance in Arizona. Performance under the Service Test in the Western Arizona and Eastern Arizona Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in Arizona. Performance in limited-scope areas did not influence the Service Test performance in Arizona.

Refer to Table 15 in the Arizona section of Appendix D for the facts and data that support these conclusions.

State of California Rating

CRA Rating for California:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's Lending levels reflect excellent responsiveness to the credit needs of its full-scope California AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope California AAs.
- The distribution of WFB's borrower reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope California AAs.
- CD lending has a significantly positive impact on Lending Test performance.
- WFB has an excellent level of qualified CD investment and grants, often in a leadership position within WFB's full-scope California AAs.
- WFB's delivery systems are readily accessible to all portions of the it's full-scope California AAs.
- WFB's record of opening and closing branches and reasonableness of business hours within WFB's full-scope California AAs is good.

Description of Institution's Operations in the State of California

Of the bank's 54 state and multistate rating areas, California ranks first and accounts for \$184.1 billion or 21.7 percent of total bank deposits as of June 30, 2012. WFB has 32 defined AAs in California, which include 50 out of 58 counties in the state. Within the state, WFB operates 1,041 branches. WFB is the second largest banking institution in California with 19.3 percent of the deposit market share. Primary competitors include Bank of America, NA and JP Morgan Chase Bank with deposit market shares of 25.1 percent and 7.7 percent, respectively.

Scope of Evaluation in the State of California

Of WFB's 32 AAs in California, the Fresno and Riverside-San Bernardino-Ontario MSAs and the Los Angeles-Long Beach-Glendale, Oakland-Fremont-Hayward, San Francisco-San Mateo-Redwood City, and Santa Ana-Anaheim-Irvine MDs were selected for full-scope review. These MSAs and MDs account for 65.6 percent of the bank's state deposits and are the most significant AAs in the state.

Refer to the market profile for the Fresno and Riverside-San Bernardino-Ontario MSAs and the Los Angeles-Long Beach-Glendale, Oakland-Fremont-Hayward, San Francisco-San Mateo-Redwood City, and Santa Ana-Anaheim-Irvine MDs in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in California full-scope AAs is rated **Outstanding**. Based on full-scope reviews, the bank's performance in the Fresno and Riverside-San Bernardino-Ontario MSAs and the Los Angeles-Long Beach-Glendale, Oakland-Fremont-Hayward, San Francisco-San Mateo-Redwood City, and Santa Ana-Anaheim-Irvine MDs is excellent.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in California full-scope AAs is excellent.

Fresno MSA: WFB's lending activity in the Fresno MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to farms is equal to or exceeded its ranking or percentage market share of deposits and for small loans to businesses is reasonably near its ranking or percentage market share of deposits.

Los Angeles-Long Beach-Glendale MD: WFB's lending activity in the Los Angeles-Long Beach-Glendale MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

Oakland-Fremont-Hayward MD: WFB's lending activity in the Oakland-Fremont-Hayward MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

Riverside-San Bernardino-Ontario MSA: WFB's lending activity in the Riverside-San Bernardino-Ontario MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

San Francisco-San Mateo-Redwood City MD: WFB's lending activity in the San Francisco-San Mateo-Redwood City MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

Santa Ana-Anaheim-Irvine MD: WFB's lending activity in the Santa Ana-Anaheim-Irvine MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Distribution of loans by income level of the geography in California is good. We adjusted our conclusions to reflect performance context factors identified in the Fresno and Riverside-San Bernardino-Ontario MSAs and Los Angeles-Long Beach-Glendale, Oakland-Fremont-Hayward, San Francisco-San Mateo-Redwood City, and Santa Ana-Anaheim-Irvine MDs. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the California section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Fresno MSA: WFB's geographic distribution of home purchase loans by income level in the Fresno MSA is good. Its distribution of loans in low-income census tracts is somewhat lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home purchase loans in low-income census tracts exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income census tracts is somewhat lower than the percent of owner-occupied units in moderate-income census tracts. Its market share of home purchase loans in moderate-income census tracts exceeds its overall market share.

WFB's geographic distribution of home improvement loans by income level in the Fresno MSA is adequate. Its distribution of loans in low-income census tracts is somewhat lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home improvement loans in low-income census tracts is significantly lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income census tracts is lower than the percent of owner-occupied units in moderate-income census tracts. WFB's market share of home improvement loans in moderate-income census tracts exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Fresno MSA is poor. Its distribution of loans in low-income census tracts is significantly lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home refinance loans in low-income census tracts exceeds its overall market share. WFB's geographic distribution of home refinance loans in moderate-income census tracts is significantly lower than the percent of owner-occupied units in moderate-income census tracts. WFB's market share of home refinance loans in moderate-income census tracts exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to extremely severe economic and demographic conditions discussed in the Fresno MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's geographic distribution of home refinance loans by income level in the Fresno MSA was revised and is now considered good as a result of the performance context factor.

Los Angeles-Long Beach-Glendale MD: WFB's geographic distribution of home purchase loans by income level in the Los Angeles-Long Beach-Glendale MD is excellent. Its distribution of loans in low-income census tracts exceeds the percent of owner-occupied units in low-income census tracts. WFB's market share of home purchase loans in low-income census tracts is reasonably near to its overall market share. WFB's geographic distribution of home purchase loans in moderate-income census tracts exceeds the percent of owner-occupied units in moderate-income census tracts. Its market share of home purchase loans in moderate-income census tracts exceeds its overall market share.

WFB's geographic distribution of home improvement loans by income level in the Los Angeles-Long Beach-Glendale MD is adequate. Its distribution of loans in low-income census tracts is somewhat lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home improvement loans in low-income census tracts is reasonably near its overall market share. WFB's geographic distribution of home improvement loans in moderate-income census tracts is somewhat lower than the percent of owner-occupied units in moderate-income census tracts.

WFB's market share of home improvement loans in moderate-income census tracts exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Los Angeles-Long Beach-Glendale MD is poor. Its distribution of loans in low-income census tracts is significantly lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home refinance loans in low-income census tracts is reasonably near its overall market share. WFB's geographic distribution of home refinance loans in moderate-income census tracts is lower than the percent of owner-occupied units in moderate-income census tracts. WFB's market share of home refinance loans in moderate-income census tracts is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to severe economic and demographic conditions discussed in the Los Angeles-Long Beach-Glendale MD Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and/or moderate-income geographies should be considered poor in low-income geographies and adequate in moderate-income geographies. WFB's geographic distribution of home refinance loans by income level in the Los Angeles-Long Beach-Glendale MD was revised and is now considered adequate as a result of these performance contexts factor.

Oakland-Fremont-Hayward MD: WFB's geographic distribution of home purchase loans by income level in the Oakland-Fremont-Hayward MD is excellent. Its distribution of loans in low-income census tracts exceeds the percent of owner-occupied units in low-income census tracts. WFB's market share of home purchase loans in low-income census tracts is reasonably near its overall market share. WFB's geographic distribution of home purchase loans in moderate-income census tracts exceeds the percent of owner-occupied units in moderate-income census tracts. Its market share of home purchase loans in moderate-income census tracts is reasonably near its overall market share.

WFB's geographic distribution of home improvement loans by income level in the Oakland-Fremont-Hayward MD is good. Its distribution of loans in low-income census tracts is reasonably near the percent of owner-occupied units in low-income census tracts. WFB's market share of home improvement loans in low-income census tracts exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income census tracts is somewhat lower than the percent of owner-occupied units in moderate-income census tracts. WFB's market share of home improvement loans in moderate-income census tracts exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Oakland-Fremont-Hayward MD is poor. Its distribution of loans in low-income census tracts is

significantly lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home refinance loans in low-income census tracts is somewhat lower than its overall market share. WFB's geographic distribution of home refinance loans in moderate-income census tracts is lower than the percent of owner-occupied units in moderate-income census tracts. WFB's market share of home refinance loans in moderate-income census tracts exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to severe economic conditions affecting the AA and the level of demand for the product as evidenced by industry wide applications and economic and demographic conditions discussed in the Oakland-Fremont-Hayward MD Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate in low- and/or moderate-income geographies. WFB's geographic distribution of home refinance loans by income level in the Oakland-Fremont-Hayward MD was revised and is now considered good as a result of these performance context factors.

Riverside-San Bernardino-Ontario MSA: WFB's geographic distribution of home purchase loans by income level in the Riverside-San Bernardino-Ontario MSA is adequate. Its distribution of loans in low-income census tracts is somewhat lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home purchase loans in low-income census tracts exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income census tracts is reasonably near the percent of owner-occupied units in moderate-income census tracts. Its market share of home purchase loans in moderate-income census tracts is reasonably near its overall market share.

WFB's geographic distribution of home improvement loans by income level in the Riverside-San Bernardino-Ontario MSA is good. Its distribution of loans in low-income census tracts is reasonably near the percent of owner-occupied units in low-income census tracts. WFB's market share of home improvement loans in low-income census tracts exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income census tracts is somewhat lower than the percent of owner-occupied units in moderate-income census tracts. WFB's market share of home improvement loans in moderate-income census tracts exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Riverside-San Bernardino-Ontario MSA is poor. Its distribution of loans in low-income census tracts is significantly lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home refinance loans in low-income census tracts is reasonably near its overall market share. WFB's geographic distribution of home refinance loans in moderate-income census tracts is lower than the percent of

owner-occupied units in moderate-income census tracts. WFB's market share of home refinance loans in moderate-income census tracts exceeds its overall market share.

However, when we assessed performance in low- and/or moderate-income geographies relative to severe economic and demographic conditions discussed in the Riverside-San Bernardino-Ontario MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's geographic distribution of home refinance loans by income level in the Riverside-San Bernardino-Ontario MSA was revised and is now considered adequate as a result of these performance context factors.

San Francisco-San Mateo-Redwood City MD: WFB's geographic distribution of home purchase loans by income level in the San Francisco-San Mateo-Redwood City MD is excellent. Its distribution of loans in low-income census tracts exceeds the percent of owner-occupied units in low-income census tracts. WFB's market share of home purchase loans in low-income census tracts exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income census tracts exceeds the percent of owner-occupied units in moderate-income census tracts. Its market share of home purchase loans in moderate-income census tracts is reasonably near its overall market share.

WFB's geographic distribution of home improvement loans by income level in the San Francisco-San Mateo-Redwood City MD is good. Its distribution of loans in low-income census tracts is somewhat lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home improvement loans in low-income census tracts is reasonably near its overall market share. WFB's geographic distribution of home improvement loans in moderate-income census tracts approximates the percent of owner-occupied units in moderate-income census tracts. WFB's market share of home improvement loans in moderate-income census tracts exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the San Francisco-San Mateo-Redwood City MD is good. Its distribution of loans in low-income census tracts exceeds the percent of owner-occupied units in low-income census tracts. WFB's market share of home refinance loans in low-income census tracts is somewhat lower than its overall market share. WFB's geographic distribution of home refinance loans in moderate-income census tracts is somewhat lower than the percent of owner-occupied units in moderate-income census tracts. WFB's market share of home refinance loans in moderate-income census tracts is reasonably near its overall market share.

Santa Ana-Anaheim-Irvine MD: WFB's geographic distribution of home purchase loans by income level in the Santa Ana-Anaheim-Irvine MD is excellent. Its distribution of

loans in low-income census tracts is reasonably near the percent of owner-occupied units in low-income census tracts. WFB's market share of home purchase loans in low-income census tracts exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income census tracts exceeds the percent of owner-occupied units in moderate-income census tracts. Its market share of home purchase loans in moderate-income census tracts is reasonably near its overall market share.

WFB's geographic distribution of home improvement loans by income level in the Santa Ana-Anaheim-Irvine MD is adequate. Its distribution of loans in low-income census tracts is lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home improvement loans in low-income census tracts is lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income census tracts exceeds the percent of owner-occupied units in moderate-income census tracts. WFB's market share of home improvement loans in moderate-income census tracts exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Santa Ana-Anaheim-Irvine MD is poor. Its distribution of loans in low-income census tracts is significantly lower than the percent of owner-occupied units in low-income census tracts. WFB's market share of home refinance loans in low-income census tracts is equal to its overall market share. WFB's geographic distribution of home refinance loans in moderate-income census tracts is significantly lower than the percent of owner-occupied units in moderate-income census tracts. WFB's market share of home refinance loans in moderate-income census tracts is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to economic and demographic conditions discussed in the Santa Ana-Anaheim-Irvine MD Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate in low- and moderate-income geographies. WFB's geographic distribution of home refinance loans by income level in the Santa Ana-Anaheim-Irvine MD was revised and is now considered adequate as a result of these performance context factors.

Small Loans to Businesses

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

Fresno MSA: WFB's geographic distribution of small loans to businesses in the Fresno MSA is excellent. The bank's distribution of small loans to businesses in low-income

geographies exceeds the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Los Angeles-Long Beach-Glendale MD: WFB's geographic distribution of small loans to businesses in the Los Angeles-Long Beach-Glendale MD is adequate. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is somewhat lower than its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Oakland-Fremont-Hayward MD: WFB's geographic distribution of small loans to businesses in the Oakland-Fremont-Hayward MD is adequate. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Riverside-San Bernardino-Ontario MSA: WFB's geographic distribution of small loans to businesses in the Riverside-San Bernardino-Ontario MSA is good. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

San Francisco-San Mateo-Redwood City MD: WFB's geographic distribution of small loans to businesses in the San Francisco-San Mateo-Redwood City MD is good. The bank's distribution of small loans to businesses in low-income geographies is somewhat

lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is reasonably near its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies approximates the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Santa Ana-Anaheim-Irvine MD: WFB's geographic distribution of small loans to businesses in the Santa Ana-Anaheim-Irvine MD is excellent. The bank's distribution of small loans to businesses in low-income geographies approximates the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is equal to its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the California section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

Fresno MSA: WFB's geographic distribution of small loans to farms in the Fresno MSA is excellent. WFB's distribution of small loans to farms in low-income geographies exceeds the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies exceeds its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies approximates the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies exceeds its overall market share of such loans in the AA.

Los Angeles-Long Beach-Glendale MD: WFB's geographic distribution of small loans to farms in the Los Angeles-Long Beach-Glendale MD is adequate. WFB's distribution of small loans to farms in low-income geographies is somewhat lower than the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies is significantly lower than its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies is reasonably near the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Oakland-Fremont-Hayward MD: WFB's geographic distribution of small loans to farms in the Oakland-Fremont-Hayward MD is poor. WFB's distribution of small loans to farms in low-income geographies is significantly lower than the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies exceeds its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies is somewhat lower than the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies is somewhat lower than its overall market share of such loans in the AA.

Riverside-San Bernardino-Ontario MSA: WFB's geographic distribution of small loans to farms in the Riverside-San Bernardino-Ontario MSA is adequate. WFB's distribution of small loans to farms in low-income geographies is significantly lower than the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies is lower than its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies is reasonably near the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

San Francisco-San Mateo-Redwood City MD: WFB's geographic distribution of small loans to farms in the San Francisco-San Mateo-Redwood City MD is excellent. WFB's distribution of small loans to farms in low-income geographies exceeds the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies is reasonably near its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies exceeds the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies exceeds its overall market share of such loans in the AA.

Santa Ana-Anaheim-Irvine MD: WFB's geographic distribution of small loans to farms in the Santa Ana-Anaheim-Irvine MD is good. WFB's distribution of small loans to farms in low-income geographies exceeds the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies is reasonably near its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies is somewhat lower than the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies exceeds its overall market share of such loans in the AA.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in California full-scope AAs is good. We adjusted our conclusions to reflect performance context factors identified in the

Fresno and Riverside-San Bernardino-Ontario MSAs and Los Angeles-Long Beach-Glendale, Oakland-Fremont-Hayward, San Francisco-San Mateo-Redwood City, and Santa Ana-Anaheim-Irvine MDs. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the California section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Fresno MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Fresno MSA is good. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to extremely severe economic and demographic conditions discussed in the Fresno MSA Market Profile, we determined that distribution of home purchase loans compared to the percent of low- and moderate-income borrowers should be considered good for low-income borrowers and excellent for moderate-income borrowers. WFB's borrower distribution of home purchase loans by income level of the borrower in the Fresno MSA was revised and is now considered excellent as a result of these performance context factors.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Fresno MSA is poor. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is significantly lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers is lower than its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Fresno MSA is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA.

WFB's market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to extremely severe economic and demographic conditions discussed in the Fresno MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of low- and moderate-income borrowers should be considered adequate for low- and moderate-income borrowers. WFB's borrower distribution of home refinance loans by income level of the borrower in the Fresno MSA was revised and is now considered adequate as a result of these performance context factors.

Los Angeles-Long Beach-Glendale MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the Los Angeles-Long Beach-Glendale MD is adequate. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to extremely severe economic and demographic conditions discussed in the Los Angeles-Long Beach-Glendale MD Market Profile, we determined that distribution of home purchase loans compared to the percent of low- and moderate-income borrowers should be considered adequate for low-income borrowers and excellent for moderate-income borrowers. WFB's borrower distribution of home purchase loans by income level of the borrower in the Los Angeles-Long Beach-Glendale MD was revised and is now considered good as a result of these performance context factors.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Los Angeles-Long Beach-Glendale MD is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Los Angeles-Long Beach-Glendale MD is very poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is lower than its overall market share. WFB's borrower distribution of home refinance loans to

moderate-income borrowers is significantly lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is somewhat lower than its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the Los Angeles-Long Beach-Glendale MD Market Profile, we determined that distribution of home refinance loans compared to the percent of low- and moderate-income borrowers should be considered poor for low-income and adequate for moderate-income borrowers. WFB's borrower distribution of home refinance loans by income level of the borrower in the Los Angeles-Long Beach-Glendale MD was revised and is now considered poor as a result of these performance context factors.

Oakland-Fremont-Hayward MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the Oakland-Fremont-Hayward MD is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Oakland-Fremont-Hayward MD is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers is reasonably near the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Oakland-Fremont-Hayward MD is poor. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the Oakland-Fremont-Hayward MD Market Profile, we determined that distribution of home refinance loans compared to the percent of moderate-income borrowers should be considered adequate for moderate-income borrowers. WFB's borrower distribution of home

refinance loans by income level of the borrower in the Oakland-Fremont-Hayward MD was revised and is now considered adequate as a result of these performance context factors

Riverside-San Bernardino-Ontario MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Riverside-San Bernardino-Ontario MSA is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Riverside-San Bernardino-Ontario MSA is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Riverside-San Bernardino-Ontario MSA is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers exceeds its overall market share.

San Francisco-San Mateo-Redwood City MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the San Francisco-San Mateo-Redwood City MD is adequate. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the San

Francisco-San Mateo-Redwood City MD Market Profile, we determined that distribution of home purchase loans compared to the percent of low- and moderate-income borrowers should be considered adequate for low-income and good for moderate-income borrowers. WFB's borrower distribution of home purchase loans by income level of the borrower in the San Francisco-San Mateo-Redwood City MD was revised and is now considered good as a result of these performance context factors.

WFB's borrower distribution of home improvement loans by income level of the borrower in the San Francisco-San Mateo-Redwood City MD is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the San Francisco-San Mateo-Redwood City MD is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is somewhat lower than its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the San Francisco-San Mateo-Redwood City MD Market Profile, we determined that distribution of home refinance loans compared to the percent of low- and moderate-income borrowers should be considered poor for low-income and adequate for moderate-income borrowers. WFB's borrower distribution of home refinance loans by income level of the borrower in the San Francisco-San Mateo-Redwood City MD was revised and is now considered adequate as a result of these performance context factors.

Santa Ana-Anaheim-Irvine MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the Santa Ana-Anaheim-Irvine MD is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers is reasonably near the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the Santa Ana-Anaheim-Irvine MD Market Profile, we determined that distribution of home purchase loans compared to the percent of low- and moderate-income borrowers should be considered adequate for low-income borrowers and excellent for moderate-income borrowers. WFB's borrower distribution of home purchase loans by income level of the borrower in the Santa Ana-Anaheim-Irvine MD was revised and is now considered good as a result of these performance context factors.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Santa Ana-Anaheim-Irvine MD is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Santa Ana-Anaheim-Irvine MD is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

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

Fresno MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Fresno MSA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Los Angeles-Long Beach-Glendale MD: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Los Angeles-Long Beach-Glendale MD is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the

AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Oakland-Fremont-Hayward MD: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Oakland-Fremont-Hayward MD is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Riverside-San Bernardino-Ontario MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Riverside-San Bernardino-Ontario MSA is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

San Francisco-San Mateo-Redwood City MD: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the San Francisco-San Mateo-Redwood City MD is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Santa Ana-Anaheim-Irvine MD: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Santa Ana-Anaheim-Irvine MD is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the California section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

Fresno MSA: WFB's distribution of small loans to farms based on the revenue size of the farms in the Fresno MSA is good. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

Los Angeles-Long Beach-Glendale MD: WFB's distribution of small loans to farms based on the revenue size of the farms in the Los Angeles-Long Beach-Glendale MD is adequate. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less is lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

Oakland-Fremont-Hayward MD: WFB's distribution of small loans to farms based on the revenue size of the farms in the Oakland-Fremont-Hayward MD is good. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

Riverside-San Bernardino-Ontario MSA: WFB's distribution of small loans to farms based on the revenue size of the farms in Riverside-San Bernardino-Ontario MSA is good. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

San Francisco-San Mateo-Redwood City MD: WFB's distribution of small loans to farms based on the revenue size of the farms in the San Francisco-San Mateo-Redwood City MD is good. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

Santa Ana-Anaheim-Irvine MD: WFB's distribution of small loans to farms based on the revenue size of the farms in the Santa Ana-Anaheim-Irvine MD is adequate. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

CD Lending

Refer to Table 1 in the California section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a significantly positive effect on lending performance in California full-scope AAs. Performance context issues affecting the availability of CD loans throughout the state of California had a significant impact on our assessment of CD lending performance. Please refer to the California full-scope AAs Market Profiles for more information.

California Statewide: The volume and nature of WFB's CD lending to organizations that serve the entire state had a neutral effect on Lending Test performance in California. During the evaluation period, the bank originated five CD loans totaling \$123 million and equal to 0.5 percent of allocated Tier 1 Capital allocated to the entire state of California.

Fresno MSA: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Fresno MSA. During the evaluation period, the bank originated seven CD loans totaling \$44.7 million and equal to 16 percent of allocated Tier 1 Capital.

Twenty-nine percent of these loans were targeted to affordable housing, 14 percent to community services, and 57 percent to neighborhood stabilization and revitalization efforts in the Fresno MSA.

Highlights of WFB's CD lending that benefited the Fresno MSA include the following:

- In March 2011, WFB provided an extension on a \$10.3 million loan for the purpose of constructing an affordable housing development and retail space located in a Redevelopment Zone in a low-income census tract of Fresno, California. This limited liability company is formed specifically for this project, and is affiliated with an organization that has been building homes in the area since the 1970's. This particular development is recognized as a key component of the Fulton Redevelopment Project Area plan.
- In January 2009, WFB provided a \$500,000 line of credit for the purpose of providing working capital to a nonprofit organization located in Fresno, California. This Fresno nonprofit organization is committed to empowering Californians to achieve optimal health and thereby improving their quality of life. This is accomplished by serving the needs of individuals with limited access to healthcare resources and who most often confront barriers related to culture, language, immigration status, income, gender, geography, and/or education.

Los Angeles-Long Beach-Glendale MD: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Los Angeles-Long Beach-Glendale MD. During the evaluation period, the bank originated 142 CD loans totaling \$711 million and equal to 15.63 percent of allocated Tier 1 Capital.

Thirty percent of these loans were targeted to affordable housing, 4 percent to stabilization and revitalization efforts, 17 percent to community services, and 49 percent to economic development needs identified in the Angeles-Long Beach-Glendale MD. Eleven percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Los Angeles-Long Beach-Glendale MD include the following:

- In September 2012, WFB provided a \$40 million loan for the purpose of constructing a retail development located within a moderate-income census tract in South Gate, California. The borrower is a joint venture formed specifically for the purpose of developing and managing the subject property, consisting of 22.82 acres of land to be developed into 227,000 square feet of retail space located within a moderate-income census tract in South Gate, California. The property is located within the City of South Gate's Enterprise Zone, a targeted location within the City established in an effort to boost the creation of new jobs and to encourage business investment. The area has also been identified as a targeted employment area and is an integral part of the City's redevelopment plan. This loan is being provided in combination with a NMTC investment.
- In October 2008, WFB provided a \$2.25 million term loan to a nonprofit providing affordable housing and a broad range of services to predominantly Asian and Pacific Islander clients in the Little Tokyo area of Los Angeles. The loan funded the development of a 27-unit housing development for emancipated foster youth earning between 30 percent and 50 percent of AMI. WFB, in partnership with the organization and other groups, will provide the area's youths a broad range of services at the Center. Additionally, in 2009 WFB renewed a \$200,000 EQ2 for affordable housing acquisition and predevelopment costs. WFB has also provided grants to support the organizations programs.

Oakland-Fremont-Hayward MD: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Oakland-Fremont-Hayward MD. During the evaluation period, the bank originated 80 CD loans totaling 274.6 million and equal to 13.7 percent of allocated Tier 1 Capital.

Thirty-eight percent of the loans were targeted to affordable housing, 42 percent to community services, and 20 percent to economic development needs of the Oakland-Fremont-Hayward MD. Twenty-one percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Oakland-Fremont-Hayward MD include the following:

- In May 2010, WFB renewed a \$3.5 million line of credit for the purpose of providing working capital to a nonprofit organization located in a moderate-income census tract in Hayward, California. Founded in 1968 to meet the specific needs of low-income people, this organization is one of the oldest and most productive nonprofit affordable housing developers in California. Their mission is to build and maintain high-quality, well-managed, service-enhanced affordable housing communities that meet the needs of very low-, low- and moderate-income families, seniors and persons with disabilities.
- In May 2010, WFB provided a \$6 million term loan for the purpose of financing the acquisition of a facility for a nonprofit organization located in Pleasant Hill, California. The borrower is a community service organization providing values-based experiences for low- and moderate-income households through programs that nurture the healthy development of children and teens, support families and strengthens communities. Services include childcare, Head Start, parent-child programs, youth educational/college preparatory programs and family resources.

Riverside-San Bernardino-Ontario MSA: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Riverside-San Bernardino-Ontario MSA. During the evaluation period, the bank originated 30 CD loans totaling \$139 million and equal to 17.92 percent of allocated Tier 1 Capital.

Fifty-three percent of these loans were targeted to affordable housing, 10 percent to community services, and 37 percent to economic development needs identified in the Riverside-San Bernardino-Ontario MSA. Twenty-seven percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Riverside-San Bernardino-Ontario MSA include the following:

- In December 2010, WFB renewed a \$1 million line of credit for the purpose of providing working capital to a non-profit organization located in Palm Springs, California. The nonprofit provides low cost medical care and comprehensive support services primarily to low-income people living with HIV/AIDS in the desert community. Free, confidential, rapid-result HIV testing is available, as well as counseling, home health services, legal assistance and assistance with housing, medications, food, re-employment and more.
- In February 2010, WFB provided a \$6.2 million loan for the purpose of providing construction financing for a 60-unit LIHTC apartment project located in a moderate-income census tract in Cathedral City, California. The apartments will be affordable

to low- and moderate-income households. The loan is to an affiliate of a non-profit organization committed to transforming communities through high quality affordable housing, family and senior services, and long-term ownership and management.

San Francisco-San Mateo-Redwood City MD: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the San Francisco-San Mateo-Redwood City MD. During the evaluation period, the bank originated 65 CD loans totaling \$301.5 million and equal to 7.3 percent of allocated Tier 1 Capital.

Thirty-one percent of these loans were targeted to affordable housing, 51 percent to community services, and 18 percent to economic development needs identified in the San Francisco-San Mateo-Redwood City MD. Thirty-six percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the San Francisco-San Mateo-Redwood City MD include the following:

- In March 2011, WFB provided a \$15.9 million loan for the purpose of providing construction financing to acquire and rehabilitate a historic building located in a low-income area of San Francisco, California. This limited partnership is a joint effort between two organizations that share the vision of renovating this historic structure and providing housing and services for veterans who are homeless or are at-risk of becoming homeless; with this project consisting of 76 affordable apartments with rents restricted up to 50 percent median family income. One of the organizations is focused on low- and moderate-income geographies and has a mission to build community and enhance the quality of life for San Francisco residents. The other organization's mission is to heal the wounds, to restore dignity, hope, and self-sufficiency to all veterans in need, and to significantly reduce homelessness and poverty among veterans.
- In April 2011, WFB renewed a \$400,000 line of credit for the purpose of providing working capital to a non-profit located in a low-income census tract in San Francisco, California. The nonprofit operates four programs that serve the homeless and very low-income. They provide housing education and employment services to more than 3,000 parents and children each year.

Santa Ana-Anaheim-Irvine MD: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Santa Ana-Anaheim-Irvine MD. During the evaluation period, the bank originated 49 CD loans totaling \$223 million and equal to 11.7 percent of allocated Tier 1 Capital.

Twenty-seven percent of these loans were targeted to affordable housing, 4 percent to community services, and 69 percent to economic development needs identified in for the Santa Ana-Anaheim-Irvine MD. Six percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Santa Ana-Anaheim-Irvine MD include the following:

- In May 2009, WFB provided a \$21.8 million loan for the purpose of providing construction financing for a 72-unit affordable LIHTC development located in a moderate-income census tract in Anaheim, California. This limited partnership is an affiliate of an organization whose mission is to promote the creation, preservation and/or rehabilitation of affordable housing for low- and moderate-income households and the elderly. The organization focuses not only on supplying affordable housing, but also on combating community blight and deterioration. The units, half of which consist of two- and three-bedroom units, will be restricted to tenants earning between 30 percent and 60 percent of the area's median family income.
- In December 2011, WFB provided a \$3.7 million line of credit for the purpose of funding predevelopment costs associated with a 76-unit affordable housing complex in San Clemente, California for seniors. The borrower is a real estate development company that develops both new construction and acquisition/rehabilitation projects in Southern California, specializing in LIHTC affordable housing projects. Twenty-nine of the units will be restricted to tenants earning 30 percent or somewhat lower than of the area's median family income and 46 of the units will be restricted to tenants earning 50 percent or somewhat lower than of the area's median family income.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Chico, Hanford-Corcoran, Merced, Modesto, Oxnard-Thousand Oaks-Ventura, Redding, Sacramento--Arden-Arcade--Roseville, Salinas, San Luis Obispo-Paso Robles, Santa Cruz-Watsonville, Santa Rosa-Petaluma, Stockton, Vallejo-Fairfield, Visalia-Porterville and Yuba City MSAs is not inconsistent with the WFB's overall **Outstanding** performance under the Lending Test in California. In the Bakersfield-Delano, Madera-Chowchilla, Napa, San Diego-Carlsbad-San Marcos, San Jose-Sunnyvale-Santa Clara, Santa Barbara-Santa Maria-Goleta, and El Centro MSAs and the Central, Northern and Eastern California and Truckee-Grass Valley Non-Metropolitan AAs the bank's performance is weaker than the bank's overall **Outstanding** performance under the Lending Test in California. Performance in the limited-scope AAs did not influence the Lending Test rating in California. Refer to the

Tables 1 through 13 in the California section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in California is rated **Outstanding**. Based on full-scope reviews, the bank's performance is excellent in the Fresno and Riverside-San Bernardino-Ontario MSAs and the Los Angeles-Long Beach-Glendale, Oakland-Fremont-Hayward, Santa Ana-Anaheim-Irvine and San Francisco-San Mateo-Redwood City MDs.

We also considered performance context factors affecting the level of CD investment opportunities during the evaluation period. Conclusions regarding the level of investment and grant activity took into consideration the significant reduction in CD investment opportunities in the state of California during the evaluation period due to the recession and budget shortfalls at the state and local levels. Please refer to the California full-scope AA Market Profiles for more information.

In addition to the investments and grants made in the full- and limited-scope AAs, WFB made seven grants and investments totaling \$83.3 million that benefited the entire state during the evaluation period. WFB has 17 ongoing qualified investments originated in prior periods that total \$31.2 million and provide continuing benefit to the entire state. The current and prior period statewide investments are equal to 0.4 percent and 0.2 percent of allocated Tier 1 Capital allocated to the entire state respectively. The effect on the overall state rating was minimal.

Conclusions for Areas Receiving Full-Scope Reviews

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

Fresno MSA: WFB's Investment Test performance in the Fresno MSA is excellent. During the evaluation period, the bank made 80 grants and qualified investments totaling \$22.8 million that are equal to eight percent of allocated Tier 1 Capital. The total included 77 grants and contributions worth \$2.2 million. WFB has ongoing qualified investments originated in prior periods that total \$2.1 million that are equal to 0.7 percent of allocated Tier 1 Capital and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address a number of identified needs, notably affordable housing and economic development. Investments during the current evaluation periods have created over 215 units of affordable housing in the Fresno MSA.

Examples of significant investments made in the Fresno MSA during the evaluation period include:

- In September 2011, WFB invested \$250,000 in the Fresno CD Financial Institution. The proceeds of this investment were used to fund their small business lending pool. Fresno CDFI provides a variety of financial products to meet the needs of low-income and socially disadvantaged entrepreneurs who are not served by traditional lending agencies.
- In August 2010, WFB invested \$1 million in the Fresno Regional Foundation (FRF). This investment represents the first of its kind, and will act as a pilot program through which FRF will use the strength of its balance sheet to increase the number of dollars available for small business lending in several California communities that have been severely impacted by the recession. Specifically, FRF will relend WFB's investment directly to the Valley Small Business Development Center, which will use the funds to provide small business loans.

Los Angeles-Long Beach-Glendale MD: WFB's Investment Test performance in the Los Angeles-Long Beach-Glendale MD is excellent. During the evaluation period, the bank made 379 grants and qualified investments totaling \$322.5 million that are equal to seven percent of allocated Tier 1 Capital. The total included 29 grants and contributions worth \$14.5. WFB has 78 ongoing qualified investments originated in prior periods that total \$121.6 million that are equal to 2.6 percent of allocated Tier 1 Capital and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address a number of identified needs, notably affordable housing and revitalization and stabilization. Investments during the current evaluation periods have created over 3,545 units of affordable housing in the Los Angeles-Long Beach-Glendale MD.

Examples of significant investments made in the Los Angeles-Long Beach-Glendale MD during the evaluation period include:

- In September 2012, WFB invested \$30 million in a NMTC project located in a moderate-income census tract in the AA. The investment will be used for the construction and development of a large box retail center anchored by a Wal-Mart store. The unemployment rate in this area is 15 percent, more than 1.5 times the national average. The Project is anticipated to generate 661 permanent jobs.
- In October 2009, WFB invested \$400,000 through an EQ2 in a non-profit affordable housing developer. WFB's investment is used for predevelopment and land

acquisition related to affordable housing construction projects throughout Los Angeles County.

Oakland-Fremont-Hayward MD: WFB's Investment Test performance in the Oakland-Fremont-Hayward MD is excellent. During the evaluation period, the bank made 299 grants and qualified investments totaling \$113.9 million that are equal to 5.7 percent of allocated Tier 1 Capital. The total included 23 grants and contributions worth \$715,000. WFB has 36 ongoing qualified investments originated in prior periods that total \$50.2 million that are equal to 2.5 percent of allocated Tier 1 Capital and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address a number of identified needs, notably affordable housing and economic development. Investments during the current evaluation periods have created over 1,618 units of affordable housing in the Oakland-Fremont-Hayward MD.

Examples of significant investments made in the Oakland-Fremont-Hayward MD during the evaluation period include:

- In November 2008, WFB invested \$1.5 million in a start-up business located in Oakland, California that will serve as an outsourcing, placement, training, and employment center for people with disabilities. Most of the clients served are low- and moderate-income individuals that face difficulties finding gainful employment. WFB's investment is used to help capitalize the start-up company. WFB showed leadership by being the only institutional equity investor in the company.
- In November 2009, WFB invested \$500,000 in a foundation, based in Richmond, California, that provides academic coaching and teaching to low-income children in San Francisco and Richmond. WFB's investment is used to bridge funds from the organization's capital campaign that is funding the purchase and rehabilitation of an additional building for the foundation charter school.

Riverside-San Bernardino-Ontario MSA: WFB's Investment Test performance in the Riverside-San Bernardino-Ontario MSA is excellent. During the evaluation period, the bank made 139 grants and qualified investments totaling \$77.5 million that are equal to almost ten percent of allocated Tier 1 Capital. The total included 125 grants and contributions worth \$2.4 million. WFB has 17 ongoing qualified investments originated in prior periods that total \$36.4 million that are equal to 4.6 percent of allocated Tier 1 Capital and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for

affordable housing. Investments during the current evaluation periods have created over 1,268 units of affordable housing in the Riverside-San Bernardino-Ontario MSA.

Examples of significant investments made in the Riverside-San Bernardino-Ontario MSA during the evaluation period are:

- In September 2011, WFB invested \$1.25 million in a nonprofit housing development corporation located in Indio, California. One million dollars of the investment is used to provide general operating funds for the non-profit's affordable housing development efforts and \$250,000 is used for the development of the Las Vegas Road Apartments, a 57-unit multifamily affordable housing project for low-income residents in Palm Springs, California.
- In December 2012, WFB invested \$13.8 million in Ivy at College Park Family Apartments, an affordable housing project in Chino, California. The funds will be used for the construction of a 135-unit complex, consisting of one, two and three-bedroom units restricted to low- and moderate-income families.

San Francisco-San Mateo-Redwood City MD: WFB's Investment Test performance in the San Francisco-San Mateo-Redwood City MD is good. During the evaluation period, the bank made 449 grants and qualified investments totaling \$124.5 million that are equal to three percent of allocated Tier 1 Capital. The total included 403 grants and contributions worth \$9.6 million. WFB has 35 ongoing qualified investments originated in prior periods that total 48 million and are equal to one percent of allocated Tier 1 Capital. These prior period investments provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address a number of identified needs, notably economic development and affordable housing. Investments during the current evaluation periods have created over 1,052 units of affordable housing in the San Francisco-San Mateo-Redwood City MD.

Examples of significant investments made in the San Francisco-San Mateo-Redwood City MD during the evaluation period are:

- In March 2011, WFB invested \$20.6 million in Veterans Commons, a historic rehabilitation of a 76-unit apartment building that is located in the South of Market neighborhood of San Francisco, California. The units are restricted to low- and moderate-income special needs and homeless tenants. The bank collaborated with an area CD organization where a WFB employee serves on the board of directors.
- In June 2010, WFB invested \$500,000 through an EQ2 in two affiliate non-profit organizations based in Novato, California. The organizations provide consulting and financing to affordable housing developers and mortgage assistance to low- and

moderate-income homebuyers and act as a permanent development partner that acquires and holds donated land, and develops affordable housing projects. WFB's investment is used for acquisition, rehabilitation, and resale of foreclosed properties in Marin County to low- and moderate-income homebuyers with income up to 65 percent of the area median income.

Santa Ana-Anaheim-Irvine MD: WFB's Investment Test performance in the Santa Ana-Anaheim-Irvine MD is excellent. During the evaluation period, the bank made 316 grants and qualified investments totaling \$88.6 million that are equal to 4.6 percent of allocated Tier 1 Capital. The total included 266 grants and contributions worth \$4.8 million. WFB has 13 ongoing qualified investments originated in prior periods that total \$18.3 million, are equal to one percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address a number of identified needs, notably affordable housing, predominately through mortgage backed securities, and community services. Investments during the current evaluation periods have created over 779 units of affordable housing in the Santa Ana-Anaheim-Irvine MD.

Examples of significant investments made in the Santa Ana-Anaheim-Irvine MD during the evaluation period are:

- In February 2010, WFB invested \$1.5 million through an EQ2 in a nonprofit CD Financial Institution dedicated to transforming declining neighborhoods. The institution offers services that assist first-time low- and moderate-income homebuyers with down payment and closing cost assistance as well as flexible qualification requirements. WFB's funds will be used to help stabilize at-risk neighborhoods where residential properties are in distress due to pending foreclosure or have been vacated and boarded up after foreclosure.
- In February 2009, WFB invested \$3.6 million in a CD Financial Institution based in Lake Forest, California that supports non-traditional lending needs in underserved communities of California. WFB's investment is used to replace an existing bank investor that was forced to surrender its FDIC charter and sell the majority of its assets to a successor bank.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Bakersfield-Delano, Chico, Hanford-Corcoran, Madera-Chowchilla, Merced, Modesto, Oxnard-Thousand Oaks-Ventura, Sacramento--Arden-Arcade--Roseville, Salinas, San Diego-Carlsbad-San Marcos, Santa Cruz-Watsonville, Santa Rosa-Petaluma, Vallejo-Fairfield, and Visalia-Porterville MSAs and Northern California Non-

Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance under the Investment Test in California. The bank's performance in the El Centro, Yuba City, Napa, San Jose-Sunnyvale-Santa Clara, Redding, San Luis Obispo-Paso Robles, Santa Barbara-Santa Maria-Goleta, and Stockton MSAs and Truckee-Grass Valley, Central California, and Eastern California Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance under the Investment Test for California. Performance in the limited-scope AAs did not influence the Investment Test rating in California. Refer to Table 14 in the California section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in California is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance is excellent in the Los Angeles-Long Beach-Glendale MD and is good in the Fresno and Riverside-San Bernardino-Ontario MSAs and the Oakland-Fremont-Hayward, San Francisco-San Mateo-Redwood City, and Santa Ana-Anaheim-Irvine MDs.

Retail Banking Services

Refer to Table 15 in the California section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in California full-scope AAs is excellent.

In the Fresno MSA, WFB's distribution of branches is good. Delivery systems are accessible to essentially all portions of its AA.

The percentage distribution of branches in low- and moderate-income geographies is somewhat lower than the percentage of the population residing in these geographies and is adequate.

When considering four middle- and upper-income branch locations that are in close proximity to moderate-income geographies, accessibility improves in moderate-income geographies and is excellent. However, overall distribution of branches remained good.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Los Angeles-Long Beach-Glendale MD, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of its AA.

The percentage distribution of branches in low-income geographies is near to the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is reasonably near to the percentage of the population residing in these geographies and is good.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA. When considering the alternate delivery system, overall branch distribution is considered excellent.

In the Oakland-Fremont-Hayward MD, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of its AA.

The percentage distribution of branches in low- and moderate-income geographies is near to the percentage of the population residing in these geographies and is good. However, when considering 14 middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low- and moderate-income geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Riverside-San Bernardino-Ontario MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's AA.

The percentage distribution of branches in low-income geographies approximates the percentage of population residing in those geographies and is excellent. The percentage distribution of branches in moderate-income geographies is near to the percentage of population residing in those geographies and is good. However, when considering 13 middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in moderate-income geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the San Francisco-San Mateo-Redwood City MD, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's AA.

The percentage distribution of branches in low- and moderate-income geographies exceeds the percentage of the population residing in low-income geographies and is somewhat lower than the percentage of the population residing in the moderate income geographies and is considered excellent and adequate respectively. However, when considering five middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in moderate-income geographies and is good. Overall branch distribution improves and is now considered excellent.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Santa Ana-Anaheim-Irvine MD, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's AA.

The percentage distribution of branches in low- and moderate-income geographies is somewhat lower than the percentage of population residing in low-income geographies and is near to the percentage of population residing in moderate-income geographies. Performance in these geographies is considered adequate and good respectively. However, when considering 14 middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low- and moderate-income geographies and is good and excellent respectively.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in California full-scope AAs is good. WFB has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

WFB's record of opening and closing branches in the Fresno MSA did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB closed one branch throughout the AA resulting in a net loss of one branch in an upper-income geography during the evaluation period.

WFB's record of opening and closing branches in the Los Angeles-Long Beach-Glendale MD is excellent. WFB has improved the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened 19 and closed 32 branches throughout the AA resulting in a net gain of one branch in a moderate-income

geography and net loss of 14 branches in upper-income geographies during the evaluation period.

WFB's record of opening and closing branches in the Oakland-Fremont-Hayward MD is adequate. WFB has generally not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened three and closed 14 branches throughout the AA resulting in a net loss of one branch in a moderate-income geography, seven branches in middle-income geographies, and three branches in upper-income geographies.

WFB's record of opening and closing branches in the Riverside-San Bernardino-Ontario MSA is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened six and closed 20 branches throughout the AA resulting in a net loss of one branch in a low-income geography, four branches in moderate-income geographies, five branches in middle-income geographies, and four branches in upper-income geographies. The majority of the closings were to consolidate redundant branches of the former Wachovia Bank branch network.

WFB's record of opening and closing branches in the San Francisco-San Mateo-Redwood City MD is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened three and closed 19 branches throughout the AA resulting in a net loss of three branches in low-income geographies, one branch in a moderate-income geography, five branches in middle-income geographies, and one branch in an upper-income geography. The majority of the closings were to consolidate redundant branches of the former Wachovia Bank branch network.

WFB's record of opening and closing branches in the Santa Ana-Anaheim-Irvine MD is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened four and closed 29 branches throughout the AA resulting in a net loss of one branch in a low-income geography, three branches in moderate-income geographies, nine branches in middle-income geographies, and twelve branches in upper-income geographies. The majority of the closings were to consolidate redundant branches of the former Wachovia Bank branch network.

Reasonableness of Business Hours and Services

WFB's branch hours and services are good and do not vary in a way that inconveniences certain portions of its California full-scope AAs, particularly low- and moderate-income geographies and individuals.

In the Fresno MSA, WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Fresno MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours compared to 91 percent of branches located in middle- and upper-income geographies.

In the Los Angeles-Long Beach-Glendale MD, WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Los Angeles-Long Beach-Glendale MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 94 percent of branches maintained Saturday hours compared to 91 percent of branches located in middle- and upper-income geographies.

In the Oakland-Fremont-Hayward MD, WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Oakland-Fremont-Hayward MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 94 percent of branches located in those geographies maintained Saturday hours compared to 91 percent of branches located in middle- and upper-income geographies.

In the Riverside-San Bernardino-Ontario MSA, WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Riverside-San Bernardino-Ontario MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours compared to 98 percent of branches located in middle- and upper-income geographies.

In the San Francisco-San Mateo-Redwood City MD, WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the San Francisco-San Mateo-Redwood City MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, eighty six percent of branches located in those geographies maintained Saturday hours compared to 93 percent of branches located in middle- and upper-income geographies.

In the Santa Ana-Anaheim-Irvine MD, WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Santa Ana-Anaheim-Irvine MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 90 percent of branches located in those geographies

maintained Saturday hours compared to 92 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provides an excellent level of CD services in California full-scope AAs.

In the Fresno MSA, WFB is a leader in providing CD services. WFB employees provided a total of 764 hours of CD services. These hours represented 151 CD service activities that benefited 31 different organizations and amounted to almost 12 hours of CD services per branch per year. Of these CD service activities, 5.30 percent were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Fresno MSA include the following:

- A WFB employee is on the board of directors of a Small Business Development Corporation. The organization is focused on making loans and microloans to businesses that do not qualify for traditional bank financing including many minority-owned and disadvantaged businesses.

In the Los Angeles-Long Beach-Glendale MD, WFB provides a relatively high level of CD services. WFB employees provided a total of 2,947 hours of CD services. These hours represented 587 CD service activities that benefited 157 different organizations and amounted to almost three hours of CD services per branch per year. Of these CD service activities, 6.1 percent were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Los Angeles-Long Beach-Glendale MD include the following:

- A WFB employee provides financial expertise and counseling to low- and moderate-income families and individuals to strengthen their financial literacy in budgeting and saving, and to provide assistance improve their current financial situation.
- A WFB employee serves on the board of directors for a CD Corporation with a mission to improve the lives of individuals and families through culturally sensitive social services and strengthen neighborhoods through housing and CD. WFB also provides grants and investments to this organization.

In the Oakland-Fremont-Hayward MD, WFB is a leader in providing CD services. WFB employees provided a total of 1,553 hours of CD services. These hours represented 467 CD service activities that benefited 90 different organizations and amounted to more than four and a half hours of CD services per branch per year. Twenty-seven percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Oakland-Fremont-Hayward MD include the following:

- WFB employees participated in Oakland Home Preservation Workshops targeting local borrowers from the Greater Bay Area that are in homeownership distress. The workshop is in collaboration with a local organization that was founded by local leaders in North Richmond working to eliminate blight, improve housing opportunities for current and future residents, and create better economic conditions.
- WFB employees work with one of the oldest and most productive non-profit affordable housing developers in California. The developer's mission is to build and maintain high-quality, well-managed, service-enhanced affordable housing communities that meet the needs of very low-, low- and moderate-income families, seniors and persons with disabilities. WFB employees provided financial literacy training to the residents of the developer's projects throughout the AA.

In the Riverside-San Bernardino-Ontario MSA, WFB provides an adequate level of CD services. WFB employees provided a total of 721 hours of CD services. These hours represented 186 CD service activities that benefited 151 different organizations and amounted to slightly less than two hours of CD service per branch per store. Of these CD service activities, 5.9 percent were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Riverside-San Bernardino-Ontario MSA include the following:

- WFB employees provided financial literacy training in partnership with an award-winning non-profit housing development corporation dedicated to helping low- and very low-income families improve their living conditions through advocacy, research, construction, and operation of housing and CD projects.
- A WFB employee works with a partnership of non-profit, government, and business leaders committed to promoting and preserving the dream of home ownership through outreach, education, counseling, and financing provided training on the HARP home loan program.

In the San Francisco-San Mateo-Redwood City MD, WFB is a leader in providing CD services. WFB employees provided a total of 2,165 hours of CD services. These hours represented 762 CD service activities that benefited 162 different organizations and amounted to slightly more than six hours of CD services per branch per year. Nine percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the San Francisco-San Mateo-Redwood City MD include the following:

- A WFB employee provides guidance on financial matters to the board of directors of a CD organization serving as neighborhood advocates, organizers, planners, and developers and managers of affordable housing for inner city San Francisco neighborhoods such as Chinatown and the Tenderloin.
- A WFB employee serves on the board of directors and provides guidance on financial matters for an educational and training institution that also offers career counseling and job placement services to help their clients launch new careers and break out of the community's existing cycle of poverty, low education levels, homelessness, drugs, crime, and prison. The institution helps low-income individuals move toward a better life for themselves and their families.

In the Santa Ana-Anaheim-Irvine MD, WFB is a leader in providing CD services. WFB employees provided a total of 2,213 hours of CD services. These hours represented 837 CD service activities that benefited 126 different organizations and amounted to almost five hours of CD services per branch per year. Of the CD service activities, 11.7 percent were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Santa Ana-Anaheim-Irvine MD include the following:

- A WFB employee conducted financial education classes for the Life Skills portion of training at a non-profit that helps low-income youth with job training.
- WFB employees provided financial literacy classes at various venues in partnership with Neighborhood Housing Services of Orange County. The mission of the Neighborhood Housing Services of Orange County is to develop and finance affordable housing and strengthen neighborhoods in partnership with residents, local government, financial institutions, and the business community.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the San Diego-Carlsbad-San Marcos, San Jose-Sunnyvale-Santa Clara, Santa Rosa-Petaluma, and Stockton MSAs and Central Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in California. Performance under the Service Test in El Centro, Hanford-Corcoran, Madera-Chowchilla, Merced, Modesto, Napa, San Luis Obispo-Paso Robles, Santa Cruz-Watsonville, Vallejo-Fairfield, Visalia-Porterville, and Yuba City MSAs and the Northern California and Truckee-Grass Valley Non-Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance in California. Performance

under the Service Test in Chico, Oxnard-Thousand Oaks-Ventura, Redding, Sacramento-Arden-Arcade-Roseville, Santa Barbara-Santa Maria-Goleta, and Salinas MSAs and the Eastern Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in California. Performance in limited-scope areas did not influence the Service Test performance in California.

Refer to Table 15 in the California section of Appendix D for the facts and data that support these conclusions.

State of Colorado Rating

CRA Rating for the State²:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to credit needs of its full-scope Colorado AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Colorado AA.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope Colorado AA.
- CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investment and grants within its full-scope Colorado AA.
- WFB's delivery systems are readily accessible to all portions of its full-scope Colorado AA.
- WFB's record of opening and closing branches has adversely affected the accessibility of its delivery systems within its full-scope Colorado AAs.

Description of Institution's Operations in the State of Colorado

Of the bank's 54 state and multistate rating areas, Colorado ranks tenth and accounts for 2.9 percent of total bank deposits, or \$24.7 billion as of June 30, 2012. WFB has 11 defined AAs in Colorado, which include 34 out of the 64 total counties in the state. Within the state, WFB operates 169 branches. WFB is the largest banking institution in Colorado with 24.8 percent of the deposit market share. Primary competitors include First Bank and US Bank, NA, with deposit market shares of 10.6 percent and 9.7 percent, respectively.

² For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Scope of Evaluation in the State of Colorado

Of WFB's 11 AAs in Colorado, the Denver-Aurora-Broomfield MSA is selected for full-scope review. This MSA accounts for 65.5 percent of the bank's state deposits and is the most significant AA in the state.

Refer to the market profile for the Denver-Aurora-Broomfield MSA in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Colorado is rated **Outstanding**. Based on full-scope reviews, the bank's performance in the Denver-Aurora-Broomfield MSA is good.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in the Colorado full-scope AA is good.

WFB's lending activity in the Denver-Aurora-Broomfield MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, and refinance loans and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in the Colorado full-scope AA is good. We revised our conclusions to reflect performance context factors identified in the Denver-Aurora-Broomfield MSA. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Colorado section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

WFB's distribution of home purchase loans by income level of the geography in the Denver-Aurora-Broomfield MSA is good. Its distribution of loans in low-income geographies exceeds the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share.

WFB's distribution of home improvement loans by income level of the geography in the Denver-Aurora-Broomfield MSA is good. Its distribution of loans in low-income geographies exceeds the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is somewhat lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Denver-Aurora-Broomfield MSA is poor. Its distribution of loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is below its overall market share. WFB's distribution of home refinance loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

Small Loans to Businesses

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

WFB's geographic distribution of small loans to businesses in the Denver-Aurora-Broomfield MSA is good. The bank's distribution of small loans to businesses in low-income geographies is reasonably near the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is somewhat lower than its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in

moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the Colorado section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

WFB's geographic distribution of small loans to farms in the Denver-Aurora-Broomfield MSA is poor. WFB's distribution of small loans to farms in low-income geographies is somewhat lower than the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies is significantly lower than its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies is significantly lower than the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies exceeds its overall market share of such loans in the AA.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in the Colorado full-scope AA is good.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the Colorado section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

WFB's distribution of home purchase loans by income level of the borrower in the Denver-Aurora-Broomfield MSA is excellent. Its distribution of loans to low-income borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Denver-Aurora-Broomfield MSA is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the

percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Denver-Aurora-Broomfield MSA is adequate. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

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

WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Denver-Aurora-Broomfield MSA is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the Colorado section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

WFB's distribution of small loans to farms based on the revenue size of the farm in the Denver-Aurora-Broomfield MSA is good. WFB's percentage of small loans to farms with gross annual revenue of \$1 million or less is reasonably near the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

CD Lending

Refer to Table 1 in the Colorado section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic

lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a significantly positive effect on performance in the Colorado full-scope AA.

The volume and nature of WFB's CD lending had a significantly positive affect on Lending Test performance in the Denver-Aurora-Broomfield MSA. During the evaluation period, the bank originated 56 CD loans totaling \$235 million and equal to 12.8 percent of allocated Tier 1 Capital.

Thirty percent of the these loans were targeted to affordable housing, 5 percent to stabilization and revitalization efforts, 38 percent to community services, and 27 percent to economic development needs identified in the Denver-Aurora-Broomfield MSA. Sixty-six percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Denver-Aurora-Broomfield MSA include the following:

- In August 2010, WFB provided a \$15.7 million loan for the purpose of providing construction financing for the rehabilitation of a 184-unit affordable LIHTC housing development located in a low-income area of Denver, Colorado. This limited liability partnership is an affiliate of an organization that was created in 1938 for the express purpose of housing low- and moderate-income families, and a mission to serve the residents of Denver by developing, owning, and operating safe, decent, and affordable housing in a manner that promotes thriving communities.
- In August 2011, WFB provided a \$6.4 million loan for the purpose of funding the construction of a 50-unit LIHTC senior housing complex located in Golden, Colorado. Occupancy is restricted to low- and moderate-income families or persons.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Colorado Springs and Fort Collins-Loveland MSAs is not inconsistent with the bank's overall **Outstanding** performance under the Lending Test in Colorado. In the Boulder, Grand Junction, Greeley, and Pueblo MSAs and the Canon City, Sterling-Fort Morgan, Western Colorado, and Durango Non-Metropolitan AAs performance is weaker than the bank's overall **Outstanding** performance in the state. Performance in the limited-scope AAs did not influence the Lending Test rating in Colorado.

Refer to the Tables 1 through 13 in the Colorado section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in Colorado is rated **Outstanding**. Based on full-scope reviews, the bank's performance in the Denver-Aurora-Broomfield MSA is excellent.

In addition to the investments and grants made in the full- and limited-scope AAs, WFB has one ongoing qualified investment originated in prior periods for \$150,000 that provides continuing benefit to the entire state. The prior period statewide investment represents less than one percent of allocated Tier 1 Capital allocated to the entire state. The effect on the overall state rating was minimal.

Conclusions for Areas Receiving Full-Scope Reviews

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

WFB's Investment Test performance in the Denver-Aurora-Broomfield MSA is excellent. During the evaluation period, the bank made 161 grants and qualified investments totaling \$84.6 million that are equal to 4.6 percent of allocated Tier 1 Capital. The total included 91 grants and contributions worth \$2.2 million. WFB has 34 ongoing qualified investments originated in prior periods that total 53.4 million, are equal to 2.9 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing and economic development. The affordable housing needs are predominately met through WFB's investments in mortgage-backed securities and national LIHTC funds. Investments during the current evaluation periods have created over 529 units of affordable housing in the Denver-Aurora-Broomfield MSA.

Examples of significant investments made in the Denver-Aurora-Broomfield MSA during the evaluation period are:

- In May 2009, WFB invested \$750,000 through an EQ2 in an organization in Westminster, Colorado, that promotes affordable housing for low- and moderate-income individuals through property development using the Self Help model, affordable mortgage financing, homebuyer education, and technical assistance. WFB's investment is used to support a program for the organization to purchase foreclosed homes and rehab them with its clients. Once completed, the organization offers a two-year lease-to-own option to the clients. Specifically, WFB funds will be

used to finance the acquisition and rehab of these homes. Targeted households will be those earning 80 percent or less of the area median income.

- In July 2011, WFB invested \$10.4 million in Lewis Court Apartments located in Golden, Colorado. This tax credit project will provide 50 newly constructed units of housing restricted to low- and moderate-income seniors age 55 and over. The developer on the project has a mission to provide affordable housing throughout Jefferson County to the greatest number of eligible people in the most efficient and cost effective manner.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Fort Collins-Loveland, Greeley, and Pueblo MSAs is not inconsistent with the bank's overall **Outstanding** performance under the Investment Test in Colorado. The bank's performance in the Boulder, Grand Junction, and Colorado Springs MSAs and the Western Colorado, Canyon City, Durango, and Sterling-Fort Morgan Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance under the Investment Test for Colorado. Performance in the limited-scope AAs did not influence the Investment Test rating in Colorado. Refer to Table 14 in the Colorado section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of Colorado is rated **High Satisfactory**. Based on a full-scope review, the bank's performance in the Denver-Aurora-Broomfield MSA is good.

Retail Banking Services

Refer to Table 15 in the Colorado section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in the Colorado full-scope AA is excellent.

In the Denver-Aurora-Broomfield MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA.

The percentage distribution of branches in low- and moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good. However, when considering 12 middle- and upper-income branch locations that are in close proximity to four low- and eight moderate-income geographies, accessibility improves in low- and moderate-income geographies and is excellent.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Colorado full-scope AA is adequate and has generally not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

WFB's record of opening and closing branches in the Denver-Aurora-Broomfield MSA is adequate. WFB has generally not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB closed ten branches throughout the AA resulting in a net loss of one branch in low-income geographies, four branches in moderate-income geographies, three branches in middle-income geographies, and two branches in upper-income geographies during the evaluation period. The majority of the closings did not affect accessibility because they were to consolidate redundant branches acquired from the former Wachovia Bank.

Reasonableness of Business Hours and Services

WFB's branch operating hours do not vary in a way that inconveniences portions of the Colorado full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Denver-Aurora-Broomfield MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 95 percent of branches located in those geographies maintained Saturday hours compared to 90 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an excellent level of CD services in the Colorado full-scope AA.

In the Denver-Aurora-Broomfield MSA, WFB is a leader in providing CD services. WFB employees provided a total of 1,938 hours of CD services. These hours represented 237 CD service activities that benefited 205 different organizations and amounted to more than five hours of CD services per branch per year. Fifty-nine percent of the CD service activities were considered highly responsive to identified community needs. Highlights of WFB's CD services that benefited the Denver-Aurora-Broomfield MSA include the following:

- A WFB employee is on the board of directors of a Housing Development Corporation. The organization a U.S. Department of Housing and Urban Development (HUD) Housing Counseling Agency and a member of NeighborWorks® America.
- A WFB employee is on the board of directors of a non-profit CD financial institution founded in 1976 to help small businesses. The organization provides small business loans up to \$250,000 to entrepreneurs who are unable to obtain financing from traditional sources. The organization provides management consulting and business training.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Colorado Springs MSA and the Canon City and Durango Non-Metropolitan AAs is not inconsistent with the bank's overall **High Satisfactory** performance in Colorado. Performance under the Service Test in Grand Junction, Greeley, and Pueblo MSAs and the Sterling-Fort Morgan and Western Colorado Non-Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance in Colorado. Performance under the Service Test in Boulder and Fort Collins-Loveland MSAs is weaker than the bank's overall **High Satisfactory** performance in Colorado. Performance in limited-scope areas did not influence the Service Test performance in Colorado.

Refer to Table 15 in the Colorado section of Appendix D for the facts and data that support these conclusions.

State of Florida Rating

CRA Rating for Florida:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of WFB's full-scope Florida AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Florida AAs.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope Florida AAs.
- WFB's CD lending has a positive effect on Lending Test performance.
- WFB has a significant level of qualified CD investments and grants within its full-scope Florida AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope Florida AAs.
- WFB provides a relatively high level of CD services within its full-scope Florida AAs.

Description of Institution's Operations in the State of Florida

Of the bank's 54 state and multistate rating areas, Florida ranks fourth and accounts for \$69 billion or 8.1 percent of total bank deposits as of June 30, 2012. WFB has 27 defined AAs in Florida. The AAs are made up of 50 of the 67 total counties in the state. Within the state, WFB operates 645 branches. WFB is the second largest banking institution in Florida with 16.3 percent of the deposit market share. Primary competitors include Bank of America, NA and SunTrust Bank, with deposit market shares of 18.3 percent and 10.1 percent, respectively.

Because WFB's branches in Florida have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

Scope of Evaluation in the State of Florida

Of WFB's 27 AAs in Florida, the Orlando-Kissimmee-Sanford and Tampa-St. Petersburg-Clearwater MSAs and the Fort Lauderdale-Pompano Beach-Deerfield Beach, Miami-Miami Beach-Kendall, and West Palm Beach-Boca Raton-Boynton Beach MDs were selected for full-scope review. These MSAs and MDs account for 67 percent of the bank's state deposits and are the most significant AAs in the state.

Refer to the market profile for the Orlando-Kissimmee-Sanford and Tampa-St. Petersburg-Clearwater MSAs and the Fort Lauderdale-Pompano Beach-Deerfield Beach, Miami-Miami Beach-Kendall, and West Palm Beach-Boca Raton-Boynton Beach MDs in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Florida is rated **Outstanding**. Based on full-scope reviews, the bank's performance in the Fort Lauderdale-Pompano Beach-Deerfield Beach and Miami-Miami Beach-Kendall MDs and Orlando-Kissimmee-Sanford and Tampa-St. Petersburg-Clearwater MSAs is excellent and in the West Palm Beach-Boca Raton-Boynton Beach MD is good.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in Florida full-scope AAs is excellent.

Fort Lauderdale-Pompano Beach-Deerfield Beach MD: WFB's lending activity in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of MSA deposits.

Miami-Miami Beach-Kendall MD: WFB's lending activity in the Miami-Miami Beach-Kendall MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of MSA deposits. We

considered the strong competition from several non-deposit-taking lenders in our lending activity assessment.

Orlando-Kissimmee-Sanford MSA: WFB's lending activity in the Orlando-Kissimmee-Sanford MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to farms is equal to or exceeded its ranking or percentage market share of MSA deposits. WFB's ranking for small loans to businesses is reasonably near its rank in share of MSA deposits.

Tampa-St. Petersburg-Clearwater MSA: WFB's lending activity in the Tampa-St. Petersburg-Clearwater MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to farms is equal to or exceeded its ranking or percentage market share of MSA deposits. WFB's ranking for small loans to businesses is reasonably near its rank in share of MSA deposits.

West Palm Beach-Boca Raton-Boynton Beach MD: WFB's lending activity in the West Palm Beach-Boca Raton-Boynton Beach MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of MSA deposits.

Distribution of Loans by Income Level of the Geography

Distribution of loans by income level of the geography in the Florida full-scope AAs is good. We revised our conclusions to reflect performance context factors identified in the Fort Lauderdale-Pompano Beach-Deerfield Beach, Miami-Miami Beach-Kendall, and West Palm Beach-Boca Raton-Boynton Beach MDs and Orlando-Kissimmee-Sanford and Tampa-St. Petersburg-Clearwater MSAs. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Florida section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Fort Lauderdale-Pompano Beach-Deerfield Beach MD: WFB's geographic distribution of home purchase loans by income level in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is good. Its distribution of loans in low-income geographies exceeds the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall

market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is lower than the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share.

WFB's geographic distribution of home improvement loans by income level in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is good. Its distribution of loans in low-income geographies approximates the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is adequate. Its distribution of loans in low-income geographies is lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to extremely severe economic and demographic conditions discussed in the Pompano Beach-Deerfield Beach MD Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's geographic distribution of home refinance loans by income level in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is now considered good as a result of these performance context factors.

Miami-Miami Beach-Kendall MD: WFB's geographic distribution of home purchase loans by income level in the Miami-Miami Beach-Kendall MD is good. Its distribution of loans in low-income geographies exceeds the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

WFB's geographic distribution of home improvement loans by income level in the Miami-Miami Beach-Kendall MD is good. Its distribution of loans in low-income geographies exceeds the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is reasonably near its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Miami-Miami Beach-Kendall MD is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to extremely severe economic and demographic conditions discussed in the Miami-Miami Beach-Kendall MD Market Profile, we determined that the distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered poor for low-income geographies and adequate for moderate-income geographies. WFB's geographic distribution of home refinance loans by income level in the Miami-Miami Beach-Kendall MD was revised and is now considered adequate as a result of these performance context factors.

Orlando-Kissimmee-Sanford MSA: WFB's geographic distribution of home purchase loans by income level in the Orlando-Kissimmee-Sanford MSA is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to severe economic and demographic conditions discussed in the Orlando-Kissimmee-Sanford MSA Market Profile, we determined that distribution of home purchase loans compared to the percent of owner-occupied housing units in low-income

geographies should be considered adequate. WFB's geographic distribution of home purchase loans by income level in the Orlando-Kissimmee-Sanford MSA was revised and is now considered adequate as a result of these performance context factors.

WFB's geographic distribution of home improvement loans by income level in the Orlando-Kissimmee-Sanford MSA is adequate. Its distribution of loans in low-income geographies is lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is reasonably near the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is below its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Orlando-Kissimmee-Sanford MSA is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to extremely severe economic and demographic conditions discussed in the Orlando-Kissimmee-Sanford MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's geographic distribution of home refinance loans by income level in the Orlando-Kissimmee-Sanford MSA was revised and is now considered good as a result of these performance context factors.

Tampa-St. Petersburg-Clearwater MSA: WFB's geographic distribution of home purchase loans by income level in the Tampa-St. Petersburg-Clearwater MSA is adequate. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share. WFB's geographic distribution of home improvement loans by income level in the Tampa-St. Petersburg-Clearwater MSA is adequate. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in

low-income geographies. WFB's market share of home improvement loans in low-income geographies is below its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is reasonably near the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies substantially meets its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Tampa-St. Petersburg-Clearwater MSA is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies substantially meets its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to extremely severe economic and demographic conditions discussed in the Tampa-St. Petersburg-Clearwater MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's geographic distribution of home refinance loans by income level in the Tampa-St. Petersburg-Clearwater MSA was revised and is now considered good as a result of these performance context factors.

West Palm Beach-Boca Raton-Boynton Beach MD: WFB's geographic distribution of home purchase loans by income level in the West Palm Beach-Boca Raton-Boynton Beach MD is good. Its distribution of loans in low-income geographies is somewhat lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

WFB's geographic distribution of home improvement loans by income level in the West Palm Beach-Boca Raton-Boynton Beach MD is good. Its distribution of loans in low-income geographies exceeds the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied units in moderate-income geographies.

WFB's market share of home improvement loans in moderate-income geographies exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the West Palm Beach-Boca Raton-Boynton Beach MD is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to extremely severe economic and demographic conditions discussed in the West Palm Beach-Boca Raton-Boynton Beach MD Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in moderate-income geographies should be considered adequate. WFB's geographic distribution of home refinance loans by income level in the West Palm Beach-Boca Raton-Boynton Beach MD was revised and is now considered adequate as a result of these performance context factors.

Small Loans to Businesses

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

Fort Lauderdale-Pompano Beach-Deerfield Beach MD: WFB's geographic distribution of small loans to businesses in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is excellent. The bank's distribution of small loans to businesses in low-income geographies exceeds the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies exceeds its overall market share of such loans in the AA.

Miami-Miami Beach-Kendall MD: WFB's geographic distribution of small loans to businesses in the Miami-Miami Beach-Kendall MD is good. The bank's distribution of small loans to businesses in low-income geographies is reasonably near the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-

income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Orlando-Kissimmee-Sanford MSA: WFB's geographic distribution of small loans to businesses in the Orlando-Kissimmee-Sanford MSA is good. The bank's distribution of small loans to businesses in low-income geographies exceeds the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies exceeds its overall market share of such loans in the AA.

Tampa-St. Petersburg-Clearwater MSA: WFB's geographic distribution of small loans to businesses in the Tampa-St. Petersburg-Clearwater MSA is excellent. The bank's distribution of small loans to businesses in low-income geographies exceeds the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies exceeds its overall market share of such loans in the AA.

West Palm Beach-Boca Raton-Boynton Beach MD: WFB's geographic distribution of small loans to businesses in the West Palm Beach-Boca Raton-Boynton Beach MD is excellent. The bank's distribution of small loans to businesses in low-income geographies exceeds the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds the overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies exceeds the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies exceeds its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the Florida section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

We did not assess geographic distribution of small loans to farms in the Fort Lauderdale-Pompano Beach-Deerfield Beach, Miami-Miami Beach-Kendall, and West Palm Beach-Boca Raton-Boynton Beach MDs and Orlando-Kissimmee-Sanford, FL and Tampa-St. Petersburg-Clearwater MSAs because the number of loans originated in the AAs were insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AAs.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in Florida full-scope AAs is good. We revised our conclusions to reflect performance context factors identified in the Fort Lauderdale-Pompano Beach-Deerfield Beach, Miami-Miami Beach-Kendall, and West Palm Beach-Boca Raton-Boynton Beach MDs and Orlando-Kissimmee-Sanford MSA. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the Florida section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Fort Lauderdale-Pompano Beach-Deerfield Beach MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is excellent. Its distribution of loans to low-income borrowers is near to the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is below its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers approximates the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income

borrowers is significantly lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to extremely severe economic and demographic conditions discussed in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD Market Profile, we determined that distribution of home refinance loans compared to the percent of low- and moderate-income borrowers should be considered adequate. WFB's borrower distribution of home refinance loans by income level of the borrower in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD was revised and is now considered adequate as a result of these performance context factors.

Miami-Miami Beach-Kendall MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the Miami-Miami Beach-Kendall MD is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Miami-Miami Beach-Kendall MD is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is significantly lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Miami-Miami Beach-Kendall MD is very poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is significantly lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is significantly lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is somewhat lower than its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to extremely severe economic and demographic conditions discussed in the

Miami-Miami Beach-Kendall MD Market Profile, we determined that distribution of home refinance loans compared to the percent of low- and moderate-income borrowers should be considered poor. WFB's borrower distribution of home refinance loans by income level of the borrower in the Miami-Miami Beach-Kendall MD was revised and is now considered poor as a result of these performance context factors.

Orlando-Kissimmee-Sanford MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Orlando-Kissimmee-Sanford MSA is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the Orlando-Kissimmee-Sanford MSA Market Profile, we determined that distribution of home purchase loans compared to the percent of low-income borrowers should be considered good. WFB's borrower distribution of home purchase loans by income level of the borrower in the Orlando-Kissimmee-Sanford MSA was revised and is now considered excellent as a result of these performance context factors.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Orlando-Kissimmee-Sanford MSA is excellent. Its distribution of loans to low-income borrowers is near to the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Orlando-Kissimmee-Sanford MSA is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is below its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Tampa-St. Petersburg-Clearwater MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Tampa-St. Petersburg-Clearwater MSA is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase

loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Tampa-St. Petersburg-Clearwater MSA is excellent. Its distribution of loans to low-income borrowers is less than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Tampa-St. Petersburg-Clearwater MSA is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

West Palm Beach-Boca Raton-Boynton Beach MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the West Palm Beach-Boca Raton-Boynton Beach MD is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers exceeds its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the West Palm Beach-Boca Raton-Boynton Beach MD Market Profile, we determined that distribution of home purchase loans compared to the percent of low-income borrowers should be considered good. WFB's borrower distribution of home purchase loans by income level of the borrower in the West Palm Beach-Boca Raton-Boynton Beach MD was revised and is now considered excellent as a result of these performance context factors.

WFB's borrower distribution of home improvement loans by income level of the borrower in the West Palm Beach-Boca Raton-Boynton Beach MD is excellent. Its distribution of loans to low-income borrowers is reasonably near the percent of low-

income families within the AA. WFB's market share of home improvement loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the West Palm Beach-Boca Raton-Boynton Beach MD is poor. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is somewhat lower than its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to extremely severe economic and demographic conditions discussed in the West Palm Beach-Boca Raton-Boynton Beach MD Market Profile, we determined that distribution of home refinance loans compared to the percent of low- and moderate-income borrowers should be considered adequate. WFB's borrower distribution of home refinance loans by income level of the borrower in the West Palm Beach-Boca Raton-Boynton Beach MD was revised and is now considered adequate as a result of these performance context factors.

Small Loans to Businesses

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

Fort Lauderdale-Pompano Beach-Deerfield Beach MD: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Miami-Miami Beach-Kendall MD: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Miami-Miami Beach-Kendall MD is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Orlando-Kissimmee-Sanford MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Orlando-Kissimmee-Sanford MSA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Tampa-St. Petersburg-Clearwater MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Tampa-St. Petersburg-Clearwater MSA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

West Palm Beach-Boca Raton-Boynton Beach MD: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the West Palm Beach-Boca Raton-Boynton Beach MD is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the Florida section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

We did not assess borrower distribution of small loans to farms in the Fort Lauderdale-Pompano Beach-Deerfield Beach, Miami-Miami Beach-Kendall, and West Palm Beach-Boca Raton-Boynton Beach MDs and Orlando-Kissimmee-Sanford, FL and Tampa-St. Petersburg-Clearwater MSAs because the number of loans originated in the AAs were insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AAs.

CD Lending

Refer to Table 1 in the Florida section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a positive effect on lending performance in Florida full-scope AAs. Performance context issues affecting the availability of CD loans throughout the state of Florida had a significant effect on our assessment of CD lending performance. Please refer to Florida full-scope AA Market Profiles for more information. We considered the shorter evaluation period for Florida in our assessment of CD lending.

Fort Lauderdale-Pompano Beach-Deerfield Beach MD: The volume and nature of WFB's CD lending had a neutral effect on Lending Test performance in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD. During the evaluation period, the bank originated five CD loans totaling \$14.7 million and equal to 1.6 percent of allocated Tier 1 Capital.

Approximately 80 percent of these loans were targeted to affordable housing and 20 percent were targeted to economic development.

Highlights of WFB's CD lending that benefited the Fort Lauderdale-Pompano Beach-Deerfield Beach MD include the following:

- A \$4.5 million construction loan for the purpose of acquiring and constructing a 140-unit apartment development in Sunrise/Fort Lauderdale, Florida. Of the total, 112 units are rent restricted to 60 percent of area median income and 28 units are rent restricted to 28 percent of area median income.
- A \$1.02 million loan for the purpose of funding the acquisition of a larger operating facility for a small business located in Pompano Beach, Florida. The borrower specializes in addiction treatment and treatment of a variety of mental health disorders on both an inpatient and outpatient basis. This loan will allow the company to purchase a larger facility that will house 20 residential units for their inpatient program. The loan was made in conjunction with the SBA's 504 Certified Development Company program, which is a long-term financing tool for economic development within a community.

Miami-Miami Beach-Kendall MD: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Miami-Miami Beach-Kendall MD. During the evaluation period, the bank originated 15 CD loans totaling \$66.9 and equal to 4.3 percent of allocated Tier 1 Capital.

Approximately thirty-three percent of the loans were targeted to affordable housing, 20 percent to community services, thirty-three percent to economic development, and 14 percent to revitalization and stabilization efforts in the AA. Fifty-nine percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Miami-Miami Beach-Kendall MD include the following:

- WFB provided a \$7 million loan for the purpose of funding the construction of a new homeless shelter for a nonprofit organization located in a moderate-income census tract in Miami, Florida. This nonprofit organization has been providing humanitarian services to the indigent and homeless populations of Miami-Dade, Florida for over 50 years. They offer services that include food, shelter, housing, rehabilitative treatment, and health care for persons who are poor and homeless.
- WFB provided a \$23.4 million loan to finance the land acquisition and development of a new retail center located in a moderate-income census tract within Miami, Florida. The project is located just north of the city's Central Business District and is within an Empowerment Zone, Enterprise Zone and a Redevelopment District as designated by the Miami Community Redevelopment Agency (CRA). The CRA's mission is to improve the quality of life for residents and stakeholders within the redevelopment areas through activities and programs that create new job opportunities, substantially improve the quality of the housing stock, and improve the physical appearance of the redevelopment areas.

Orlando-Kissimmee-Sanford MSA: The volume and nature of WFB's CD lending had a positive effect on Lending Test performance in the Orlando-Kissimmee-Sanford MSA. During the evaluation period, the bank originated nine CD loans totaling \$27.6 and equal to 4.0 percent of allocated Tier 1 Capital.

Approximately 11 percent of the loans were targeted to affordable housing, 22 percent to community services, and 67 percent were to economic development. Eleven percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Orlando-Kissimmee-Sanford MSA include the following:

- WFB provided a \$500,000 loan to fund construction costs for a food bank located in a moderate-income census tract within Orlando, Florida. This nonprofit organization has a mission to fight hunger in Central Florida. They accomplish this by collecting, storing and distributing donated food to more than 500 partner agencies in six Central Florida counties: Brevard, Lake, Orange, Osceola, Seminole and Volusia.
- WFB renewed a \$400,000 working capital line of credit for a nonprofit organization located in Winter Park, Florida. This nonprofit organization, established in 1960, provides developmental preschool and childcare services, including medical

rehabilitation that encompasses early intervention, physical therapy, occupational therapy, speech and hearing therapy, job training, childcare, adult day services, camping, and recreation.

Tampa-St. Petersburg-Clearwater MSA: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Tampa-St. Petersburg-Clearwater MSA. During the evaluation period, the bank originated 11 CD loans totaling \$61.3 million and equal to 5.9 percent of allocated Tier 1 Capital.

Approximately 45 percent of the loans were targeted to affordable housing, 28 percent to community services, and 27 percent to efforts to revitalize and stabilize the AA. Thirty-one percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance.

Highlights of WFB's CD lending that benefited the Tampa-St. Petersburg-Clearwater MSA include the following:

- WFB made a loan in the amount of \$15.1 million to a non-profit organization in Tampa, Florida. The funds were used for the construction of a new operating facility that was designed to house a majority of their programs under one roof in order to operate more efficiently. The organization provides drug abuse planning, coordination and monitoring for local governmental units.
- WFB provided a \$2.4 million loan for the purpose of acquiring and renovating a 232-unit LIHTC apartment complex in Palm Harbor, Florida. Fifty-eight of the units will be restricted to tenants earning 60 percent or below the area's median family income. This limited liability limited partnership is affiliated with a company that specializes in the acquisition and renovation of apartment projects in Florida, Texas, South Carolina and Tennessee. This particular project is a 232-unit LIHTC apartment complex. Twelve of the units will be restricted to tenants earning 50 percent or below the area's median family income and 46 of the units will be restricted to tenants earning 60 percent or below the area's median family income.

West Palm Beach-Boca Raton-Boynton Beach MD: The volume and nature of WFB's CD lending had a neutral effect on Lending Test performance in the West Palm Beach-Boca Raton-Boynton Beach MD. During the evaluation period, the bank originated four CD loans totaling \$5.1 million and equal to 0.5 percent of allocated Tier 1 Capital.

Approximately 50 percent of these loans were targeted to affordable housing, 25 percent were targeted to community service and another 25 percent were targeted economic development.

Highlights of WFB's CD lending that benefited the West Palm Beach-Boca Raton-Boynton Beach MD include the following:

- WFB provided a \$200,000 working capital line of credit to a nonprofit affordable housing developer located in a low-income census tract in Delray Beach, Florida. This nonprofit organization was formed in April 1991 to provide affordable housing for low-income families by working in partnership with those families.
- WFB renewed a \$300,000 working capital line of credit for a nonprofit organization located in a moderate-income census tract in Palm Beach Gardens, Florida. This nonprofit organization was formed in 1982 to improve the health of the residents of the Palm Beaches and the Treasure Coast by promoting access to affordable, quality health and human services.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Cape Coral-Fort Myers, Crestview-Fort Walton Beach-Destin, Deltona-Daytona Beach-Ormond Beach, Gainesville, Jacksonville, Lakeland-Winter Haven, Naples-Marco Island, North Port-Bradenton-Sarasota, Ocala, Palm Coast, Palm Bay-Melbourne-Titusville, Panama City-Lynn Haven-Panama City Beach, Pensacola-Ferry Pass-Brent, Port St Lucie, Punta Gorda, Sebastian-Vero Beach, and Tallahassee MSAs and the Citrus-Sumter, DeSoto-Highlands, Madison-Taylor, Monroe County, and Panhandle Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance under the Lending Test in Florida. Performance in the limited-scope AAs did not influence the Lending Test rating in Florida. Refer to the Tables 1 through 13 in the Florida section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in Florida is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance in the Miami-Miami Beach-Kendall MD and the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is excellent and in the Orlando-Kissimmee-Sanford and Tampa-St. Petersburg-Clearwater MSAs and West Palm Beach-Boca Raton-Boynton Beach MD is good.

We considered the shorter evaluation period for Florida in our assessment of CD Investments. We also considered performance context factors affecting the level of CD investment opportunities during the evaluation period. Conclusions regarding the level of investment and grant activity took into consideration the significant reduction in CD investment opportunities in the Florida during the evaluation period due to the recession and budget shortfalls at the state and local levels.

In addition to the investments and grants made in the full- and limited-scope AAs, WFB made two investments totaling \$750,000 that benefited the entire state during the evaluation period. The effect on the overall state rating was minimal.

Conclusions for Areas Receiving Full-Scope Reviews

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

Fort Lauderdale-Pompano Beach-Deerfield Beach MD: WFB's Investment Test performance in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is excellent. During the evaluation period, the bank made 57 grants and qualified investments totaling \$31.8 million that are equal to 3.5 percent of allocated Tier 1 Capital. The total included three grants and contributions worth \$155,000. WFB has four ongoing qualified investments originated in prior periods that total \$16.9 million that are equal to 1.9 percent of allocated Tier 1 Capital and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the need for affordable housing. Investments during the current period have created over 450 units of affordable housing in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD.

Examples of significant investments made in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD during the evaluation period are:

- WFB invested \$17.3 million in a new construction, affordable housing development located in Sunrise, Florida. The LIHTC project provided 140 units of critically needed workforce rental housing and targets families with incomes ranging from 28 to 60 percent of the Area Median Income.
- WFB invested \$300,000 in a nonprofit developer in Fort Lauderdale, Florida. Structured as an EQ2, the investment was used as predevelopment working capital for developing additional housing for low-income seniors.

Miami-Miami Beach-Kendall MD: WFB's Investment Test performance in the Miami-Miami Beach-Kendall MD is excellent. During the evaluation period, the bank made 78 grants and qualified investments totaling \$117.8 million that are equal to 7.5 percent of allocated Tier 1 Capital. The total included five grants and contributions worth \$8.3 million. WFB has eight ongoing qualified investments originated in prior periods that total \$76.1 million, are equal to 4.8 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need of

affordable housing. Investments during the current period have created over 936 units of affordable housing in the Miami-Miami Beach-Kendall MD.

Examples of significant investments made in the Miami-Miami Beach-Kendall MD during the evaluation period are:

- WFB invested \$19.0 million for the construction of the Amistad Apartments, an 89-unit multi-family affordable apartment high-rise located in the Little Havana neighborhood of Miami, Florida. The property is being developed in a redeveloping urban neighborhood that is attracting both market rate and commercial development. Nine of the units will be reserved for previously homeless tenants earning 28 percent of the area median income, 36 units will be reserved for previously homeless tenants earning 60 percent of the area median income, and the remaining 44 units will be reserved for tenants earning 60 percent of the area median income.
- WFB invested \$10.8 million for the rehabilitation of the Mildred and Claude Pepper Towers in Miami, Florida. This project will provide 150 units of housing for seniors, 15 units will be restricted to tenants earning 33 percent of the Area Median Income and 135 units will be restricted to tenants earning 60 percent of the Area Median Income.

Orlando-Kissimmee-Sanford MSA: WFB's Investment Test performance in the Orlando-Kissimmee-Sanford MS is good. During the evaluation period, the bank made 98 grants and qualified investments totaling \$22.9 million that are equal to 3.3 percent of allocated Tier 1 Capital. The total included seven grants and contributions worth \$5.6 million. WFB has two ongoing qualified investments originated in prior periods that total \$424,000 that are equal to 0.1 percent of allocated Tier 1 Capital and provide continuing benefit to the community. WFB's investments exhibit excellent responsiveness to credit and community economic development needs. The investments in this AA address a number of identified needs, notably affordable housing and community service.

Examples of significant investments made in the Orlando-Kissimmee-Sanford MSA during the evaluation period are:

- WFB invested \$14.75 million in a food bank for a NMTC project located in Orlando, Florida. This investment was used to construct a new 95,726 square foot food distribution center. The new facility will replace the organization's existing antiquated facility and will include executive office space, an extensive kitchen/training facility, plus cold storage space, all of which will greatly increase the food bank's distribution capacity and to better serve over 500 agency partners. The new facility will allow the food bank to take in over three million pounds of additional food annually.
- WFB invested a total of \$17.3 million in a Fannie Mae Mortgage-Backed Security bond. The underlying mortgages were made to low- and moderate-income

borrowers. Of this total investment, \$605,000 directly benefited the Orlando-Kissimmee-Sanford MSA.

Tampa-St. Petersburg-Clearwater MSA: WFB's Investment Test performance in the Tampa-St. Petersburg-Clearwater MSA is good. During the evaluation period, the bank made 128 grants and qualified investments totaling \$33.5 million that are equal to 3.3 percent of allocated Tier 1 Capital. The total included four grants and contributions worth \$5.6 million. WFB has four ongoing qualified investments originated in prior periods that total \$2.5 million that are equal to 0.2 percent of allocated Tier 1 Capital and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified needs for affordable housing. Investments during the current evaluation period have created over 108 units of affordable housing in the Tampa-St. Petersburg-Clearwater MSA.

Examples of significant investments made in the Tampa-St. Petersburg-Clearwater MSA during the evaluation period are:

- WFB invested \$7.6 million in a 62-unit affordable housing project in Tarpon Springs, Florida. Seven units will be restricted to tenants earning 35 percent of the Area Median Income and 55 units will be restricted to tenants earning 60 percent of the Area Median Income.
- WFB invested \$7.6 million in Brook Haven, Ltd., an affordable housing project located in Brooksville, Florida. This project was part of a \$38 million investment in the Richman Group's U.S.A. Institutional Tax Credit Fund LII, a low-income housing tax credit fund.

West Palm Beach-Boca Raton-Boynton Beach MD: WFB's Investment Test performance in the West Palm Beach-Boca Raton-Boynton Beach MD is good. During the evaluation period, the bank made 87 grants and qualified investments totaling \$18.2 million that are equal to 1.9 percent of allocated Tier 1 Capital. The total included two grants and contributions worth \$120,000. WFB has one ongoing qualified investment originated in prior periods that totaled \$9.3 million, is equal to 0.9 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing. Investments during the current evaluation periods have created over 413 units of affordable housing in the West Palm Beach-Boca Raton-Boynton Beach MD.

An example of a significant investment made in the West Palm Beach-Boca Raton-Boynton Beach MD during the evaluation period follows:

- WFB invested \$5 million in the Westgate Plaza Apartments, an 80-unit affordable housing project located in West Palm Beach, Florida. All of the units are restricted to renters earning 60 percent or less of AMI. This project also qualifies for low-income housing tax credits.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Tallahassee MSA is not inconsistent with the bank's overall **High Satisfactory** performance under the Investment Test in Florida. The bank's performance in the Lakeland-Winter Haven, Ocala, and Panama City-Lynn Haven-Panama City Beach MSAs and the Monroe County Non-Metropolitan AA is stronger than the bank's overall **High Satisfactory** performance under the Investment Test in the state of Florida. The bank's performance in the Cape Coral-Fort Myers, Gainesville, Jacksonville, Naples-Marco Island, North Port-Bradenton-Sarasota, Palm Bay-Melbourne-Titusville, Pensacola-Ferry Pass-Brent, Crestview-Fort Walton Beach-Destin, Deltona-Daytona Beach-Ormond Beach, Palm Coast, Port St Lucie, Punta Gorda, and Sebastian-Vero Beach MSAs and Citrus-Sumter, DeSoto-Highlands, Madison-Taylor, and Panhandle Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance under the Investment Test in the state of Florida. Performance in the limited-scope AAs did not influence the Investment Test rating in Florida. Refer to Table 14 in the Florida section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of Florida is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance is good in the Fort Lauderdale-Pompano Beach-Deerfield Beach and Miami-Miami Beach-Kendall MDs and excellent in the West Palm Beach-Boca Raton-Boynton Beach MD and Orlando-Kissimmee-Sanford and Tampa-St. Petersburg-Clearwater MSAs.

Retail Banking Services

Refer to Table 15 in the Florida section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in Florida full-scope AAs is good.

In the Fort Lauderdale-Pompano Beach-Deerfield Beach MD, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA.

The percentage distribution of branches in low-income geographies is below the percentage of the population residing in these geographies and is adequate. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent. However, when considering 12 middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low-income geographies and is good. Overall distribution of branches improved and is now considered excellent.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Miami-Miami Beach-Kendall MD, WFB's distribution of branches is good. Delivery systems are accessible to essentially all of WFB's AA.

The percentage distribution of branches in low-income geographies is well below the percentage of the population residing in these geographies and is poor. The percentage distribution of branches in moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good. However, when considering 14 middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low-income geographies and is adequate. Overall distribution improved and is now considered good.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Orlando-Kissimmee-Sanford MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA.

The percentage distribution of branches in low- and moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Tampa-St. Petersburg-Clearwater MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA. The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is near to the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the West Palm Beach-Boca Raton-Boynton Beach MD, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA. The percentage distribution of branches in low- and moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in Florida full-scope AAS is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income income individuals.

WFB's record of opening and closing branches in the Fort Lauderdale-Pompano Beach-Deerfield Beach MD is good. WFB did not affect the accessibility of its delivery systems in a negative or positive way. During the evaluation period, WFB opened five and closed six branches throughout the AA resulting in a net loss of one branch in an upper-income geography.

WFB's record of opening and closing branches in the Miami-Miami Beach-Kendall MD is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income income individuals. During the evaluation period, WFB opened one and closed five branches throughout the AA resulting in a net loss of two branches in moderate-income geographies and two branches in upper-income geographies during the evaluation period. The branch closures in moderate-income geographies were consolidations of branches that were within 1,000 feet of each other.

WFB's record of opening and closing branches in the Orlando-Kissimmee-Sanford MSA is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB closed one branch throughout the AA

resulting in a net loss of one branch in a moderate-income geography during the evaluation period. Branch distribution remained excellent in spite of the closing. WFB's record of opening and closing branches in the Tampa-St. Petersburg-Clearwater MSA is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened two and closed ten branches throughout the AA resulting in a net loss of one branch in a moderate-income geography, three branches in middle-income geographies, and four branches in upper-income geographies during the evaluation period. Branch distribution remained excellent in spite of the closing.

WFB's record of opening and closing branches in the West Palm Beach-Boca Raton-Boynton Beach MD is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened two and closed ten branches throughout the AA resulting in a net loss of one branch in a low-income geography, two branches in moderate-income geographies, one branch in a middle-income geography, and four branches in upper-income geographies during the evaluation period. Branch distribution remained excellent in spite of the closings.

Reasonableness of Business Hours and Services

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of its full-scope AAs in the State of Florida, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Fort Lauderdale-Pompano Beach-Deerfield Beach MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 72 percent of branches located in those geographies maintained Saturday hours compared to 72 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Miami-Miami Beach-Kendall MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 87 percent of branches located in those geographies maintained Saturday hours compared to 72 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Orlando-Kissimmee-Sanford MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 56 percent of branches located in those geographies maintained Saturday

hours compared to 49 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences portions of the Tampa-St. Petersburg-Clearwater MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 83 percent of branches located in those geographies maintained Saturday hours compared to 78 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the West Palm Beach-Boca Raton-Boynton Beach MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 74 percent of branches located in those geographies maintained Saturday hours compared to 61 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in Florida full-scope AAs. We considered the shorter evaluation period for Florida in our assessment of CD Services.

In the Fort Lauderdale-Pompano Beach-Deerfield Beach MD, WFB provides an adequate level of CD services. WFB employees provided a total of 368 hours of CD services. These hours represented 114 CD service activities that benefited 70 different organizations and amounted to slightly less than two hours of CD services per branch per year. Thirty-one percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Fort Lauderdale-Pompano Beach-Deerfield Beach MD include the following:

- A WFB employee reviews loans and conducts board business matters as a member of the board of directors of a CD financial institution. The organization makes loans to underserved communities by providing loans to small business owners. They also provide small business training and education.
- WFB employees provide first-time home buyer training to clients of an organization that works in distressed and underserved neighborhoods and communities characterized by several negative social indicators, including high teen pregnancy rates, low high school graduation rates, high unemployment and the highest number of open cases for child abuse, neglect and welfare services.

In the Miami-Miami Beach-Kendall MD, WFB provides an adequate level of CD services. WFB employees provided a total of 398 hours of CD services. These hours

represented 97 CD service activities that benefited 38 different organizations and amounted to almost two and a half hours of CD services per branch per year. Thirty-two percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Miami-Miami Beach-Kendall MD include the following:

- A WFB employee is on the board of directors of an organization that supports families and individual men and women that are homeless by providing shelter, housing and food services. The team member assists with operations, budgets, financials, fundraising and governance of the organization.
- A WFB employee works on the strategic planning committee of an organization that builds empowered communities, revitalizes neighborhoods and creates affordable housing opportunities in South Florida.

In the Orlando-Kissimmee-Sanford MSA, WFB is a leader in providing CD services. WFB employees provided a total of 665 hours of CD services. These hours represented 146 CD service activities that benefited 38 different organizations and amounted to almost four and a half hours of CD services per branch per year. Twenty-seven percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Orlando-Kissimmee-Sanford MSA include the following:

- A WFB employee reviews small business loan request for micro loan programs, provides business consulting to small business, and serves on the commercial loan committee of an organization with a mission to develop and promote businesses by providing loan capital, training and education and to create an environment conducive to their development. The Certified Development Financing Institution assists businesses in building their management capacity through financial technical assistance services.
- A WFB employee serves as a member of the board of directors of an organization that provides housing and financial education to the low- to moderate-income community of Lake County Florida.

In the Tampa-St. Petersburg-Clearwater MSA, WFB is a leader in providing CD services. WFB employees provided a total of 1,022 hours of CD services. These hours represented 258 CD service activities that benefited 59 different organizations and amounted to more than four hours of CD services per branch per year. Sixty-four

percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Tampa-St. Petersburg-Clearwater MSA include the following:

- A WFB employee spoke at a Foreclosure Education Forum and presented a Hands On Banking seminar for clients of organizations that promote homeownership opportunities to low- and moderate-income income families in Pinellas and Pasco Counties.
- A WFB employee provided First Time Homebuyer training and explained the mortgage application and approval process to clients of an organization that has provided debt-related counseling to individuals and families since 1964 and is a leading national provider of credit counseling and education.

In the West Palm Beach-Boca Raton-Boynton Beach MD, WFB provides a relatively high level of CD services. WFB employees provided a total of 535 hours of CD services. These hours represented 124 CD service activities that benefited 57 different organizations and amounted to about three hours of CD service per branch per year. Six percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the West Palm Beach-Boca Raton-Boynton Beach MD include the following:

- A WFB employee is on the board of directors of an organization that is dedicated to the elimination of substandard housing by building simple, safe, and affordable homes for low-income, hardworking families who cannot qualify for a conventional mortgage.
- WFB employees provided classes in New Home Buyer Training for prospective first time homebuyers for clients of an organization that seeks to impact very low-, low-, and moderate-income residents in need of economic empowerment programs with foreclosure mitigation counseling and first time homebuyers' workshops.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in Cape Coral-Fort Myers, Gainesville, and Jacksonville MSAs and Monroe County Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Florida. Performance under the Service Test in Crestview-Fort Walton Beach-Destin, Deltona-Daytona Beach-Ormond Beach, Lakeland-Winter Haven, Ocala, Pensacola-Ferry Pass-Brent, Port St Lucie, Punta Gorda, and Tallahassee MSAs and the Citrus-Sumter, DeSoto-Highlands, and

Panhandle Florida Non-Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance in Florida. Performance under the Service Test in the North Port-Bradenton-Sarasota, Palm Bay-Melbourne-Titusville, Sebastian-Vero Beach, Naples-Marco Island, Palm Coast, and Panama City-Lynn Haven-Panama City Beach MSAs and the Madison-Taylor Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in Florida. Performance in limited-scope areas did not influence the Service Test performance in Florida.

Refer to Table 15 in the Florida section of Appendix D for the facts and data that support these conclusions.

State of Georgia Rating

CRA Rating for the State:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of WFB's full-scope Georgia AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope Georgia AA.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope Georgia AA.
- WFB's CD lending has a neutral effect on Lending Test performance.
- WFB has an excellent level of qualified CD investment and grants within its full-scope Georgia AA.
- WFB's delivery systems are readily accessible to all portions of its full-scope Georgia AA.

Description of Institution's Operations in the State of Georgia

Of the bank's 54 state and multistate rating areas, Georgia ranks eighth and accounts for 3.04 percent of total bank deposits, or \$2.9 billion as of June 30, 2012. WFB has 20 defined AAs in Georgia, which includes 72 out of 159 counties in the state. Within the state, WFB operates 249 branches. WFB is the second largest banking institution in Georgia with 15 percent of the deposit market share. Primary competitors include Sun Trust Bank and Bank of America, NA with deposit market shares of 20 percent and 12.5 percent, respectively.

Because WFB's branches in Georgia have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

Scope of Evaluation in the State of Georgia

Of WFB's 20 AAs in Georgia, the Atlanta-Sandy Springs-Marietta MSA was selected for full-scope review. This MSA accounts for over 86 percent of the bank's state deposits and is the most significant AA in the state.

Refer to the market profile for the Atlanta-Sandy Springs-Marietta MSA in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Georgia is rated **High Satisfactory**. Based on a full-scope review, the bank's performance in the Atlanta-Sandy Springs-Marietta MSA is good.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in the Georgia full-scope AA is excellent.

WFB's lending activity in the Atlanta-Sandy Springs-Marietta MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in the Georgia full-scope AA is adequate.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Georgia section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

WFB's distribution of home purchase loans by income level of the geography in the Atlanta-Sandy Springs-Marietta MSA is adequate. Its distribution of home purchase loans in low-income geographies is somewhat lower than the percent of owner-

occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is somewhat lower than its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

WFB's distribution of home improvement loans by income level of the geography in the Atlanta-Sandy Springs-Marietta MSA is poor. Its distribution of home improvement loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is somewhat lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Atlanta-Sandy Springs-Marietta MSA is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to severe economic and demographic conditions discussed in the Atlanta-Sandy Springs-Marietta MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's distribution of home refinance loans by income level of the geography in the Atlanta-Sandy Springs-Marietta MSA was revised and is now considered adequate as a result of these performance context factors.

Small Loans to Businesses

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

WFB's geographic distribution of small loans to businesses by income level of the geography in the Atlanta-Sandy Springs-Marietta MSA is adequate. The bank's

distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income census is somewhat lower than its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the Georgia section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

WFB's geographic distribution of small loans to farms by income level of the geography in the Atlanta-Sandy Springs-Marietta MSA is poor. The bank's distribution of small loans to farms in low-income geographies is significantly lower than the percent of farms in low-income geographies. Additionally, the bank's market share of small loans to farms in low-income geographies is significantly lower than its overall market share of such loans in the AA. The bank's distribution of small loans to farms in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to farms in moderate-income geographies is lower than its overall market share of such loans in the AA.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in the Georgia full-scope AA is good.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the Georgia section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

WFB's borrower distribution of home purchase loans by income level of the borrower in the Atlanta-Sandy Springs-Marietta MSA is excellent. Its distribution of loans to low-income borrowers is near to the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its

market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Atlanta-Sandy Springs-Marietta MSA is good. Its distribution of home improvement loans to low-income is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Atlanta-Sandy Springs-Marietta MSA is adequate. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

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

WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Atlanta-Sandy Springs-Marietta MSA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the Georgia section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

WFB's distribution of small loans to farms based on the revenue size of the farm in the Atlanta-Sandy Springs-Marietta MSA is good. WFB's percentage of small loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the

percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

CD Lending

Refer to Table 1 in the Georgia section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a neutral effect on performance in the Georgia full-scope AA. We considered the shorter evaluation period for Georgia in our assessment of CD loans.

The volume and nature of WFB's CD lending had a neutral effect on Lending Test performance in the Atlanta-Sandy Springs-Marietta MSA. During the evaluation period, the bank originated 21 CD loans totaling \$147.6 million and equal to 5.9 percent of allocated Tier 1 Capital.

Fifty-seven percent of these loans were targeted to affordable housing, 33 percent community services, and 10 percent to economic development needs identified in the Atlanta-Sandy Springs-Marietta MSA. Sixty-four percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Atlanta-Sandy Springs-Marietta MSA include the following:

- In August 2010, WFB extended a \$50 million line of credit for the purpose of providing working capital and operating expenses to a medical center located in a low-income census tract in Atlanta, Georgia. The borrower is a 501c3 acute care hospital located in downtown Atlanta. It is the largest provider of indigent care in the state of Georgia. Since its founding, it continues to maintain its strong commitment to the healthcare needs of the underserved while offering a full range of specialized medical services for all segments of the community. Managing more than 900,000 patient visits each year, the majority of the hospital's revenue is generated through Medicare and Medicaid reimbursement.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in Athens-Clarke County, Chattanooga, Dalton, Gainesville, Rome, Savannah, and Warner Robins MSAs and Gordon County, Jackson County, and Laurens County Non-

Metropolitan AAs the is not inconsistent with the bank's overall **High Satisfactory** performance under the Lending Test in Georgia. In the Brunswick, Hinesville-Fort Stewart, and Macon MSAs and Bulloch County, Greene County, Lumpkin County, Southern Georgian, and Sumter County Non-Metropolitan AAs, performance is weaker than the bank's overall **High Satisfactory** Lending Test performance in the state. In the Washington County Non-Metropolitan AA, performance is stronger than the bank's overall **High Satisfactory** Lending Test performance in the state. Performance in the limited-scope AAs did not influence the Lending Test rating in Georgia.

Refer to the Tables 1 through 13 in the Georgia section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in Georgia is rated **Outstanding**. Based on a full-scope review, the bank's performance in the Atlanta-Sandy Springs-Marietta MSA is excellent. We considered the shorter evaluation period for Georgia in our assessment of CD investments. Performance context issues affecting the availability of CD investments throughout the state of Georgia had a significant impact on our assessment of Investment Test performance. Please refer to the Atlanta-Sandy Springs-Marietta MSA full-scope AA Market Profile for more information.

In addition to the investments and grants made in the full- and limited-scope AAs, WFB made two investments totaling \$400,000 that benefited the entire state during the evaluation period. WFB has three ongoing qualified investments originated in prior periods that total \$6.9 million and provide continuing benefit to the entire state. The current and prior period statewide investments are equal to 0.3 percent of allocated Tier 1 Capital allocated to the entire state. The effect on the overall state rating was minimal.

Conclusions for Areas Receiving Full-Scope Reviews

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

WFB's Investment Test performance in the Atlanta-Sandy Springs-Marietta MSA is excellent. During the evaluation period, the bank made 236 grants and qualified investments totaling \$101.4 million that are equal to four percent of allocated Tier 1 Capital. The total included 190 grants and contributions worth \$12 million. WFB has 39 ongoing qualified investments originated in prior periods that total \$41.3 million, are equal to 1.6 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit excellent responsiveness to credit and community economic development needs identified in the AA. The investments in the AA address the identified need for affordable housing, community services, and revitalization and stabilization. Investments during the current evaluation period have created over 683 units of affordable housing in the Atlanta-Sandy Springs-Marietta MSA.

Examples of significant investments made in the Atlanta-Sandy Springs-Marietta MSA during the evaluation period include the following:

- In September 2012, WFB invested \$8.3 million for the purchase and rehabilitation of the Renaissance on Henderson, formerly known as Henderson Arms, a 151-unit affordable senior (62+) apartment development located in Marietta, Georgia. Of the 151 units, 145 will be LIHTC units restricted to low- and moderate-income occupants.
- In December 2010, WFB invested \$25 million for the financing of the new Dolphin Exhibit in downtown Atlanta, Georgia. The investment took the form of a NMTC. The current Dolphin Expansion and future projects will ensure that the aquarium stays competitive and able to offer the educational benefits and cultural enhancements that it offers today, as well as, all the direct and large indirect job creation/preservation.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Warner Robins MSA and the Sumter County Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance under the Investment Test in Georgia. The bank's performance in the Macon, Savannah, Athens-Clarke County, Brunswick, Gainesville, Chattanooga, Dalton, Hinesville-Fort Stewart, and Rome MSAs and the Bulloch County, Gordon County, Greene County, Laurens County, Lumpkin County, Southern Georgia, and Washington County Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance under the Investment Test for Georgia. Performance in the limited-scope AAs did not influence the Investment Test rating in Georgia.

Refer to Table 14 in the Georgia section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of Georgia is rated **High Satisfactory**. Based on a full-scope review, the bank's performance in the Atlanta-Sandy Springs-Marietta MSA is good.

Retail Banking Services

Refer to Table 15 in the Georgia section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in the Georgia full-scope AA is excellent.

In the Atlanta-Sandy Springs-Marietta MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA.

The percentage distribution of branches in low-income geographies is reasonably near the percentage of the population residing in these geographies and is good. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent. However, when considering 21 middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low- and moderate-income geographies and is excellent in low-income geographies.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Georgia full-scope AA did not affect the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals in a negative or positive way.

WFB's record of opening and closing branches in the Atlanta-Sandy Springs-Marietta MSA did not affect the accessibility of its delivery systems in a negative or positive way. During the evaluation period, WFB opened one branch and closed one branch in a middle-income geography.

Reasonableness of Business Hours and Services

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Georgia full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Atlanta-Sandy Springs-Marietta MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 76 percent of branches located in those geographies maintained Saturday hours compared to 62 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a poor level of CD services in the Georgia full-scope AA. We considered the shorter evaluation period for the Georgia full-scope AA in our assessment of CD services.

In the Atlanta-Sandy Springs-Marietta MSA, WFB provides a limited level of CD services. WFB employees provided a total of 672 hours of CD services. These hours represented 169 CD service activities that benefited 75 different organizations, but amounted to slightly more than one hour of CD service per branch per year. Twenty-two percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Atlanta-Sandy Springs-Marietta MSA include the following:

- WFB employees provided financial education workshops for clients of a principle-centered organization with a mission to provide leadership, advocacy and service to the homeless, helpless and hopeless in the community.
- A WFB employee serves on the board of directors of an organization that has a mission to promote, create and preserve mixed income communities through direct development, lending, policy research and advocacy that result in the equitable distribution of affordable housing throughout the metropolitan Atlanta region.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in Chattanooga, Rome, Savannah, and Warner Robins MSAs and Washington County Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Georgia. Performance under the Service Test in Athens-Clarke County, Brunswick, Dalton, Gainesville, Hinesville-Fort Stewart, and Macon MSAs and Gordon County, Jackson County, Lumpkin County, Southern Georgia, Bulloch County, Greene County, Laurens County, and Sumter

County Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in Georgia. Performance in limited-scope areas did not influence the Service Test performance in Georgia.

Refer to Table 15 in the Georgia section of Appendix D for the facts and data that support these conclusions.

State of Nevada Rating

CRA Rating for the State:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Nevada AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope Nevada AA.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope Nevada AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investment and grants within its full-scope Nevada AA.
- WFB's delivery systems are excellent and readily accessible to all portions of its full-scope Nevada AA.
- WFB's record of opening and closing branches was good and has not adversely affected the accessibility of its delivery systems within its full-scope Nevada AA.
- WFB provides a good level of CD services within its full-scope Nevada AA.

Description of Institution's Operations in the State of Nevada

Of the bank's 54 state and multistate rating areas, Nevada ranks sixteenth and accounts for 1.6 percent of total bank deposits, or \$1.5 billion as of June 30, 2012. WFB has four defined AAs in Nevada, which include 14 out of 17 total counties in the state. Within the state, WFB operates 122 branches. WFB is the second largest banking institution in Nevada with 12.1 percent of the deposit market share. Primary competitors include Charles Schwab Bank and Bank of America, NA with deposit market shares of 56.7 percent and 9.8 percent, respectively. A significant amount of Charles Schwab Bank deposits are from brokerage clients outside the state of Nevada. The outside deposits inflate the bank's significance to the state.

Scope of Evaluation in the State of Nevada

Of WFB's four AAs in Nevada, the Las Vegas-Paradise MSA was selected for a full-scope review. This AA accounts for 60.8 percent of the bank's state deposits and is the most significant AA in the state.

Performance context issues affecting the availability of CD loans throughout the state of Nevada had a significant impact on our assessment of CD lending performance. Refer to the market profile for the Las Vegas-Paradise MSA in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Nevada is rated **Outstanding**. Based on a full-scope review, the bank's performance in the Las Vegas-Paradise MSA is excellent.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in the Nevada full-scope AA is excellent.

WFB's lending activity in the Las Vegas-Paradise MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, small loans to businesses, and small loans to farms is equal to or exceeds its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in the Nevada full-scope AA is adequate.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Nevada section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

WFB's distribution of home purchase loans by income level of the geography in the Las Vegas-Paradise MSA is adequate. Its distribution of home purchase loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is significantly lower than the percent of owner-occupied housing units in moderate-income

geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to severe economic and demographic conditions discussed in the Las Vegas-Paradise MSA Market Profile, we determined that distribution of home purchase refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered excellent in low-income geographies and good in moderate-income geographies. WFB's distribution of home purchase loans by income level of the geography in the Las Vegas-Paradise MSA was revised and is now considered excellent as a result of these performance context factors.

WFB's distribution of home improvement loans by income level of the geography in the Las Vegas-Paradise MSA is good. Its distribution of home improvement loans in low-income geographies exceeds the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies exceeds its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Las Vegas-Paradise MSA is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and/or moderate-income geographies relative to extremely economic and demographic conditions discussed in the Las Vegas-Paradise MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and/or moderate-income geographies should be considered adequate. WFB's distribution of home refinance loans by income level of the geography in the Las Vegas-Paradise MSA was revised and is now considered good as a result of these performance context factors.

Small Loans to Businesses

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

WFB's geographic distribution of small loans to businesses by income level of the geography in the Las Vegas-Paradise MSA is adequate. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is reasonably near its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies exceeds its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the Nevada section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

WFB's geographic distribution of small loans to farms by income level of the geography in the Las Vegas-Paradise MSA is very poor. The bank's distribution of small loans to farms in low-income geographies is significantly lower than the percent of farms in low-income geographies. Additionally, the bank's market share of small loans to farms in low-income geographies is significantly lower than its overall market share of such loans in the AA. The bank's distribution of small loans to farms in moderate-income geographies is significantly lower than the percent of farms in moderate-income geographies. Additionally, the bank's market share of small loans to farms in moderate-income geographies is significantly lower than its overall market share of such loans in the AA.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in the Nevada full-scope AA is good.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the Nevada section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

WFB's borrower distribution of home purchase loans by income level of the borrower in the Las Vegas-Paradise MSA is excellent. Its distribution of loans to low-income borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Las Vegas-Paradise MSA is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers approximates the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Las Vegas-Paradise MSA is good. Its distribution of home refinance loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is reasonably near the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

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

WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Las Vegas-Paradise MSA is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the Nevada section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

WFB's distribution of small loans to farms based on the revenue size of the farm in the Las Vegas-Paradise MSA is good. WFB's percentage of small loans to farms with gross annual revenue of \$1 million or less is reasonably near the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

CD Lending

Refer to Table 1 in the Nevada section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a significantly positive effect on lending performance in the Nevada full-scope AA.

The volume and nature of WFB's CD lending had a positive effect on Lending Test performance in the Las Vegas-Paradise MSA. During the evaluation period, the bank originated 18 CD loans totaling \$90.4 million and equal to 9.7 percent of allocated Tier 1 Capital.

Fifty-six percent of these loans were targeted to affordable housing, 22 percent to community services, and 22 percent to economic development needs identified in the Las Vegas-Paradise MSA. None of these loans were considered particularly complex or responsive to the needs of the AA. However, when we considered the performance context factors limiting opportunities for CD lending, we determined the level of CD lending was sufficient to have a significantly positive effect on lending performance overall.

Highlights of WFB's CD lending that benefited the Las Vegas-Paradise MSA include the following:

- In September 2009, WFB provided a \$1.5 million term loan for the financing of commercial real estate for an orthopedic practice in Las Vegas, Nevada. This term loan will allow the business to expand to a new building. The loan was made in conjunction with the SBA's 504 Certified Development Company (CDC) program, which is a long-term financing tool for economic development within a community. The partnering CDC promotes economic development through job creation and business expansion by providing funding for small and medium sized businesses in California and Nevada.

- In July 2011, WFB refinanced an \$18.4 million term loan to an entity for the purpose of paying off an existing bridge loan for a 320-unit housing development located in a moderate-income census tract in Las Vegas, Nevada. The asking lease rates for the units, consisting of 64 one-bedroom units, 176 two-bedroom units and 80 three-bedroom units, are affordable to low- and moderate-income tenants.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Carson City MSA is not inconsistent with the bank's overall **Outstanding** performance under the Lending Test in Nevada. In the Reno-Sparks MSA and the Greater Nevada Non-Metropolitan AA, performance is weaker than the bank's overall **Outstanding** Lending Test performance in the state. Performance in the limited-scope AAs did not influence the Lending Test rating in Nevada.

Refer to the Tables 1 through 13 in the Nevada section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in Nevada is rated **Outstanding**. Based on a full-scope review, the bank's performance in the Las Vegas-Paradise MSA is excellent.

In addition to the investments and grants made in the full- and limited-scope AAs, WFB made one grant totaling \$1.5 million that benefited the entire state during the evaluation period. The current period statewide investments represent less than one percent of allocated Tier 1 Capital allocated to the entire state. The effect on the overall state rating was minimal.

Conclusions for Areas Receiving Full-Scope Reviews

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

WFB's Investment Test performance in the Las Vegas-Paradise MSA is excellent. During the evaluation period, the bank made 201 grants and qualified investments totaling \$50 million that are equal to 5.4 percent of allocated Tier 1 Capital. The total included 157 grants and contributions worth \$9.2 million. WFB has 12 ongoing qualified investments originated in prior periods that total \$18.7 million, are equal to two percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing, economic development, community services, and neighborhood revitalization and stabilization. Investments during the current evaluation period have created over 601 units of affordable housing in the Las Vegas-Paradise MSA.

Examples of significant investments made in the Las Vegas-Paradise MSA during the evaluation period include the following:

- In May 2011, WFB invested \$12 million in an affordable housing development located in Las Vegas, Nevada. Winterwood Senior Apartments is a 142-unit LIHTC project with all but 18 units restricted to low- and moderate-income residents.
- In May 2012, WFB provided a grant of \$7.2 million to NeighborWorks/NeighborhoodLIFT Down Payment Assistance Program. NeighborWorks® America creates opportunities for people to live in affordable homes, improve their lives and strengthen their communities.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance in the Reno-Sparks and Carson City MSAs and the Greater Nevada Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance under the Investment Test for Nevada. Performance in the limited-scope AAs did not influence the Investment Test rating in Nevada.

Refer to Table 14 in the Nevada section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of Nevada is rated **High Satisfactory**. Based on a full-scope review, the bank's performance in the Las Vegas-Paradise MSA is excellent.

Retail Banking Services

Refer to Table 15 in the Nevada section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in the Nevada full-scope AA is excellent.

In the Las Vegas-Paradise MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's AA.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Nevada full-scope AA has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

WFB's record of opening and closing branches in the Las Vegas-Paradise MSA is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened one and closed seven branches throughout the AA resulting in a net loss of one branch in a low-income geography, two branches in middle-income geographies, and three branches in upper-income geographies. Although one branch was closed in a low-income geography, the distribution of branches remained excellent after the closure.

Reasonableness of Business Hours and Services

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Nevada full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Las Vegas-Paradise MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 86 percent of branches located in those geographies maintained Saturday hours, compared to 98 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in the Nevada full-scope AA.

In the Las Vegas-Paradise MSA, WFB provides a relatively high level of CD services. WFB employees provided a total of 1,335 hours of CD services. These hours represented 391 CD service activities that benefited 57 different organizations and amounted to almost four hours of CD service per branch per store. Sixteen percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Las Vegas-Paradise MSA include the following:

- A WFB employee serves on the board of directors of an organization with a mission to promote affordable housing, homeownership, and neighborhood revitalization in targeted areas throughout Southern Nevada. WFB provided a significant grant to this organization through its NeighborhoodLIFT program.
- A WFB employee provided financial education to a non-profit corporation with the mission to improve the lives of low-income individuals by providing affordable housing solutions and supportive services.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Reno-Sparks and Carson City MSA and Greater Nevada Non-Metropolitan is stronger than the bank's overall **High Satisfactory** performance in Nevada. Performance in limited-scope areas did not influence the Service Test performance in Nevada.

Refer to Table 15 in the Nevada section of Appendix D for the facts and data that support these conclusions.

State of New Jersey Rating

CRA Rating for the State:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope New Jersey AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope New Jersey AA.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope New Jersey AA.
- WFB's CD lending has a positive effect on Lending Test performance;
- WFB has an excellent level of qualified CD investment and grants within its full-scope New Jersey AA.
- WFB's delivery systems are readily accessible to all portions of its full-scope New Jersey AA.

Description of Institution's Operations in the State of New Jersey

Of the bank's 54 state and multistate rating areas, New Jersey ranks fifteenth and accounts for 1.8 percent of total bank deposits, or \$1.7 billion as of June 30, 2012. WFB has five defined AAs in New Jersey, which include all remaining five counties that are not included in the WFB multistate rating areas that include the remaining counties in New Jersey. Within the state, WFB operates 158 branches. WFB is the second largest banking institution in New Jersey with 11.8 percent of the deposit market share. Primary competitors include Bank of America, NA and TD Bank, NA with deposit market shares of 15.1 percent and 11.2 percent, respectively.

Scope of Evaluation in the State of New Jersey

Of WFB's five AAs in New Jersey, Edison-New Brunswick MD was selected for a full-scope review. This AA accounts for 63.5 percent of the bank's state deposits and is the most significant AA in the state. Because WFB's branches in New Jersey have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA

performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

Refer to the market profile for the Edison-New Brunswick MD in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in New Jersey is rated **High Satisfactory**. Based on a full-scope review, the bank's performance in the Edison-New Brunswick MD is good.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in the New Jersey full-scope AA is excellent.

WFB's lending activity in the Edison-New Brunswick MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to farms is equal to or exceeds its ranking or percentage market share of deposits. The level of lending activity as measured by WFB's ranking or percentage market share for small loans to businesses is somewhat lower than its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in the New Jersey full-scope AA is adequate.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the New Jersey section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

WFB's distribution of home purchase loans by income level of the geography in the Edison-New Brunswick MD is good. Its distribution of home purchase loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-

income geographies is somewhat lower than its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is reasonably near the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share.

WFB's distribution of home improvement loans by income level of the geography in the Edison-New Brunswick MD is poor. Its distribution of home improvement loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is somewhat lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Edison-New Brunswick MD was adequate. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and/or moderate-income geographies relative to moderately severe economic and demographic conditions discussed in the Edison-New Brunswick MD Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low-income geographies should be considered adequate. WFB's distribution of home refinance loans by income level of the geography in the Edison-New Brunswick MD was revised and is now considered good as a result of these performance context factors.

Small Loans to Businesses

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

WFB's geographic distribution of small loans to businesses by income level of the geography in the Edison-New Brunswick MD is adequate. The bank's distribution of small loans to businesses in low-income geographies is lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small

loans to businesses in low-income geographies is lower than its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the New Jersey section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

We did not assess geographic distribution of small loans to farms in the Edison-New Brunswick MD because the number of loans originated in the AA was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AA.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in the New Jersey full-scope AA is good. We revised our conclusion to reflect performance context factors identified in the Edison-New Brunswick MD. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the New Jersey section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

WFB's borrower distribution of home purchase loans by income level of the borrower in the Edison-New Brunswick MD is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Edison-New Brunswick MD is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-

income borrowers is lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Edison-New Brunswick MD is adequate. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

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

WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Edison-New Brunswick MD is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the New Jersey section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

We did not assess borrower distribution of small loans to farms in the Edison-New Brunswick MD because the number of loans originated in the AA was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AA.

CD Lending

Refer to Table 1 in the New Jersey section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans.

Table 5 does not separately list CD loans. We considered the shorter evaluation period for New Jersey AAs in our assessment of CD loans. Performance context issues affecting the availability of CD loans throughout the state of New Jersey had a significant impact on our assessment of CD lending performance. Please refer to the New Jersey full-scope AA Market Profiles for more information.

The volume and nature of the bank's CD lending had a positive effect on performance in the New Jersey full-scope AA.

The volume and nature of WFB's CD lending had a positive effect on Lending Test performance in the Edison-New Brunswick MD. During the evaluation period, the bank originated seven CD loans totaling \$34 million and equal to 3.16 percent of allocated Tier 1 Capital.

Seventy-one percent of these loans were targeted to affordable housing and 29 percent to community needs identified in the Edison-New Brunswick MD. Seventy-seven percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA. Performance context issues affecting the availability of CD loans throughout the state of New Jersey had a significant impact on our assessment of CD lending performance in the MD.

Highlights of WFB's CD lending that benefited the Edison-New Brunswick MD include the following:

- In September 2011, WFB provided a \$150,000 line of credit for the purpose of providing working capital to a nonprofit organization located in a moderate-income census tract in Asbury Park, New Jersey. This nonprofit organization serves low- and moderate-income residents of Monmouth County, New Jersey. Their focus is to provide services to low- and moderate-income residents that can address the problems and causes of poverty.
- In December 2011, WFB provided a \$10 million line of credit for the purpose of funding the construction of a 91-unit affordable townhome complex located in a moderate-income census tract in Perth Amboy, New Jersey. The units, consisting of 90 two-bedroom units and one three-bedroom unit, will have asking rental rates that are affordable to low- and moderate-income occupants.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Camden MD and the Trenton-Ewing MSA is not inconsistent with the bank's overall **High Satisfactory** performance under the Lending Test in New Jersey. In the, Atlantic City-Hammonton, and Ocean City MSA performance is weaker than the bank's overall

High Satisfactory Lending Test performance in the state. Performance in the limited-scope AAs did not influence the Lending Test rating in New Jersey.

Refer to the Tables 1 through 13 in the New Jersey section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in New Jersey is rated **Outstanding**. Based on a full-scope review, the bank's performance in the Edison-New Brunswick MD is excellent.

In addition to the investments and grants made in the full- and limited-scope AAs, WFB made two grants and investments totaling \$1 million that benefited the entire state during the evaluation period. WFB has two ongoing qualified investments originated in prior periods that total \$16.3 million and provide continuing benefit to the entire state. The combined current and prior period statewide investments represent slightly less than one percent of allocated Tier 1 Capital allocated to the entire state. The effect on the overall state rating was minimal.

Conclusions for Areas Receiving Full-Scope Reviews

Refer to Table 14 in the New Jersey section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments. We considered the shorter evaluation period for New Jersey AAs in our assessment of qualified investments.

WFB's Investment Test performance in the Edison-New Brunswick MD is excellent. During the evaluation period, the bank made 72 grants and qualified investments totaling \$101.9 million that are equal to 9.3 percent of allocated Tier 1 Capital. The total included 26 grants and contributions worth \$681,000. WFB has no ongoing qualified investments originated in prior periods.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing and neighborhood revitalization and stabilization. Investments during the current evaluation period have created over 210 units of affordable housing in the Edison-New Brunswick MD.

Examples of significant investments made in the Edison-New Brunswick MD during the evaluation period include the following:

- In December 2010, WFB invested \$23 million in a NMTC project to develop a 632,000 square foot 22-story, mixed-use project in downtown New Brunswick, New

Jersey. This neighborhood changing project adjacent to Rutgers University will include a 657 space parking garage, 150 units of rental housing, 57,000 square feet of office space and 58,000 square feet of retail space. The project sponsor is a real estate developer with a focus on low-income tax credit affordable housing. Other participants include the City of New Brunswick and Rutgers University, who have worked in close collaboration to design this project, the Gateway Transit Village, incorporating a mix of uses to satisfy numerous planning and policy goals.

- In September 2011, WFB invested \$30.5 million in a NMTC project in New Brunswick, New Jersey. The funds will be used to construct the New Brunswick Wellness Center, a mixed-use project to include a supermarket, fitness and wellness center, plus a parking garage. This development will provide downtown New Brunswick with its only full-service supermarket and fitness facility. The project sponsor is a group of for-profit related entities engaged in development and management of housing for sale and rental, primarily in the affordable housing arena.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Camden MD is not inconsistent with the bank's overall **Outstanding** performance under the Investment Test in New Jersey. The bank's performance in the Trenton-Ewing, Atlantic City-Hammonton, and Ocean City MSAs is weaker than the bank's overall **Outstanding** performance under the Investment Test for New Jersey. Performance in the limited-scope AAs did not influence the Investment Test rating in New Jersey.

Refer to Table 14 in the New Jersey section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of New Jersey is rated **High Satisfactory**. Based on a full-scope review, the bank's performance in the Edison-New Brunswick MD is good.

Retail Banking Services

Refer to Table 15 in the New Jersey section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in the New Jersey full-scope AA is excellent.

In the Edison-New Brunswick MD, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's full-scope AA.

The percentage distribution of branches in low-income geographies is near to the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good. However, when considering 18 middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies accessibility improves in low- and moderate-income geographies and is excellent in moderate-income geographies.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the New Jersey full-scope AA has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals in a negative or positive way.

WFB's record of opening and closing branches in the Edison-New Brunswick MD did not affect the accessibility of its delivery systems in a negative or positive way. During the evaluation period, WFB opened three and closed five branches throughout the AA resulting in a net loss of two branches in middle-income geographies during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the New Jersey full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours do not vary in a way that inconveniences portions of the Edison-New Brunswick MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 80 percent of branches located in those geographies maintained Saturday hours, compared to 99 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a poor level of CD services in the New Jersey full-scope AA.

In the Edison-New Brunswick MD, WFB provides a poor level of CD services. WFB employees provided a total of 375 hours of CD services. These hours represented 130 CD service activities that benefited 45 different organizations, but amounted to less than one and a half hours of CD services per branch per year. Twenty-three percent of the CD service activities were considered highly responsive to identified community needs. Highlights of WFB's CD services that benefited the Edison-New Brunswick MD include the following:

- WFB employees provided financial education to 100 small business owners in Perth Amboy in a partnership with a nonprofit organization working on a revitalization plan for the Budapest neighborhood that includes helping struggling small business owners.
- WFB employees provided financial education for students at an urban leadership charter school serving predominately low- and moderate-income students.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Camden MD and Atlantic City-Hammonton and Trenton-Ewing MSA is not inconsistent with the bank's overall **High Satisfactory** performance in New Jersey. Performance under the Service Test in the and Ocean City, NJ MSA is weaker than the bank's overall **High Satisfactory** performance in New Jersey. Performance in limited-scope areas did not influence the Service Test performance in New Jersey.

Refer to Table 15 in the New Jersey section of Appendix D for the facts and data that support these conclusions.

State of North Carolina Rating

CRA Rating for the State:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope North Carolina AAs.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope North Carolina AAs.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope North Carolina AAs.
- WFB's CD lending has a positive effect on Lending Test performance.
- WFB has a significant level of qualified CD investments and grants within its full-scope North Carolina AAs.
- WFB's investments and grants exhibit good responsiveness to credit and community economic development needs within its full-scope North Carolina AAs.
- WFB's delivery systems are excellent and readily accessible to all portions of its full-scope North Carolina AAs.
- To the extent changes have been made, WFB's opening and closing of branches was adequate and has generally not adversely affected the accessibility of its delivery systems within its full-scope North Carolina AAs.

Description of Institution's Operations in the State of North Carolina

Of the bank's 54 state and multistate rating areas, North Carolina ranks twelfth and accounts for 2.6 percent of total bank deposits, or \$21.8 billion as of June 30, 2012. WFB has 21 defined AAs in North Carolina, which include 69 of the 100 counties in the state. An additional five counties are part of WFB's Charlotte-Gastonia-Rock Hill Multistate MSA AA. Performance for the Multistate is evaluated and discussed in the section specific to the Multistate. Within the state, WFB operates 244 branches. WFB is the second largest banking institution in North Carolina with 15.3 percent of the deposit market share. Primary competitors include Branch Banking and Trust Company (BB&T) and First Citizens Bank and Trust Company with deposit market shares of 33.4 percent and 8.1 percent, respectively.

Because WFB's branches in the North Carolina have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance

evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

Scope of Evaluation in the State of North Carolina

Of WFB's 21 AAs in North Carolina, Greensboro-High Point, Raleigh-Cary, and Winston-Salem MSAs and the Northwestern North Carolina Non-Metropolitan AA were selected for full-scope reviews. These AAs accounts for 57 percent of the bank's state deposits and are the most significant AAs in the state.

Refer to the market profiles for the Greensboro-High Point, Raleigh-Cary, and Winston-Salem MSAs and Northwestern North Carolina Non-Metropolitan AAs in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in North Carolina is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance in the Greensboro-High Point and Raleigh-Cary MSAs and the Northwestern North Carolina Non-Metropolitan AA is good and in the Winston-Salem MSA is excellent.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in North Carolina full-scope AAs is good.

Greensboro-High Point MSA: WFB's lending activity in the Greensboro-High Point MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, refinance, and small loans to farms is equal to or exceeds its ranking or percentage market share of deposits. The level of lending activity as measured by WFB's ranking or percentage market share for home improvement loans and small loans to businesses is reasonably near its ranking or percentage market share of deposits.

Northwestern North Carolina Non-Metropolitan AA: WFB's lending activity in the Northwestern North Carolina Non-Metropolitan AA reflects excellent responsiveness to

the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, and refinance is equal to or exceeds its ranking or percentage market share of deposits. The level of lending activity as measured by WFB's ranking or percentage market share for small loans to businesses and farms is reasonably near its ranking or percentage market share of deposits.

Raleigh-Cary MSA: WFB's lending activity in the Raleigh-Cary MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, and refinance loans is equal to or exceeds its ranking or percentage market share of deposits. The level of lending activity as measured by WFB's ranking or percentage market share for small loans to businesses, is reasonably near, and for small loans to farms is somewhat lower than its ranking or percentage market share of deposits.

Winston-Salem MSA: WFB's lending activity in the Winston-Salem MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeds its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in North Carolina full-scope AAs is adequate.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the North Carolina section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Greensboro-High Point MSA: WFB's distribution of home purchase loans by income level of the geography in the Greensboro-High Point MSA is adequate. Its distribution of home purchase loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share.

WFB's distribution of home improvement loans by income level of the geography in the Greensboro-High Point MSA is adequate. Its distribution of home improvement loans in low-income geographies is reasonably near the percent of owner-occupied housing

units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is significantly lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is significantly lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Greensboro-High Point MSA is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is somewhat lower than its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to moderately severe economic and demographic conditions discussed in the Greensboro-High Point MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's distribution of home refinance loans by income level of the geography in the Greensboro-High Point MSA was revised and is now considered adequate as a result of these performance context factors.

Northwestern North Carolina Non-Metropolitan AA: WFB's distribution of home purchase loans by income level of the geography in the Northwestern North Carolina Non-Metropolitan AA is good. Its distribution of home purchase loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

WFB's distribution of home improvement loans by income level of the geography in the Northwestern North Carolina Non-Metropolitan AA is adequate. Its distribution of home improvement loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is lower than the percent of owner-occupied housing

units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Northwestern North Carolina Non-Metropolitan AA is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

Raleigh-Cary MSA: WFB's distribution of home purchase loans by income level of the geography in the Raleigh-Cary MSA is good. Its distribution of home purchase loans in low-income geographies exceeds the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

WFB's distribution of home improvement loans by income level of the geography in the Raleigh-Cary MSA is good. Its distribution of home improvement loans in low-income geographies exceeds the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is somewhat lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Raleigh-Cary MSA is poor. Its distribution of home refinance loans in low-income geographies is lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to the economic and demographic conditions discussed in the Raleigh-Cary

MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's distribution of home refinance loans by income level of the geography in the Raleigh-Cary MSA was revised and is now considered adequate as a result of these performance context factors.

Winston-Salem MSA: WFB's distribution of home purchase loans by income level of the geography in the Winston-Salem MSA is good. Its distribution of home purchase loans in low-income geographies is reasonably near the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

WFB's distribution of home improvement loans by income level of the geography in the Winston-Salem MSA is poor. Its distribution of home improvement loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Winston-Salem MSA is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to moderately severe economic and demographic conditions discussed in the Winston-Salem MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's distribution of home refinance loans by income level of the geography in the Winston-Salem MSA was revised and is now considered adequate as a result of these performance context factors.

Small Loans to Businesses

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

Greensboro-High Point MSA: WFB's geographic distribution of small loans to businesses by income level of the geography in the Greensboro-High Point MSA is poor. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is lower than its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near to its overall market share of such loans in the AA.

Northwestern North Carolina Non-Metropolitan AA: WFB's geographic distribution of small loans to businesses by income level of the geography in the Northwestern North Carolina Non-Metropolitan AA is good. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is lower than its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies exceeds the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies exceeds its overall market share of such loans in the AA.

Raleigh-Cary MSA: WFB's geographic distribution of small loans to businesses by income level of the geography in the Raleigh-Cary MSA is adequate. The bank's distribution of small loans to businesses in low-income geographies is lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is lower than to its overall market share of such loans in the AA.

Winston-Salem MSA: WFB's geographic distribution of small loans to businesses by income level of the geography in the Winston-Salem MSA is adequate. The bank's distribution of small loans to businesses in low-income geographies is lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is lower than its overall

market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is somewhat lower than its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the North Carolina section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

We did not assess geographic distribution of small loans to farms in the Greensboro-High Point MSA, the Northwestern North Carolina Non-Metropolitan AA, the Raleigh-Cary MSA and the Winston-Salem MSA because the number of loans originated in the AAs was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AAs.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in North Carolina full-scope AAs is good.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the North Carolina section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Greensboro-High Point MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Greensboro-High Point MSA is excellent. Its distribution of loans to low-income borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Greensboro-High Point MSA is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of

moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Greensboro-High Point MSA is adequate. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Northwestern North Carolina Non-Metropolitan AA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Northwestern North Carolina Non-Metropolitan AA is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is somewhat lower than its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Northwestern North Carolina Non-Metropolitan AA is excellent. Its distribution of home improvement loans to low-income borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Northwestern North Carolina Non-Metropolitan AA is adequate. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is somewhat lower than its overall market share.

Raleigh-Cary MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Raleigh-Cary MSA is good. Its distribution of loans to low-income borrowers is reasonably near the percent of low-income families within the AA.

WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Raleigh-Cary MSA is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers approximates the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers is somewhat lower than its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Raleigh-Cary MSA is adequate. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is reasonably near the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers exceeds its overall market share.

However, when we assessed performance to low-income borrowers relative to economic and demographic conditions discussed in the Raleigh-Cary MSA Market Profile, we determined that distribution of home refinance loans to low-income borrowers should be considered adequate. WFB's borrower distribution of home refinance loans by income level of the borrower in the Raleigh-Cary MSA was revised and is now considered good as a result of these performance context factors.

Winston-Salem MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Winston-Salem MSA is good. Its distribution of loans to low-income borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Winston-Salem MSA is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income

borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Winston-Salem MSA is adequate. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

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

Greensboro-High Point MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Greensboro-High Point MSA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Northwestern North Carolina Non-Metropolitan AA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Northwestern North Carolina Non-Metropolitan AA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Raleigh-Cary MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Raleigh-Cary MSA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Winston-Salem MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Winston-Salem MSA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably

near the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the North Carolina section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

We did not assess borrower distribution of small loans to farms in the Greensboro-High Point MSA, the Northwestern North Carolina Non-Metropolitan AA, the Raleigh-Cary MSA and the Winston-Salem MSA because the number of loans originated in the AAs was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AAs.

CD Lending

Refer to Table 1 in the North Carolina section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a positive effect on performance in North Carolina full-scope AAs. We considered the shorter evaluation period for the AAs in the state of North Carolina when assessing the effect of CD lending on performance.

Greensboro-High Point MSA: The volume and nature of WFB's CD lending had a neutral effect on Lending Test performance in the Greensboro-High Point MSA. During the evaluation period, the bank originated three CD loans totaling \$6.3 million and equal to 2.85 percent of allocated Tier 1 Capital.

Of the three loans made in the AA, two addressed the need for affordable housing and one addressed the need for economic development.

Highlights of WFB's CD lending that benefited the Greensboro-High Point MSA include the following:

- In December 2012, WFB provided a \$2.1 million loan for the purpose of funding the acquisition and renovation of a 76-unit LIHTC affordable housing complex located in a moderate-income census tract in High Point, North Carolina. The units are restricted to low- and moderate-income residents.

- In April 2010, WFB renewed a \$225,000 line of credit for a loan pool program in Greensboro, North Carolina. This program was created to provide capital financing for small businesses that would typically be ineligible for a traditional loan. The loan pool targets the City of Greensboro State Development Zone that includes East and South Central Greensboro. The primary objective of this loan pool is to create and retain permanent jobs in the Development Zone. In order to qualify for assistance from the loan pool, a permanent job must be created or retained for low- and moderate-income persons for each \$50,000 borrowed.

Northwestern North Carolina Non-Metropolitan AA: The volume and nature of WFB's CD lending had a neutral effect on Lending Test performance in the Northwestern North Carolina Non-Metropolitan AA. During the evaluation period, the bank originated no CD loans.

Raleigh-Cary MSA: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Raleigh-Cary MSA. During the evaluation period, the bank originated seven CD loans totaling \$70 million and equal to 10.3 percent of allocated Tier 1 Capital.

Seventy-one percent of these loans addressed the need for affordable housing. Twenty-nine percent addressed the need for community services. Forty-three percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive, positive, somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Raleigh-Cary MSA include the following:

- In April 2012, WFB renewed a \$400,000 working capital line of credit for a nonprofit organization located in a low-income census tract in Raleigh, North Carolina. This nonprofit youth development organization was formed in 1966, where boys up to the age of 18 years may enjoy facilities and programs designed to further their physical, intellectual and spiritual development.
- In June 2011, WFB provided a \$3.5 million loan for the purpose of constructing a 64-unit LIHTC senior affordable housing complex in Holly Springs, North Carolina. This limited liability company is partnering with a nonprofit affordable housing developer that specializes in securing tax credits to construct multi-family affordable housing and affordable housing for seniors. This particular project is a 64-unit LIHTC affordable senior housing development restricted to low- and moderate-income residents.

Winston-Salem MSA: The volume and nature of WFB's CD lending had a neutral effect on Lending Test performance in the Winston-Salem MSA. During the evaluation period, the bank originated no CD loans.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Burlington, Durham-Chapel Hill, Fayetteville, Goldsboro, Hickory-Lenoir-Morganton, Jacksonville, Rocky Mount, and Wilmington MSAs is not inconsistent with the bank's overall **High Satisfactory** performance under the Lending Test in North Carolina. In the Asheville MSA, performance is stronger than the bank's overall **High Satisfactory** Lending Test performance in the state. In the Greenville MSA and Camden-Pasquotank, Dare County, Eastern North Carolina, Lee-Moore, Southern North Carolina, Western North Carolina, and Wilson County Non-Metropolitan AAs, performance is weaker than the bank's overall **High Satisfactory** Lending Test performance in the state. Performance in the limited-scope AAs did not influence the Lending Test rating in North Carolina.

Refer to the Tables 1 through 13 in the North Carolina section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in North Carolina is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance in the Greensboro-High Point MSA is excellent, in the Winston-Salem MSA and Northwestern North Carolina Non-Metropolitan AA is good, and in the Raleigh-Cary MSA is adequate. We considered the shorter evaluation period for North Carolina in our assessment of CD investments.

In addition to the investments and grants made in the full- and limited-scope AAs, WFB made two investments totaling \$3.2 million that benefited the entire state during the evaluation period. WFB has one ongoing qualified investment originating in prior periods for \$129,000 that provides continuing benefit to the entire state. The current and prior period statewide investments are equal to 0.1 percent of allocated Tier 1 Capital allocated to the entire state. The effect on the overall state rating was minimal.

Conclusions for Areas Receiving Full-Scope Reviews

Refer to Table 14 in the North Carolina section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments. We considered the shorter evaluation period for the AA in the state of North Carolina when assessing performance under the Investment Test.

Greensboro-High Point MSA: WFB's Investment Test performance in the Greensboro-High Point MSA is excellent. During the evaluation period, the bank made 27 grants and qualified investments totaling \$21.3 million that are equal to 9.6 percent of allocated Tier 1 Capital. The total included 24 grants and contributions worth \$799,000. WFB has two ongoing qualified investments originated in prior periods that total \$207,000, are equal to 0.09 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's grants and investments exhibit good responsiveness to credit and CD needs in the AA. The investments in this AA address the identified need for affordable housing and revitalization and stabilization. WFB did not provide information on the number of affordable housing units created by the investments in the Greensboro-High Point MSA.

Examples of significant investments made in the Greensboro-High Point MSA during the evaluation period include the following:

- In December 2011, WFB invested \$11.5 million in a NMTC project located in a moderate-income census tract of Greensboro, North Carolina. The investment was used to provide financing for the rehabilitation of a 64,599 square foot former steel mill office in a blighted area south of downtown Greensboro, with office space for 75 small business owners. The project created an estimated 95 permanent jobs. WFB is the sole capital provider, providing leverage debt and tax credit equity. The project developer is a private non-profit corporation whose mission is to enhance economic development in Greensboro, North Carolina and the surrounding area.

Northwestern North Carolina Non-Metropolitan AA: WFB's Investment Test performance in the Northwestern North Carolina Non-Metropolitan AA is good. During the evaluation period, the bank made 31 grants and qualified investments totaling \$9.5 million that are equal to 3.9 percent of allocated Tier 1 Capital. The total included 16 grants and contributions worth \$93,000. WFB has one ongoing qualified investment originated in prior periods for \$314,000 and is equal to 0.1 percent of allocated Tier 1 Capital, and provided continuing benefit to the community.

WFB's investments exhibit adequate responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing and revitalization and stabilization predominately through investments in mortgage backed securities and low-income housing tax credit investment funds. Investments during the current evaluation period have created over 21 units of affordable housing in the Northwestern North Carolina Non-Metropolitan AA.

- In May 2011, WFB invested \$2.5 million in a NMTC project in Wilkesboro, North Carolina. The funds were used for the development, rehabilitation, lease, ownership

and management of a shopping center that is located in a non-metropolitan census tract that qualifies as a severely distressed community.

Raleigh-Cary MSA: WFB's Investment Test performance in the Raleigh-Cary MSA is good. During the evaluation period, the bank made 73 grants and qualified investments totaling \$20.6 million that are equal to 3.0 percent of allocated Tier 1 Capital. The total included 59 grants and contributions worth \$1.5 million. WFB has three ongoing qualified investments originated in prior periods that total \$2.06 million, are equal to 0.3 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB exhibits excellent responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing and revitalization and stabilization. Investments during the current evaluation period have created over 10 units of affordable housing in the Raleigh-Cary MSA.

Examples of significant investments made in the Raleigh-Cary MSA during the evaluation period include the following:

- In June 2012, WFB invested \$350,000 through an EQ2 in a nonprofit organization dedicated to strengthening neighborhoods and families by offering expanded homeownership opportunities; providing quality affordable rental housing for families, seniors and other individuals with limited incomes; and enhancing the economic well-being of low-wealth neighborhoods. The proceeds of the investment were used to acquire raw land for development of low- and moderate-income housing; acquire and rehab existing rental properties; and cover pre-development costs for low- and moderate-income housing developments.
- In October 2010, WFB invested \$15 million in NMTC financing for the construction of a warehouse to be leased and occupied by a global medical technology company, in Four Oaks, North Carolina. In addition, funds will be used for the acquisition of an existing building that will be used to operate a healthcare clinic, providing services to the low-income population in Four Oaks.

Winston-Salem MSA: WFB's Investment Test performance in the Winston-Salem MSA is adequate. During the evaluation period, the bank made 59 grants and qualified investments totaling \$4.7 million that are equal to 1.9 percent of allocated Tier 1 Capital. The total included 39 grants and contributions worth \$2 million. WFB has two ongoing qualified investments originated in prior periods that total \$1.09 million, are equal to 0.4 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB exhibits adequate responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing through the purchase of mortgage-backed securities during the latter

part of the evaluation period. Investments during the current evaluation period have created over 20 units of affordable housing in the Winston-Salem MSA.

Examples of significant investments made in the Winston-Salem MSA during the evaluation period include the following:

- In 2011, WFB provided a \$140,000 Priority Markets Grant for a Neighborhood Revitalization Initiative to continue revitalization work in the historic Cherry Street/Kimberley Park neighborhood near downtown Winston-Salem. The neighborhood is the single-family home phase of a successful Hope VI project, which has transformed a former public-housing community into a mixed-income, single- and multi-family community.
- WFB provided a \$250,000 grant to the Student Success Center at Winston-Salem State University to re-purpose a vacant campus building into a Student Success Center. The center will provide support for students who come from under-resourced schools and who are often the first in their families to attend college.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Durham-Chapel Hill, Hickory-Lenoir-Morganton, and Wilmington MSAs is not inconsistent with the bank's overall **High Satisfactory** performance under the Investment Test in North Carolina. The bank's performance under the Investment Test in the Fayetteville and Goldsboro MSA is stronger than the bank's overall **High Satisfactory** performance under the Investment Test in North Carolina. The bank's performance in the Asheville, Burlington, Greenville, Jacksonville, and Rocky Mount MSA and Eastern North Carolina, Southern North Carolina, Camden-Pasquotank, Lee-Moore, Wilson County, Dare County, Western North Carolina Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance under the Investment Test for North Carolina. Performance in the limited-scope AAs did not influence the Investment Test rating in North Carolina.

Refer to Table 14 in the North Carolina section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of North Carolina is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance in the

Greensboro-High Point and Winston-Salem MSAs is excellent and Raleigh-Cary MSA and Northwestern North Carolina Non-Metropolitan AA is good.

Retail Banking Services

Refer to Table 15 in the North Carolina section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in North Carolina full-scope AAs is excellent.

In the Greensboro-High Point MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's AA.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is near to the percentage of the population residing in these geographies and is excellent. WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Northwestern North Carolina Non-Metropolitan AA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's AA.

There were no branches in low-income census tracts. However, because 1.6 percent of the AA population resides in low-income geographies, more weight was placed on moderate-income tracts when assessing performance. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Raleigh-Cary MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's AA.

The percentage distribution of branches in low-income geographies is reasonably near the percentage of the population residing in these geographies and is good. The percentage distribution of branches in moderate-income geographies is below the percentage of the population residing in these geographies and is adequate. However, when considering six middle- and upper-income branch locations that are in close

proximity to low- and moderate-income geographies, accessibility improves in low- and moderate-income geographies and is excellent in low-income geographies and good in moderate-income geographies. Overall distribution improved and is considered excellent due to bordering branches.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Winston-Salem MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's AA.

The percentage distribution of branches in low- and moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent. WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in North Carolina full-scope AAs is adequate and has generally not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

WFB did not open or close any branches in the Greensboro-High Point and Winston-Salem MSAs during the evaluation period.

WFB's record of opening and closing branches in the Northwestern North Carolina Non-Metropolitan AA is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened one and closed two branches throughout the AA resulting in a net loss of one branch in a low-income geography. In spite of the loss, distribution in low-income geographies remained excellent.

WFB's record of opening and closing branches in the Raleigh-Cary MSA is adequate. WFB has generally not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened and closed one branch throughout the AA resulting in a net loss of one branch in a moderate-income geography.

Reasonableness of Business Hours and Services

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of North Carolina, particularly low- and moderate-income geographies and individuals.

In the Greensboro-High Point MSA, WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Greensboro-High Point MSA, particularly low- and moderate-income geographies and individuals. No branches located in low- and moderate-income geographies maintained Saturday hours, compared to 14 percent of branches located in middle- and upper-income areas. However, only three of 31 total branches within the entire AA operate on Saturdays, regardless of income level.

In the Northwestern North Carolina Non-Metropolitan AA, WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Northwestern North Carolina Non-Metropolitan AA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income areas, 11 percent of branches located in those geographies maintained Saturday hours, compared to 15 percent of branches located in middle- and upper-income areas.

In the Raleigh-Cary MSA, WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Raleigh-Cary MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income areas, 44 percent of branches located in those geographies maintained Saturday hours, compared to 47 percent of branches located in middle- and upper-income areas.

In the Winston-Salem MSA, WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Winston-Salem MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income areas, 13 percent of branches located in those geographies maintained Saturday hours, compared to 25 percent of branches located in middle- and upper-income geographies. It should be noted that only four branches maintain Saturday hours, regardless of income level.

CD Services

WFB provided a good level of CD services in North Carolina full-scope AAs. We considered the shorter evaluation period for North Carolina in our assessment of CD Loans.

In the Greensboro-High Point MSA, WFB provides an adequate level of CD services. WFB employees provided a total of 186 hours of CD services. These hours represented 19 CD service activities that benefited 11 different organizations and amounted to a little more than two hours of CD service per branch per year. Thirty-two

percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Greensboro-High Point MSA include the following:

- A WFB employee provided a new homebuyer presentation to the clients of a nonprofit organization that serves residents in Greensboro and High Point, North Carolina. The organization has been successful in helping families obtain the tools and support needed to become self-sufficient and to maintain self-sufficiency. Its goal is to increase affordable homeownership opportunities in Guilford County.

In the Northwestern North Carolina Non-Metropolitan AA, WFB provides an adequate level of CD services. WFB employees provided a total of 89 hours of CD services. These hours represented ten CD service activities that benefited ten different organizations and amounted to slightly less than one hour of CD service per branch per year. Ten percent of the CD service activities were considered highly responsive to identified community needs. We considered the low level of CD opportunities in our assessment of CD services.

Highlights of WFB's CD services that benefited the Northwestern North Carolina Non-Metropolitan AA include the following:

- A WFB employee serves on the board of directors of a non-profit affordable housing developer and homeownership counseling agency.

In the Raleigh-Cary MSA, WFB provides an excellent level of CD services. WFB is a leader in providing CD services. WFB employees provided a total of 334 hours of CD services. These hours represented 130 CD service activities that benefited 22 different organizations and amounted to almost three hours of CD service per branch per year. In addition, more than 50 percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Raleigh-Cary MSA include the following:

- A WFB employee serves on the board of directors of a not for profit community economic development organization founded to provide financial and counseling assistance to low and moderate income residents of the City of Raleigh, North Carolina. The mission of the organization is to increase the rate of successful low-to-moderate homebuyers through comprehensive education services, information and long-term support.

- A WFB employee serves on the board of directors of a private, non-profit membership organization working for decent, affordable housing that promotes self-determination and stable communities for low- and moderate-income North Carolinians. The organization works to increase investment in quality affordable homes so that working families and individuals, persons with disabilities, people in crisis, and fixed-income seniors may live with opportunity and dignity.

In the Winston-Salem MSA, WFB provides a relatively high level of CD services. WFB employees provided a total of 195 hours of CD services. These hours represented 74 CD service activities that benefited 11 different organizations and amounted to more than 3.5 hours of CD service per branch per year. None of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Winston-Salem MSA include the following:

- A WFB employee represented the bank at housing summit presented by a statewide nonprofit organization representing the interest of underdeveloped and underutilized sectors of the state's economic base.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Durham-Chapel Hill MSA and the Dare County Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in North Carolina. Performance under the Service Test in the Asheville, Goldsboro, Hickory-Lenoir-Morganton, and Wilmington MSAs and Camden-Pasquotank and Eastern North Carolina Non-Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance in North Carolina. Performance under the Service Test in the Fayetteville, Greenville, Burlington, Jacksonville, and Rocky Mount MSAs and the Southern North Carolina, Lee-Moore, Western North Carolina and Wilson County Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in North Carolina. Performance in limited-scope areas did not influence the Service Test performance in North Carolina.

Refer to Table 15 in the North Carolina section of Appendix D for the facts and data that support these conclusions.

State of Pennsylvania Rating

CRA Rating for the State:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to credit needs of its full-scope Pennsylvania AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope Pennsylvania AA.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope Pennsylvania AA.
- WFB's CD lending has a neutral effect on Lending Test performance.
- WFB has a good level of qualified CD investment and grants within WFB's full-scope Pennsylvania AA.
- WFB's delivery systems are good and are accessible to essentially all portions of its full-scope Pennsylvania AA.

Description of Institution's Operations in the State of Pennsylvania

Of the bank's 54 state and multistate rating areas, Pennsylvania ranks seventh and accounts for 3.5 percent of total bank deposits, or \$3.2 billion as of June 30, 2012. WFB has nine defined AAs in Pennsylvania, which include 23 out of 67 counties in the state. Within the state, WFB operates 240 branches. WFB is the second largest banking institution in Pennsylvania with 10.4 percent of the deposit market share. Primary competitors include PNC Bank, NA and Citizens Bank of Pennsylvania, with deposit market shares of 21 percent and 10.4 percent, respectively

Because WFB's branches in the state of Pennsylvania have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

Scope of Evaluation in the State of Pennsylvania

Of WFB's nine AAs in Pennsylvania, the Philadelphia MD was selected for full-scope review. This MD accounts for 79.3 percent of the bank's state deposits and is the most significant AA in the state.

Refer to the market profile for the Philadelphia MD in Appendix C for detailed demographics and other performance context information.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Pennsylvania is rated **High Satisfactory**. Based on a full-scope review, the bank's performance in the Philadelphia MD is excellent.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in the Pennsylvania full-scope AA is good.

WFB's lending activity in the Philadelphia MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, refinance, and small loans to farms is equal to or exceeded its ranking or percentage market share of deposits. The level of lending activity as measured by WFB's ranking or percentage market share for home improvement loans and small loans to businesses is reasonably near its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in the Pennsylvania full-scope AA is adequate.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Pennsylvania section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

WFB's distribution of home purchase loans by income level of the geography in the Philadelphia MD is adequate. Its distribution of home purchase loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is reasonably near the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to severe economic and demographic conditions discussed in the Philadelphia MD Market Profile, we determined that distribution of home purchase loans compared to the percent of owner-occupied housing units in low-income geographies should be considered adequate. WFB's distribution of home purchase loans by income level of the geography in the Philadelphia MD was revised and is now considered good as a result of these performance context factors.

WFB's distribution of home improvement loans by income level of the geography in the Philadelphia MD is adequate. Its distribution of home improvement loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is somewhat lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Philadelphia MD is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is somewhat lower than its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

Small Loans to Businesses

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

WFB's geographic distribution of small loans to businesses by income level of the geography in the Philadelphia MD is adequate. The bank's distribution of small loans to businesses in low-income geographies is lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies exceeds its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the Pennsylvania section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

Philadelphia MD: WFB's geographic distribution of small loans to farms by income level of the geography in the Philadelphia MD is very poor. The bank's distribution of small loans to farms in low-income geographies is significantly lower than the percent of farms in low-income geographies. Additionally, the bank's market share of small loans to farms in low-income geographies is significantly lower than its overall market share of such loans in the AA. The bank's distribution of small loans to farms in moderate-income geographies is significantly lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to farms in moderate-income geographies is significantly lower than its overall market share of such loans in the AA.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in the Pennsylvania full-scope AA is good.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the Pennsylvania section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

WFB's borrower distribution of home purchase loans by income level of the borrower in the Philadelphia MD is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its

market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Philadelphia MD is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Philadelphia MD is adequate. Its distribution of home refinance loans to low-income is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

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

WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Philadelphia MD is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the Pennsylvania section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

WFB's distribution of small loans to farms based on the revenue size of the farm in the Philadelphia MD is good. WFB's percentage of small loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

CD Lending

Refer to Table 1 in the Pennsylvania section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a neutral effect on performance in the Pennsylvania full-scope AA. We considered the shorter evaluation period for Pennsylvania in our assessment of CD loans.

The volume and nature of WFB's CD lending had a neutral effect on Lending Test performance in the Philadelphia MD. During the evaluation period, the bank originated 21 CD loans totaling \$88 million and equal to 3.4 percent of allocated Tier 1 Capital.

Forty-three percent of these loans were targeted to affordable housing, 10 percent to stabilization and revitalization efforts, and 47 percent to community service needs identified in the Philadelphia MD. Nineteen percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Philadelphia MD include the following:

- In April 2011, WFB provided a \$3 million line of credit to support working capital related to funding delays from the Department of Public Welfare for a nonprofit organization's subsidized childcare program. The nonprofit organization plays an important role in addressing barriers to entry into the workplace. The line of credit proceeds are going to support this nonprofit organization's Child Care Information Services program, which is a valuable resource for low-income working parents and families in transition from welfare seeking affordable and quality childcare.
- In June 2011, WFB provided a \$250,000 line of credit for the purpose of providing working capital to a nonprofit organization located in Sharon Hill, Pennsylvania. This nonprofit organization provides medical care, dental care, and social services to uninsured and underinsured minority residents of Chester, Delaware County, Pennsylvania. They are the largest and most comprehensive HIV/AIDS service provider for the city and its many small surrounding communities.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, performance under the Lending Test in the Lebanon, Reading, Lancaster, and York-Hanover MSAs and Monroe-Wayne and Northumberland-Schuylkill Non-Metropolitan AAs is not inconsistent with the bank's overall **High Satisfactory** performance under the Lending Test in Pennsylvania. The bank's performance under the Lending Test in the Harrisburg-Carlisle MSA is stronger than the bank's overall **High Satisfactory** Lending Test performance in the state of Pennsylvania. The bank's performance under the Lending Test in the Scranton-Wilkes-Barre, MSA is weaker than with the bank's overall **High Satisfactory** performance under the Lending Test in Pennsylvania. Performance in the limited-scope AAs did not influence the Lending Test rating in Pennsylvania.

Refer to the Tables 1 through 13 in the Pennsylvania section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in Pennsylvania is rated **High Satisfactory**. Based on a full-scope review, the bank's performance in the Philadelphia MD is good. We considered the shorter evaluation period for Pennsylvania in our assessment of qualified investments.

In addition to the investments and grants made in the full- and limited-scope AAs, WFB made four investments totaling \$1.08 million that benefited the entire state during the evaluation period. WFB has one ongoing qualified investment originating in a prior period for \$2.9 million that provides continuing benefit to the entire state. The current and prior period statewide investments are equal to 0.1 percent of allocated Tier 1 Capital allocated to the entire state. The effect on the overall state rating was minimal.

Conclusions for Areas Receiving Full-Scope Reviews

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

WFB's Investment Test performance in the Philadelphia MD is good. During the evaluation period, the bank made 206 grants and qualified investments totaling \$106.9 million that are equal to 4.1 percent of allocated Tier 1 Capital. The total included 173 grants and contributions worth \$12 million. WFB has 10 ongoing qualified investments originated in prior periods that total \$47.6 million, are equal to 1.8 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for

affordable housing, economic development, and revitalization and stabilization. Investments during the current evaluation period have created over 394 units of affordable housing in the Philadelphia MD.

Examples of significant investments made in the Philadelphia MD during the evaluation period include the following:

- In July 2010, WFB invested \$1 million through an EQ2 in a non-profit loan fund created to encourage the growth and stability of the small business sector and to facilitate opportunities for banks to make business loans in the city of Camden, New Jersey and other economically distressed areas in southern New Jersey and Philadelphia. This investment was used as part of a capital campaign to expand existing lending programs of the organization.
- In September 2010, WFB invested \$9.6 million in Paschall Village Phase I Apartments, a 50-unit affordable housing project. This is the initial phase of a two-phase affordable rental housing development project that will be located in the southwest section of Philadelphia, Pennsylvania. This is a direct investment for the construction of a low-income housing tax credit project.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Harrisburg-Carlisle, Scranton-Wilkes-Barre and York-Hanover MSAs was stronger than the bank's overall **High Satisfactory** performance under the Investment Test in Pennsylvania. The bank's performance in the Lancaster, Reading, and Lebanon MSAs and Monroe-Wayne and Northumberland-Schuylkill Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance under the Investment Test for Pennsylvania. Performance in the limited-scope AAs did not influence the Investment Test rating in Pennsylvania. Refer to Table 14 in the Pennsylvania section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of Pennsylvania is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance in the Philadelphia MD is good.

Retail Banking Services

Refer to Table 15 in the Pennsylvania section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in the Pennsylvania full-scope AA is good.

In the Philadelphia MD, WFB's distribution of branches is good. Delivery systems are accessible to essentially all of WFB's AA.

The percentage distribution of branches in low-income geographies is below the percentage of the population residing in these geographies and is adequate. The percentage distribution of branches in moderate-income geographies is near to the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Pennsylvania full-scope AA is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

WFB's record of opening and closing branches in the Philadelphia MD did not affect the accessibility of its delivery systems in a negative or positive way. During the evaluation period, WFB opened four and closed four branches throughout the AA resulting in no gain or loss of branches in low-, moderate-, middle-, or upper-income geographies during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Pennsylvania full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Philadelphia MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 56 percent of branches located in those geographies maintained Saturday hours compared to 63 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an adequate level of CD services in the Pennsylvania full-scope AA. We considered the shorter evaluation period for Pennsylvania in our assessment of CD Services.

In the Philadelphia MD, WFB provides an adequate level of CD services. WFB employees provided a total of 1,018 hours of CD services. These hours represented 219 CD service activities that benefited 103 different organizations and amounted to almost two and a half hours of CD service per branch per year. Seven percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Philadelphia MD include the following:

- A WFB employee provides technical assistance as it relates to Small Business Lending, Small Business workshops, and capacity building for the Philadelphia Business Builder Loan Program. The program was developed as a pilot lending initiative to increase the flow of capital to small businesses located in low- and moderate-income geographies in the City of Philadelphia.
- WFB employees provided Hands on Banking First Time Homebuyer Workshop for 200 low- and moderate-income individuals at the Philadelphia Housing Authority's June Homeownership Event.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Harrisburg-Carlisle, Reading, Scranton-Wilkes-Barre, York-Hanover and Lancaster MSAs and the Northumberland-Schuylkill and Monroe-Wayne Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Pennsylvania. Performance under the Service Test in the Lebanon MSA is weaker than the bank's overall **High Satisfactory** performance in Pennsylvania. Performance in limited-scope areas did not influence the Service Test performance in Pennsylvania.

Refer to Table 15 in the Pennsylvania section of Appendix D for the facts and data that support these conclusions.

State of Texas Rating

CRA Rating for Texas:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Texas AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Texas AAs.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope Texas AAs.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investment and grants within its full-scope Texas AAs.
- WFB's delivery systems are readily accessible to all portions of WFB's full-scope Texas AAs.
- To the extent changes have been made, WFB's record of opening and closing branches has generally not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies within its full-scope Texas AAs.

Description of Institution's Operations in the State of Texas

Of the bank's 54 state and multistate rating areas, Texas ranks fifth and accounts for \$6.3 billion or 6.6 percent of total bank deposits as of June 30, 2012. WFB has 35 defined AAs in Texas, which include 98 out of 254 total counties in the state. Within the state, WFB operates 668 branches. WFB is the second largest banking institution in Texas with 14.3 percent of the deposit market share. Primary competitors include JP Morgan Chase Bank and Bank of America, NA with deposit market shares of 17.7 percent and 13.3 percent, respectively.

Scope of Evaluation in the State of Texas

Of WFB's 35 AAs in Texas, the Dallas-Plano-Irving and Fort Worth-Arlington MDs and the Austin-Round Rock-San Marcos, El Paso, and Houston-Sugar Land-Baytown MSAs were selected for full-scope review. These MSAs and MDs account for 75.4 percent of the bank's state deposits and are the most significant AAs in the state.

Refer to the market profile for the Dallas-Plano-Irving and Fort Worth-Arlington MDs and the Austin-Round Rock-San Marcos, El Paso, and Houston-Sugar Land-Baytown MSAs in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Texas is rated **Outstanding**. Based on full-scope reviews, the bank's performance in the El Paso and Houston-Sugar Land-Baytown MSAs is good and in the Austin-Round Rock-San Marcos MSA and the Dallas-Plano-Irving and Fort Worth-Arlington MDs is excellent.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in Texas full-scope AAs is excellent.

Austin-Round Rock-San Marcos MSA: WFB's lending activity in the Austin-Round Rock-San Marcos MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

Dallas-Plano-Irving MD: WFB's lending activity in the Dallas-Plano-Irving MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

El Paso MSA: WFB's lending activity in the El Paso MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

Fort Worth-Arlington MD: WFB's lending activity in the Fort Worth-Arlington MD reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home

improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

Houston-Sugar Land-Baytown MSA: WFB's lending activity in the Houston-Sugar Land-Baytown MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, refinance, and small loans to businesses and farms is equal to or exceeded its ranking or percentage market share of deposits.

Distribution of Loans by Income Level of the Geography

Distribution of loans by income level of the geography in Texas full-scope AAs is good. We revised our conclusions to reflect performance context factors identified in the Austin-Round Rock-San Marcos MSA, the Dallas-Plano-Irving MD, the El Paso MSA, the Fort Worth-Arlington MD, and the Houston-Sugar Land-Baytown MSA. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Austin-Round Rock-San Marcos MSA: WFB's geographic distribution of home purchase loans by income level in the Austin-Round Rock-San Marcos MSA is poor. Its distribution of loans in low-income geographies is somewhat lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is somewhat lower than its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is lower than the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share.

WFB's geographic distribution of home improvement loans by income level in the Austin-Round Rock-San Marcos MSA is adequate. Its distribution of loans in low-income geographies is lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is reasonably near its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Austin-Round Rock-San Marcos MSA is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is somewhat lower than its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

Dallas-Plano-Irving MD: WFB's geographic distribution of home purchase loans by income level in the Dallas-Plano-Irving MD is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to the economic and demographic conditions discussed in the Dallas-Plano-Irving MD Market Profile, we determined that distribution of home purchase loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered good. WFB's geographic distribution of home purchase loans by income level in the Dallas-Plano-Irving MD was revised and is now considered good as a result of these performance context factors.

WFB's geographic distribution of home improvement loans by income level in the Dallas-Plano-Irving MD is adequate. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Dallas-Plano-Irving MD is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to the economic and demographic conditions discussed in the Dallas-Plano-Irving MD Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's geographic distribution of home refinance loans by income level in the Dallas-Plano-Irving MD was revised and is now considered good as a result of these performance context factors.

El Paso MSA: WFB's geographic distribution of home purchase loans by income level in the El Paso MSA is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is lower than the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

WFB's geographic distribution of home improvement loans by income level in the El Paso MSA is poor. Its distribution of loans in low-income geographies is somewhat lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is somewhat lower than its overall market share.

WFB's geographic distribution of home refinance loans by income level in the El Paso MSA is very poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is significantly lower than its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to severe economic and demographic conditions discussed in the El Paso MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in moderate-income geographies should be considered adequate. WFB's geographic distribution of home refinance loans by income level in the El Paso MSA was revised and is now considered poor as a result of these performance context factors.

Fort Worth-Arlington MD: WFB's geographic distribution of home purchase loans by income level in the Fort Worth-Arlington MD is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to the economic and demographic conditions discussed in the Fort Worth-Arlington MD Market Profile, we determined that distribution of home purchase loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's geographic distribution of home purchase loans by income level in the Fort Worth-Arlington MD was revised and is now considered good as a result of these performance context factors.

WFB's geographic distribution of home improvement loans by income level in the Fort Worth-Arlington MD is good. Its distribution of loans in low-income geographies is lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies exceeds the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies exceeds its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Fort Worth-Arlington MD is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to the economic and demographic conditions discussed in the Fort Worth-Arlington MD Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's geographic distribution of home refinance loans by income level in the Fort Worth-Arlington MD was revised and is now considered good as a result of these performance context factors.

Houston-Sugar Land-Baytown MSA: WFB's geographic distribution of home purchase loans by income level in the Houston-Sugar Land-Baytown MSA is poor. Its distribution of loans in low-income geographies is lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to the economic and demographic conditions discussed in the Houston-Sugar Land-Baytown MSA Market Profile, we determined that distribution of home purchase loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's geographic distribution of home purchase loans by income level in the Houston-Sugar Land-Baytown MSA was revised and is now considered good as a result of these performance context factors.

WFB's geographic distribution of home improvement loans by income level in the Houston-Sugar Land-Baytown MSA is adequate. Its distribution of loans in low-income geographies is reasonably near the percent of owner-occupied units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is somewhat lower than its overall market share.

WFB's geographic distribution of home refinance loans by income level in the Houston-Sugar Land-Baytown MSA is poor. Its distribution of loans in low-income geographies is significantly lower than the percent of owner-occupied units in low-income geographies. WFB's market share of home refinance loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is significantly lower than the percent of owner-occupied units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to economic and demographic conditions discussed in the Houston-Sugar Land-Baytown MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's geographic distribution of home refinance loans by income level in the Houston-Sugar Land-Baytown MSA was revised and is now considered adequate as a result of these performance context factors.

Small Loans to Businesses

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

Austin-Round Rock-San Marcos MSA: WFB's geographic distribution of small loans to businesses in the Austin-Round Rock-San Marcos MSA is good. The bank's distribution of small loans to businesses in low-income geographies is reasonably near the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is reasonably near its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Dallas-Plano-Irving MD: WFB's geographic distribution of small loans to businesses in the Dallas-Plano-Irving MD is good. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is reasonably near its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

El Paso MSA: WFB's geographic distribution of small loans to businesses in the El Paso MSA is excellent. The bank's distribution of small loans to businesses in low-income geographies exceeds the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies approximates the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near its overall market share of such loans in the AA.

Fort Worth-Arlington MD: WFB's geographic distribution of small loans to businesses in the Fort Worth-Arlington MD is excellent. The bank's distribution of small loans to businesses in low-income geographies exceeds the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies exceeds its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies

exceeds the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies exceeds its overall market share of such loans in the AA.

Houston-Sugar Land-Baytown MSA: WFB's geographic distribution of small loans to businesses in the Houston-Sugar Land-Baytown MSA is adequate. The bank's distribution of small loans to businesses in low-income geographies is reasonably near the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is somewhat lower than its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is somewhat lower than its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

Austin-Round Rock-San Marcos MSA: WFB's geographic distribution of small loans to farms in the Austin-Round Rock-San Marcos MSA is excellent. WFB's distribution of small loans to farms in low-income geographies exceeds the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies exceeds its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies exceeds the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies exceeds its overall market share of such loans in the AA.

Dallas-Plano-Irving MD: WFB's geographic distribution of small loans to farms in the Dallas-Plano-Irving MD is poor. WFB's distribution of small loans to farms in low-income geographies is significantly lower than the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies exceeds its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies is somewhat lower than the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies is lower than its overall market share of such loans in the AA.

El Paso MSA: WFB's geographic distribution of small loans to farms in the El Paso MSA is good. WFB's distribution of small loans to farms in low-income geographies exceeds the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies exceeds its overall market share of

such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies is lower than the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies exceeds its overall market share of such loans in the AA.

Fort Worth-Arlington MD: WFB's geographic distribution of small loans to farms in the Fort Worth-Arlington MD is good. WFB's distribution of small loans to farms in low-income geographies exceeds the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies exceeds its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies is reasonably near the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies is somewhat lower than its overall market share of such loans in the AA.

Houston-Sugar Land-Baytown MSA: WFB's geographic distribution of small loans to farms in the Houston-Sugar Land-Baytown MSA is poor. WFB's distribution of small loans to farms in low-income geographies is significantly lower than the percent of farms in low-income geographies. The bank's market share of small loans to farms in low-income geographies exceeds its overall market share of such loans in the AA. WFB's distribution of small loans to farms in moderate-income geographies is lower than the percent of farms in moderate-income geographies. The bank's market share of small loans to farms in moderate-income geographies is lower than its overall market share of such loans in the AA.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in Texas full-scope AAs is good. We revised our conclusions to reflect performance context factors identified in the Austin-Round Rock-San Marcos MSA, the Dallas-Plano-Irving MD, the El Paso MSA, the Fort Worth-Arlington MD, and the Houston-Sugar Land-Baytown MSA. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Austin-Round Rock-San Marcos MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Austin-Round Rock-San Marcos MSA is good. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower

distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Austin-Round Rock-San Marcos MSA is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers approximates the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Austin-Round Rock-San Marcos MSA is adequate. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is equal to its overall market share.

Dallas-Plano-Irving MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the Dallas-Plano-Irving MD is good. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Dallas-Plano-Irving MD is good. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers is reasonably near the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Dallas-Plano-Irving MD is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-

income borrowers is lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to moderately severe economic and demographic conditions discussed in the Dallas-Plano-Irving MD Market Profile, we determined that distribution of home refinance loans compared to the percent of low- and moderate-income borrowers should be considered poor for low-income borrowers and adequate for moderate-income borrowers. WFB's borrower distribution of home refinance loans by income level of the borrower in the Dallas-Plano-Irving MD was revised and is now considered adequate as a result of these performance context factors.

El Paso MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the El Paso MSA is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is somewhat lower than its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the El Paso MSA Market Profile, we determined that distribution of home purchase loans compared to the percent of low-income borrowers should be considered poor. WFB's borrower distribution of home purchase loans by income level of the borrower in the El Paso MSA was revised and is now considered adequate as a result of these performance context factors.

WFB's borrower distribution of home improvement loans by income level of the borrower in the El Paso MSA is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the El Paso MSA is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to

moderate-income borrowers is significantly lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to severe economic and demographic conditions discussed in the El Paso MSA Market Profile, we determined that distribution of home refinance loans compared to the percentage of low- and moderate-income borrowers should be considered poor for low-income borrowers and adequate for moderate-income borrowers. WFB's borrower distribution of home refinance loans by income level of the borrower in the El Paso MSA was revised and is now considered adequate as a result of these performance context factors.

Fort Worth-Arlington MD: WFB's borrower distribution of home purchase loans by income level of the borrower in the Fort Worth-Arlington MD is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Fort Worth-Arlington MD is good. Its distribution of loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Fort Worth-Arlington MD is adequate. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is somewhat lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers exceeds its overall market share.

However, when we assessed performance to low- and moderate-income borrowers relative to moderately severe economic and demographic conditions discussed in the Fort Worth-Arlington MD Market Profile, we determined that distribution of home refinance loans compared to the percent of low-income borrowers should be considered

adequate. WFB's borrower distribution of home refinance loans by income level of the borrower in the Fort Worth-Arlington MSA was revised and is now considered good as a result of these performance context factors.

Houston-Sugar Land-Baytown MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Houston-Sugar Land-Baytown MSA is good. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Houston-Sugar Land-Baytown MSA is good. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers is reasonably near the percent of moderate-income families within the AA. WFB's market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Houston-Sugar Land-Baytown MSA is poor. Its distribution of loans to low-income borrowers is significantly lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers is lower than the percent of moderate-income families within the AA. WFB's market share of home refinance loans to moderate-income borrowers is reasonably near its overall market share.

Small Loans to Businesses

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

Austin-Round Rock-San Marcos MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Austin-Round Rock-San Marcos MSA is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Dallas-Plano-Irving MD: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Dallas-Plano-Irving MD is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

El Paso MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the El Paso MSA is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Fort Worth-Arlington MD: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Fort Worth-Arlington MD is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Houston-Sugar Land-Baytown MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Houston-Sugar Land-Baytown MSA is excellent. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less exceeds the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

Austin-Round Rock-San Marcos MSA: WFB's distribution of small loans to farms based on the revenue size of the farms in the Austin-Round Rock-San Marcos MSA is good. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less is reasonably near the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

Dallas-Plano-Irving MD: WFB's distribution of small loans to farms based on the revenue size of the farms in the Dallas-Plano-Irving MD is good. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less is reasonably near the

percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

El Paso MSA: WFB's distribution of small loans to farms based on the revenue size of the farms in the El Paso MSA is excellent. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less exceeds the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

Fort Worth-Arlington MD: WFB's distribution of small loans to farms based on the revenue size of the farms in the Fort Worth-Arlington MD is good. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less is reasonably near the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

Houston-Sugar Land-Baytown MSA: WFB's distribution of small loans to farms based on the revenue size of the farms in the Houston-Sugar Land-Baytown MSA is good. WFB's percentage of loans to farms with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small farms in the AA. WFB's market share of loans to farms with gross annual revenue of \$1 million or less exceeds its overall farm loan market share.

CD Lending

Refer to Table 1 in the Texas section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a significantly positive effect on performance in Texas full-scope AAs.

Austin-Round Rock-San Marcos MSA: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Austin-Round Rock-San Marcos MSA. During the evaluation period, the bank originated 27 CD loans totaling \$137.6 million and equal to 20.1 percent of allocated Tier 1 Capital.

Seventy-eight percent of these loans were targeted to affordable housing, seven percent to stabilization and revitalization efforts, and fifteen percent to community services needs identified in the Austin-Round Rock-San Marcos MSA. Twenty-six percent of WFB's CD loans were considered particularly complex and/or responsive to needs identified in the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Austin-Round Rock-San Marcos MSA include the following:

- In January 2012, WFB renewed a \$150,000 line of credit for an entity for the purpose of providing working capital for the borrower located in Austin, Texas. This nonprofit organization has a mission to prevent and help end homelessness and poverty housing for those working to achieve independent living in Central Texas. This is accomplished by creating affordable, safe, quality housing; providing residents with access to supportive services; and educating about, and advocating for, individuals and families struggling with homelessness and at-risk for homelessness.
- In February 2010, WFB provided a \$6.5 million loan to a borrower to finance the purchase and rehabilitation of a 238-unit apartment building located in a moderate-income census tract in Austin, Texas. The units will be renovated over a period of 18 months and will serve to make the building in compliance with the Americans with Disability Act. All of the units are restricted to 50 percent of the area's median income in adherence with the Rental Housing Development Affordable Loan Program. The borrower is a non-profit organization that empowers low-income families and individuals with the tools they need to succeed.

Dallas-Plano-Irving MD: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Dallas-Plano-Irving MD. During the evaluation period, the bank originated 28 CD loans totaling \$135.8 million and equal to 11.21 percent of allocated Tier 1 Capital.

Sixty-one percent of these loans were targeted to affordable housing, eleven percent to community services, and twenty-eight percent to economic development needs identified in the Dallas-Plano-Irving MD. Seven percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Dallas-Plano-Irving MD include the following:

- In May 2011, WFB renewed a \$300,000 line of credit for the purpose of providing working capital to a nonprofit organization located in a moderate-income census tract in Dallas, Texas. The borrower is one of the largest non-profit providers of preventative dental care and dental health education to low-income individuals in Texas. Established in 1963, they operate 11 clinics in Dallas and Collin counties that serve children, adults, seniors, patients with HIV/AIDS and the homeless.
- In December 2008, WFB provided a \$5.2 million loan to a developer to finance the construction of a 145-unit 9 percent tax credit development located in The Colony,

Texas. The borrower is a single-asset entity created to own and operate the facility. All of the units are restricted to seniors 55 years or older earning between 30 percent and 60 percent of the area's median family income.

El Paso MSA: The volume and nature of WFB's CD lending had a neutral effect on Lending Test performance in the El Paso MSA. During the evaluation period, the bank originated nine CD loans totaling \$6.4 million and equal to 2.8 percent of allocated Tier 1 Capital.

Fifty-six percent of these loans were targeted to community services and forty-four percent to economic development needs identified in the El Paso MSA. Forty-four percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the El Paso MSA include the following:

- In May 2012, WFB renewed a \$100,000 working capital line of credit and provided an increase of \$250,000, for a total of \$350,000, for a nonprofit healthcare organization located in a moderate-income census tract in El Paso, Texas. This nonprofit organization was formed to provide community-based primary healthcare with a particular concern for the poor and needy.
- In March 2012, WFB renewed a \$200,000 working capital line of credit for a nonprofit organization located in El Paso, Texas. The \$68,000 represents WFB's 34 percent participation in a working capital line of credit totaling \$200,000; WFB is the lead bank in this loan. This nonprofit offers workforce development programs providing long-term high-skilled training services to El Paso County residents. The focus is on training for high-skill, high-wage jobs, fulfilling both the local industries' need for skilled workers and residents' need for living wage jobs. Participants receive career counseling, support services, training, and post-employment assistance to promote long-term success.

Fort Worth-Arlington MD: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Fort Worth-Arlington MD. During the evaluation period, the bank originated 23 CD loans totaling \$59.5 million and equal to 10.33 percent of allocated Tier 1 Capital.

Seventy-eight percent of these loans were targeted to affordable housing, nine percent to community services, and thirteen percent to economic development needs identified in the Fort Worth-Arlington MD. Forty-six percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Fort Worth-Arlington MD include the following:

- In August 2009, WFB renewed an \$800,000 line of credit for the purpose of providing working capital to a nonprofit organization located in a moderate-income census tract in Fort Worth, Texas. The borrower provides home ownership opportunities for low-income families. Working under the faith-based principle that no profit should be gained from assisting those in need, the mission of the organization is to eliminate poverty housing and to make decent, affordable shelter for all people a matter of conscience.
- In August 2011, WFB provided an \$8.5 million construction loan for the purpose of funding the redevelopment of a 100-unit LIHTC affordable housing complex located in a low-income census tract in Fort Worth, Texas. This limited partnership is affiliated with a development, construction, and management company that specializes in both the new construction and preservation of affordable housing through the LIHTC and Section 8 programs.

Houston-Sugar Land-Baytown MSA: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Houston-Sugar Land-Baytown MSA. During the evaluation period, the bank originated 36 CD loans totaling \$202.4 million and equal to 9.83 percent of allocated Tier 1 Capital.

Sixty-seven percent of these loans were targeted to affordable housing, six percent to community services, seventeen percent to economic development, and ten percent to stabilization and revitalization efforts identified as needs in the Houston-Sugar Land-Baytown MSA. Thirteen percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Houston-Sugar Land-Baytown MSA include the following:

- In September 2009, WFB provided a \$4.0 million loan for the purpose of providing construction financing for a 166-unit single room occupancy apartment LIHTC development located in a moderate-income census tract in Houston, Texas. The units will target persons in transition and will be restricted to tenants earning 60 percent or below of the area's median family income.
- In August 2010, WFB provided a one-year extension on a \$6.3 million loan that was originated for the purpose of providing financing for the redevelopment of a commercial property. The property is located in an area that has been designated as a reinvestment zone by the City of Houston, Texas and is located in a moderate-income census tract. This limited partnership was formed for the express purpose of

purchasing and redeveloping the property. The existing shopping center had experienced a significant loss of tenants over time and occupancy was at 30 percent, while sales tax collections had declined materially. According to the project plan, this landmark high profile project would not have occurred without the creation of the reinvestment zone. The new development is estimated to create approximately 1,300 permanent jobs.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Beaumont-Port Arthur, College Station-Bryan, Laredo, San Angelo, San Antonio-New Braunfels, Amarillo, Brownsville-Harlingen, Corpus Christi, Killeen-Temple-Fort Hood, Lubbock, McAllen-Edinburg-Mission, Midland, Odessa, Victoria, Waco, and Wichita Falls MSAs and the Brazos Valley, Hartley County, Southeastern Texas, Yoakum County, Atlanta, Big Spring, Borger, Central Texas, Garza County, Hill County, Kerrville, Montague County, Plainview, and South Texas Non-Metropolitan AAs performance is weaker than the bank's overall **Outstanding** performance under the Lending Test in Texas. Performance in the limited-scope AAs did not influence the Lending Test rating in Texas.

Refer to the Tables 1 through 13 in the Texas section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in Texas is rated **Outstanding**. Based on full-scope reviews, the bank's performance is excellent in the Austin-Round Rock-San Marcos, El Paso, and Houston-Sugar Land-Baytown MSAs and Dallas-Plano-Irving and Fort Worth-Arlington MDs.

In addition to the investments and grants made in the full- and limited-scope AAs, WFB made two investments totaling \$5.1 million that benefited the entire state during the evaluation period. WFB has nine ongoing qualified investments originated in prior periods that total \$16.3 million and provide continuing benefit to the entire state. The current and prior period statewide investments are equal to 0.34 percent of allocated Tier 1 Capital allocated to the entire state. The effect on the overall state rating is minimal.

Conclusions for Areas Receiving Full-Scope Reviews

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

Austin-Round Rock-San Marcos MSA: WFB's Investment Test performance in the Austin-Round Rock-San Marcos MSA is excellent. During the evaluation period, the bank made 60 grants and qualified investments totaling \$25.4 million that are equal to 3.7 percent of allocated Tier 1 Capital. The total included 52 grants and contributions worth \$910,000. WFB has 18 ongoing qualified investments originated in prior periods that total \$25.1 million, are equal to 3.6 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit a good responsiveness to the credit and community economic development needs of the AA. The investments in this AA address the identified need for affordable housing. Investments during the current evaluation period have created over 314 units of affordable housing in the Austin-Round Rock-San Marcos MSA.

Examples of significant investments made in the Austin-Round Rock-San Marcos MSA during the evaluation period are:

- In August 2012, WFB invested \$14.5 million in Allegre Point Apartments located in Austin, Texas. The project is new construction of a 184-LIHTC unit family development community. Of the total, 180 units will be restricted to low- and moderate-income households.
- In November 2008, WFB invested \$750,000 through an EQ2 in a non-profit organization based in Austin, Texas that creates and maintains rental homes for very low, low- and moderate-income working families and provides on-site services that educate, support, and improve the financial standing of the working poor in Austin. WFB's investment was used to make environmentally sustainable property improvements to existing multi-family properties, a commercial facility, and future multi-family properties. These improvements, including adding solar panels and insulation, reduced utility costs and created healthier living and working environments for Foundation Community tenants, clients, and staff.

Dallas-Plano-Irving MD: WFB's Investment Test performance in the Dallas-Plano-Irving MD is excellent. During the evaluation period, the bank made 129 grants and qualified investments totaling \$47 million that are equal to 3.9 percent of allocated Tier 1 Capital. The total included 72 grants and contributions worth \$1.6 million. WFB has 27 ongoing qualified investments originated in prior periods that total \$39 million, are equal to 3.2 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit a good responsiveness to the credit and community economic development needs of the AA. The investments in this AA address a number of identified needs, notably affordable housing predominately through investments in mortgage backed securities and economic development. Investments during the

current and prior evaluation periods have created over 625 units of affordable housing in the Dallas-Plano-Irving MD.

Examples of significant investments made in the Dallas-Plano-Irving MD during the evaluation period are:

- In April 2009, WFB invested \$9.6 million in a NMTC project located in Dallas, Texas. The investment was used for the acquisition and rehab of an existing shopping center that was renovated into the new Torre Vista Shopping Center. This moderate-income area is located in the Southern Sector, which has been targeted by the city of Dallas for revitalization efforts.
- In October 2008, WFB invested \$250,000 in a San Antonio based non-profit CD Financial Institution whose mission is to provide loans to small business owners lacking access to commercial credit. WFB's investment was used to provide funding for the institution's continuing expansion into the Dallas and Fort Worth markets, where there is a growing need for microloans and small business loans.

El Paso MSA: WFB's Investment Test performance in the El Paso MSA is excellent. During the evaluation period, the bank made 17 grants and qualified investments totaling \$6.7 million that are equal to 2.8 percent of allocated Tier 1 Capital. The total included 15 grants and contributions worth \$209,000. WFB has eight ongoing qualified investments originated in prior periods that total \$26.2 million, are equal to 11 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit an excellent responsiveness to the credit and community economic development needs of the AA. The investments in this AA address the identified need for affordable housing predominately through investment in national funds with projects in the AA. Investments during the current evaluation period have created over 142 units of affordable housing.

Examples of significant grants or investments made in the El Paso MSA during the evaluation period are:

- Through its 2010 Priority Markets Initiative, WFB provided a \$75,000 grant to a CD Financial Institution with a mission to facilitate affordable housing, small business and economic development in El Paso and contiguous counties. WFB's Leading the Way Home® Priority Markets Initiative provides grant support for neighborhood stabilization projects that are located in areas designated for revitalization to stimulate growth, stability and investment in distressed areas.
- In July 2010, WFB invested \$5.5 million in the Alamito Gardens Apartments, a 142-unit affordable housing project located in El Paso, Texas. This investment was part of a \$44.8 million investment in the RBC Tax Credit Equity National Fund 12.

Fort Worth-Arlington MD: WFB's Investment Test performance in the Fort Worth-Arlington MD is excellent. During the evaluation period, the bank made 69 grants and qualified investments totaling \$31.3 million that are equal to 5.4 percent of allocated Tier 1 Capital. The total included 39 grants and contributions worth \$992,000. WFB has 20 ongoing qualified investments originated in prior periods that total \$21.5 million, are equal to 3.7 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit an excellent responsiveness to the credit and community economic development needs of the AA. The investments in this AA address a number of identified needs, notably affordable housing through bank investments in mortgage backed securities. Investments during the current and prior evaluation periods have created over 309 units of affordable housing in the Fort Worth-Arlington MD.

Examples of significant investments made in the Fort Worth-Arlington MD during the evaluation period are:

- In August 2011, WFB invested \$10.3 million in Prince Hall Gardens for the redevelopment of an existing Section 8 apartment complex in Fort Worth, Texas. This project will provide 100 units of affordable housing with 100 percent of the units being covered under a 20-year, project-based, Section 8 contract, with 10 units set aside for Special Needs or Veterans. The investment was made through a privately held real estate investment firm engaged in a broad range of real estate related activities.
- In June 2010, WFB invested \$500,000 in a non-profit organization based in Fort Worth, Texas that works to increase the supply of affordable housing for low- and moderate-income families. WFB's investment was used to expand the organizations current REO acquisition and rehab program. The program renovates dilapidated housing stock, improving neighborhoods and creating affordable housing.

Houston-Sugar Land-Baytown MSA: WFB's Investment Test performance in the Houston-Sugar Land-Baytown MSA is excellent. During the evaluation period, the bank made 151 grants and qualified investments totaling \$91.2 million that are equal to 4.4 percent of allocated Tier 1 Capital. The total included 99 grants and contributions worth \$9.3 million. WFB has 40 ongoing qualified investments originated in prior periods that total \$63.5 million that are equal to three percent of allocated Tier 1 Capital and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to the credit and community economic development needs of the AA. The investments in this AA address a number of identified needs, notably affordable housing through WFB investments in mortgage backed securities and revitalization and stabilization. Investments during the current

and prior evaluation periods have created over 839 units of affordable housing in the Houston-Sugar Land-Baytown MSA.

Examples of significant investments made in the Houston-Sugar Land-Baytown MSA during the evaluation period are:

- In September 2009, WFB invested \$750,000 through an EQ2 in a non-profit organization located in Houston, Texas with a mission to help women in crisis by providing integrated, comprehensive services including residential, clinical, and vocational. The organization serves women who have experienced homelessness because of mental illness, abuse, or addiction. WFB's investment was used as bridge financing for the construction of a new 88-unit apartment development that will provide much needed affordable housing to women who graduate from the organization's treatment program.
- In July 2011, WFB invested \$25.5 million in a NMTC for the new construction of a multi-purpose stadium located in Houston, Texas. The project is in a NMTC-qualified highly distressed census tract and serves a severely unemployed population. This project will be a catalyst in revitalizing Downtown Houston and the surrounding communities.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Amarillo, Beaumont-Port Arthur, College Station-Bryan, Corpus Christi, Laredo, McAllen-Edinburg-Mission, San Angelo, and San Antonio-New Braunfels, MSAs and Central Texas and South Texas Non-Metropolitan AAs is not inconsistent with the bank's overall **Outstanding** performance under the Investment Test in Texas. The bank's performance in the Odessa, Victoria, Waco, Brownsville-Harlingen, Lubbock, Killeen-Temple-Fort Hood, Midland, and Wichita Falls MSAs and Brazos Valley, Southeastern Texas, Atlanta, Big Spring, Borger, Garza County, Hartley County, Hill County, Kerrville, Montague County, Plainview, and Yoakum County Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance under the Investment Test for Texas.

Refer to Table 14 in the Texas section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of Texas is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance in the Dallas-Plano-Irving and Fort Worth-Arlington MDs and the Austin-Round Rock-San Marcos and Houston-Sugar Land-Baytown MSAs is good and in the El Paso MSA is excellent.

Retail Banking Services

Refer to Table 15 in the Texas section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in Texas full-scope AAs is excellent.

In the Austin-Round Rock-San Marcos MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good. However, when considering eight middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in moderate-income geographies and is excellent.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Dallas-Plano-Irving MD, WFB's distribution of branches is excellent. Delivery systems are accessible to all of WFB's AA.

The percentage distribution of branches in low- and moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good. However, when considering ten middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low- and moderate-income geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the El Paso MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Fort Worth-Arlington MD, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA.

The percentage distribution of branches in low- and moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Houston-Sugar Land-Baytown MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all of WFB's AA.

The percentage distribution of branches in low-income geographies is below the percentage of the population residing in these geographies and is adequate. The percentage distribution of branches in moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good. However, when considering 20 middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves and is good in low-income geographies and excellent in moderate-income geographies. Overall distribution was improved by bordering branches and is now considered excellent.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in Texas full-scope AAs is adequate. WFB has generally not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

WFB's record of opening and closing branches in the Austin-Round Rock-San Marcos MSA is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened two and closed fourteen branches throughout the AA resulting in a net loss of three branches in moderate-income geographies, three branches in middle-income geographies and six branches in upper-income geographies. The moderate-income branches were in close proximity to each other.

WFB's record of opening and closing branches in the Dallas-Plano-Irving MD is adequate. WFB has generally not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened one and closed thirty-seven branches throughout the AA resulting in a net loss of four branches in low-income geographies, two branches in moderate-income geographies, seven branches in middle-income geographies, and twenty-three branches in upper-income geographies. The closures were generally due to consolidation of redundant branches acquired in the Wachovia merger.

WFB did not open or close any branches in the El Paso MSA during the evaluation period. WFB's record of opening and closing branches in the Fort Worth-Arlington MD is good. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened one and closed eighteen branches throughout the AA resulting in a net loss of seven branches in moderate-income geographies, four branches in middle-income geographies and six branches in upper-income geographies. The closures were generally due to consolidation of redundant branches acquired in the Wachovia merger. The distribution of the remaining branches was excellent.

WFB's record of opening and closing branches in the Houston-Sugar Land-Baytown MSA is good. WFB has generally not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB opened one and closed thirty-two branches throughout the AA resulting in a net loss of four branches in low-income geographies, one branch in a moderate-income geography, four branches in middle-income geographies, and twenty-two branches in upper-income geographies. The closures were generally due to consolidation of redundant branches acquired in the Wachovia merger.

Reasonableness of Business Hours and Services

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of Texas full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Austin-Round Rock-San Marcos MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 85 percent of branches located in those geographies maintained Saturday hours compared to 87 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Dallas-Plano-Irving MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 84 percent of branches located in those geographies maintained Saturday hours compared to 91 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the El Paso MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 33 percent of branches maintained Saturday hours in those geographies compared to 100 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Fort Worth-Arlington MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 81 percent of branches located in those geographies maintained Saturday hours compared to 98 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Houston-Sugar Land-Baytown MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 83 percent of branches located in those geographies maintained Saturday hours compared to 93 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in Texas full-scope AAs.

In the Austin-Round Rock-San Marcos MSA, WFB is a leader in providing CD services. WFB employees provided a total of 1,405 hours of CD services. These hours

represented 229 CD service activities that benefited 28 different organizations and amounted to slightly more than four and a half hours of CD services per branch per year. Forty percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Austin-Round Rock-San Marcos MSA include the following:

- A WFB employee serves on the board of directors of a nonprofit organization that empowers low-income families and individuals with the tools they need to succeed.
- A WFB employee serves on the board of directors of a CD Corporation formed in 2004 to expand opportunities for low- and moderate-income families of the greater Central Texas area.

In the Dallas-Plano-Irving MD, WFB provides a relatively high level of CD services. WFB employees provided a total of 1,848 hours of CD services. These hours represented 421 CD service activities that benefited 63 different organizations and amounted to slightly more than three and a half hours of CD services per branch per year. Fourteen percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Dallas-Plano-Irving MD include the following:

- WFB employees provide financial literacy classes to clients of a non-profit, tax-exempted corporation that delivers quality affordable housing to stimulate the revitalization of West Dallas and develop a healthy and safe community.
- WFB employees provide homebuyer workshops at designated Community Action Agency Centers. These centers provide a foundation to enable low-income families and adults to move from poverty to self-sufficiency; improve their lives through community revitalization; own a stake in the community by identifying needs; establish and meet goals; learn, expand and navigate social service and other service networks through community needs assessment; and achieve family stability.

In the El Paso MSA, WFB is a leader in providing CD services. WFB employees provided a total of 813 hours of CD services. These hours represented 132 CD service activities that benefited 32 different organizations and amounted to almost fourteen hours of CD services per branch per year. Thirty-five percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the El Paso MSA include the following:

- A WFB employee serves as chairperson of the board of directors of an organization whose purpose is to assist low-income individuals and areas through affordable home loans, small business loans and programs for furthering the individuals' education.
- A WFB employee serves on the board of directors of an organization with a mission to improve the workforce development for unemployed and underemployed low-income persons in El Paso.

In the Fort Worth-Arlington MD, WFB provides a relatively high level of CD services. WFB employees provided a total of 1146 hours of CD services. These hours represented 258 CD service activities that benefited 34 different organizations and amounted to almost four hours of CD services per branch per year. Of the CD service activities, 23.3 percent were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Fort Worth-Arlington MD include the following:

- WFB employees provide financial expertise to an organization that offers down payment assistance and housing counseling services as well as affordably priced new and remodeled homes to moderate-income families.
- WFB employees provide Hands On Banking training to students identified by their schools as those who need assistance beyond the scope of services provided by schools in order to succeed in school and stay in school. Students meet federal poverty guidelines and most come from homes where no one has graduated from high school.

In the Houston-Sugar Land-Baytown MSA, WFB provides a relatively high level of CD services. WFB employees provided a total of 2,322 hours of CD services. These hours represented 545 CD service activities that benefited 79 different organizations and amounted to slightly more than two and a half hours of CD services per branch per year. Sixteen percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Houston-Sugar Land-Baytown MSA include the following:

- A WFB employee is on the board of directors of an organization committed to advancing the lives of at-risk and disadvantaged youth and families through an array of innovative programs of excellence in the areas of education and health and human services.

- A WFB employee serves on the board of directors of a CD corporation dedicated to revitalizing Houston's Washington Avenue and Near Northside Community by developing affordable housing and economic opportunities. The organization's programs include the development of single-family homes for purchase by low-income families, free homebuyer education and counseling to help working families purchase their own homes, the development and operation of rental housing and supportive services, and the promotion of economic development in the target community.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the College Station-Bryan, Corpus Christi, Laredo, Lubbock, and Wichita Falls MSAs and Garza County, Hartley County, Kerrville, Montague County, South Texas, and Yoakum County Non-Metropolitan AAs is not inconsistent with the bank's overall **High Satisfactory** performance in Texas.

Performance under the Service Test in Brownsville-Harlingen and Victoria MSAs and the Big Spring, Borger, and Hill County Non-Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance in Texas. Performance under the Service Test in Amarillo, McAllen-Edinburg-Mission, Midland, San Angelo, San Antonio-New Braunfels, Waco, Beaumont-Port Arthur, Killeen-Temple-Fort Hood, and Odessa MSAs and Atlanta, Brazos Valley, Central Texas, Plainview, and Southeastern Texas Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in Texas. Performance in limited-scope areas did not influence the Service Test performance in Texas.

Refer to Table 15 in the Texas section of Appendix D for the facts and data that support these conclusions.

State of Virginia Rating

CRA Rating for the State:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs in its full-scope Virginia AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Virginia AAs.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different size within its full-scope Virginia AAs.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investment and grants within its full-scope Virginia AAs.
- Responsiveness of WFB's investments to credit and community economic development needs within its full-scope Virginia AAs was adequate.
- WFB's delivery systems are accessible to essentially all portions of WFB's full-scope Virginia AAs.

Description of Institution's Operations in the State of Virginia

Of the bank's 54 state and multistate rating areas, Virginia ranks fourteenth and accounts for two percent of total bank deposits, or \$16.9 billion as of June 30, 2012. WFB has 16 defined AAs in Virginia, which include 90 of the 134 total counties in the state. The state of Virginia rating area does not include the 15 counties in the Washington-Arlington-Alexandria, DC-VA-MD Multistate MD. Within the state, WFB operates 194 branches. WFB is the second largest banking institution in Virginia with 12.6 percent of the deposit market share. Primary competitors include Bank of America, NA and Branch Banking and Trust Company (BB&T) with deposit market shares of 11.6 percent and 9.8 percent, respectively.

Because WFB's branches in Virginia have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

Scope of Evaluation in the State of Virginia

Of WFB's 16 AAs in Virginia, the Richmond and Virginia Beach-Norfolk-Newport News MSAs were selected for full-scope review. These AAs account for 61 percent of the bank's state deposits and are the most significant AAs in the state.

Refer to the market profile for the Richmond MSA and Virginia Beach-Norfolk-Newport News MSA in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Virginia is rated **Outstanding**. Based on full-scope reviews, the bank's performance in the Richmond and Virginia Beach-Norfolk-Newport News MSA is excellent.

Lending Activity

Refer to Appendix E for the facts and data used to evaluate the bank's lending activity.

The level of lending activity in Virginia full-scope AAs is excellent.

Richmond MSA: WFB's lending activity in the Richmond MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, and refinance loans and small loans to businesses and farms is equal to or exceeds its ranking or percentage market share of deposits.

Virginia Beach-Norfolk-Newport News MSA: WFB's lending activity in the Virginia Beach-Norfolk-Newport News MSA reflects excellent responsiveness to the AA's credit needs. The level of lending activity as measured by WFB's ranking or percentage market share for home purchase, home improvement, and refinance loans, and small loans to businesses is equal to or exceeds its ranking or percentage market share of deposits. The level of lending activity as measured by WFB's ranking or percentage market share for small loans to farms is reasonably near its ranking or percentage market share of deposits. We considered the effect of a large non-deposit-taking credit card bank in our assessment of WFB's small loans to business lending activity in the MSA.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans in Virginia full-scope AAs is good. We revised our conclusions to reflect performance context factors identified in the Richmond and Virginia Beach-Norfolk-Newport News MSAs. For more information, please refer to the discussion of performance for the specific AA.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Virginia section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Richmond MSA: WFB's distribution of home purchase loans by income level of the geography in the Richmond MSA is adequate. Its distribution of home purchase loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies is reasonably near its overall market share.

WFB's distribution of home improvement loans by income level of the geography in the Richmond MSA is adequate. Its distribution of home improvement loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Richmond MSA is poor. Its distribution of home refinance loans in low-income geographies is significantly lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home refinance loans in moderate-income geographies is reasonably near its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to the economic and demographic conditions discussed in the Richmond MSA Market Profile, we determined that distribution of home refinance loans compared to the percent of owner-occupied housing units in low- and moderate-income geographies should be considered adequate. WFB's distribution of home refinance loans by income level of the geography in the Richmond MSA was revised and is now considered adequate as a result of these performance context factors.

Virginia Beach-Norfolk-Newport News MSA: WFB's distribution of home purchase loans by income level of the geography in the Virginia Beach-Norfolk-Newport News MSA is good. Its distribution of home purchase loans in low-income geographies is reasonably near the percent of owner-occupied housing units in low-income geographies. WFB's market share of home purchase loans in low-income geographies is somewhat lower than its overall market share. WFB's geographic distribution of home purchase loans in moderate-income geographies approximates the percent of owner-occupied housing units in moderate-income geographies. Its market share of home purchase loans in moderate-income geographies exceeds its overall market share.

However, when we assessed performance in low- and moderate-income geographies relative to moderately severe economic and demographic conditions discussed in the Richmond MSA Market Profile, we determined that distribution of home purchase loans compared to the percent of owner-occupied housing units in low-income geographies should be considered excellent. WFB's distribution of home purchase loans by income level of the geography in the Richmond MSA was revised and is now considered excellent as a result of these performance context factors.

WFB's distribution of home improvement loans by income level of the geography in the Virginia Beach-Norfolk-Newport News MSA is adequate. Its distribution of home improvement loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home improvement loans in low-income geographies is reasonably near its overall market share. WFB's geographic distribution of home improvement loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income geographies. WFB's market share of home improvement loans in moderate-income geographies is somewhat lower than its overall market share.

WFB's distribution of home refinance loans by income level of the geography in the Virginia Beach-Norfolk-Newport News MSA is good. Its distribution of home refinance loans in low-income geographies is somewhat lower than the percent of owner-occupied housing units in low-income geographies. WFB's market share of home refinance loans in low-income geographies exceeds its overall market share. WFB's geographic distribution of home refinance loans in moderate-income geographies is somewhat lower than the percent of owner-occupied housing units in moderate-income

geographies. WFB's market share of home refinance loans in moderate-income geographies exceeds its overall market share.

Small Loans to Businesses

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

Richmond MSA: WFB's geographic distribution of small loans to businesses by income level of the geography in the Richmond MSA is good. The bank's distribution of small loans to businesses in low-income geographies is reasonably near the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is reasonably near its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is somewhat lower than the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income geographies is reasonably near to its overall market share of such loans in the AA.

Virginia Beach-Norfolk-Newport News MSA: WFB's geographic distribution of small loans to businesses by income level of the geography in the Virginia Beach-Norfolk-Newport News MSA is good. The bank's distribution of small loans to businesses in low-income geographies is somewhat lower than the percent of businesses in low-income geographies. Additionally, the bank's market share of small loans to businesses in low-income geographies is reasonably near its overall market share of such loans in the AA. The bank's distribution of small loans to businesses in moderate-income geographies is reasonably near the percent of businesses in moderate-income geographies. Additionally, the bank's market share of small loans to businesses in moderate-income census is reasonably near to its overall market share of such loans in the AA.

Small Loans to Farms

Refer to Table 7 in the Virginia section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

We did not assess geographic distribution of small loans to farms in the Richmond and Virginia Beach-Norfolk-Newport News MSAs because the number of loans originated in the AAs was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AAs.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by income level of the borrower in Virginia full-scope AAs is good.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the Virginia section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Richmond MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Richmond MSA is good. Its distribution of loans to low-income borrowers is reasonably near the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home purchase loans to moderate-income borrowers is reasonably near its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Richmond MSA is excellent. Its distribution of home improvement loans to low-income borrowers is near to the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Richmond MSA is good. Its distribution of home refinance loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers exceeds its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers approximates the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers exceeds its overall market share.

Virginia Beach-Norfolk-Newport News MSA: WFB's borrower distribution of home purchase loans by income level of the borrower in the Virginia Beach-Norfolk-Newport News MSA is good. Its distribution of loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home purchase loans to low-income borrowers is somewhat lower than its overall market share. WFB's borrower distribution of home purchase loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home

purchase loans to moderate-income borrowers substantially meets its overall market share.

WFB's borrower distribution of home improvement loans by income level of the borrower in the Virginia Beach-Norfolk-Newport News MSA is good. Its distribution of home improvement loans to low-income borrowers is somewhat lower than the percent of low-income families within the AA. WFB's market share of home improvement loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home improvement loans to moderate-income borrowers exceeds the percent of moderate-income families within the AA. Its market share of home improvement loans to moderate-income borrowers exceeds its overall market share.

WFB's borrower distribution of home refinance loans by income level of the borrower in the Virginia Beach-Norfolk-Newport News MSA is good. Its distribution of home refinance loans to low-income borrowers is lower than the percent of low-income families within the AA. WFB's market share of home refinance loans to low-income borrowers is reasonably near its overall market share. WFB's borrower distribution of home refinance loans to moderate-income borrowers approximates the percent of moderate-income families within the AA. Its market share of home refinance loans to moderate-income borrowers exceeds its overall market share.

Small Loans to Businesses

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

Richmond MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Richmond MSA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is somewhat lower than the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Virginia Beach-Norfolk-Newport News MSA: WFB's distribution of small loans to businesses based on the revenue size of the businesses in the Virginia Beach-Norfolk-Newport News MSA is good. WFB's percentage of loans to businesses with gross annual revenue of \$1 million or less is reasonably near the percentage of small businesses in the AA. WFB's market share of loans to businesses with gross annual revenue of \$1 million or less exceeds its overall business loan market share.

Small Loans to Farms

Refer to Table 12 in the Virginia section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

We did not assess borrower distribution of small loans to farms in the Richmond and Virginia Beach-Norfolk-Newport News MSAs because the number of loans originated in the AAs was insufficient for meaningful analysis. Community contacts did not indicate that small loans to farms were a significant need in the AAs.

CD Lending

Refer to Table 1 in the Virginia section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

The volume and nature of the bank's CD lending had a significantly positive effect on performance in Virginia full scope AAs. We considered the shorter evaluation period for the AAs in the state of Virginia when assessing the effect of CD lending on performance.

Virginia Statewide: The volume and nature of WFB's CD lending to organizations that serve the entire state had a positive effect on Lending Test performance in Virginia. During the evaluation period, the bank originated three CD loans totaling \$20.5 million and equal to 1.07 percent of allocated Tier 1 Capital allocated to the entire state of Virginia.

Richmond MSA: The volume and nature of WFB's CD lending had a significantly positive effect on Lending Test performance in the Richmond MSA. During the evaluation period, the bank originated ten CD loans totaling \$111.8 million and equal to 16.7 percent of allocated Tier 1 Capital.

Of the ten loans originated in the AA, eight addressed the identified need for affordable housing and two addressed the identified need for community services. Ten percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Richmond MSA include the following:

- In January 2011, WFB renewed a \$100,000 working capital line of credit to a nonprofit organization in Richmond, Virginia. The borrower is a nonprofit corporation that was formed in 1988 for the purpose of providing permanent housing and support services for people who are homeless, veterans, or those who have disabilities, in order to help them become more independent. The homeless individuals and families they serve represent the very lowest levels of income in the region.

Virginia Beach-Norfolk-Newport News MSA: The volume and nature of WFB's CD lending had a positive effect on Lending Test performance in the Virginia Beach-Norfolk-Newport News MSA. During the evaluation period, the bank originated three CD loans totaling \$35.1 million and equal to seven percent of allocated Tier 1 Capital.

All three of the loans originated in the AA addressed the identified need for affordable housing. Thirty-three percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Virginia Beach-Norfolk-Newport News MSA include the following:

- In November 2011, WFB provided a \$4.8 million loan for the purpose of funding the acquisition and renovation of a 132-unit LIHTC affordable housing development located in a low-income census tract in Chesapeake, Virginia. The units, consisting of 90 two-bedroom units and 42 three-bedroom units, will be restricted to low- and moderate-income tenants.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Prince Edward County Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance under the Lending Test in Virginia. In the Charlottesville, Danville, Harrisonburg, Roanoke, Winchester, Blacksburg-Christiansburg-Radford, Kingsport-Bristol-Bristol, and Lynchburg MSAs and the Northwestern Virginia, Martinsville-Henry County, Northern Virginia, Southside Virginia, and Western Virginia Non-Metropolitan AAs performance is weaker than the bank's overall **Outstanding** Lending Test performance in the state. Performance in the limited-scope AAs did not influence the Lending Test rating in Virginia.

Refer to the Tables 1 through 13 in the Virginia section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

WFB's Investment Test performance in Virginia is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance in the Richmond MSA is good and in the Virginia Beach-Norfolk-Newport News MSA is excellent.

We considered the shorter evaluation period for AAs in the state of Virginia in our assessment of CD qualified investments.

Conclusions for Areas Receiving Full-Scope Reviews

Refer to Table 14 in the Virginia section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments. We considered the shorter evaluation period for the AAs in the state of Virginia when assessing the effect of CD investments on performance.

Virginia Statewide: In addition to the investments and grants made in the full- and limited-scope AAs, WFB made two grants and investments totaling \$5.1 million that benefited the entire state during the evaluation period. WFB has one ongoing qualified investment originated in prior periods of \$4.8 million that provides continuing benefit to the entire state. The current and prior period statewide investments represent approximately 0.5 percent of allocated Tier 1 capital allocated to the entire state. The effect on the overall state rating was minimal.

Richmond MSA: WFB's Investment Test performance in the Richmond MSA is good. During the evaluation period, the bank made 145 grants and qualified investments totaling \$18.8 million that are equal to 2.8 percent of allocated Tier 1 Capital. The total included 100 grants and contributions worth \$1.7 million. WFB has 11 ongoing qualified investments originated in prior periods that total \$14.1 million, are equal to 2.1 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit adequate responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing, primarily through investments in mortgage backed securities, and economic development. Investments during the current evaluation period have created over 216 units of affordable housing in the Richmond MSA.

Examples of significant investments made in the Richmond MSA during the evaluation period include the following:

- In April 2012, WFB invested \$200,000 through an EQ2 in a CD Fund, based in Richmond, Virginia, that provides technical assistance and redevelopment/construction financing to nonprofit and government affordable housing developers throughout the state of Virginia. The Fund operates a NMTC

program and provides technical assistance and predevelopment/construction financing to affordable housing developers that partner with a Virginia CD Corporation.

- In 2011, WFB provided a \$90,000 grant to a private, non-profit CD corporation with a mission to change lives and transform communities through high quality, affordable housing.

Virginia Beach-Norfolk-Newport News MSA: WFB's Investment Test performance in the Virginia Beach-Norfolk-Newport News MSA is excellent. During the evaluation period, the bank made 65 grants and qualified investments totaling \$30.8 million that are equal to 6.2 percent of allocated Tier 1 Capital. The total included 47 grants and contributions worth \$726,000. WFB has 15 ongoing qualified investments originated in prior periods that total \$26.5 million, are equal to 5.3 percent of allocated Tier 1 Capital, and provide continuing benefit to the community.

WFB's investments exhibit good responsiveness to credit and community economic development needs. The investments in this AA address the identified need for affordable housing. Investments during the current evaluation period have created over 1,298 units of affordable housing in the Virginia Beach-Norfolk-Newport News MSA.

Examples of significant investments made in the Virginia Beach-Norfolk-Newport News MSA during the evaluation period include the following:

- In June 2011, WFB invested \$405,268 in the Cedar Grove Apartments, a 32-unit affordable housing project for disabled veterans in Virginia Beach, Virginia. This will be the first development of its kind in Virginia Beach. The project was part of a \$9.3 million investment in the Housing Equity Fund of Virginia XV, L.L.C., and a low-income housing tax credit fund sponsored by the Virginia CD Corporation. The Virginia CD Corporation, Housing Equity Fund of Virginia XV is a private limited partnership that was formed for the purpose of investing in affordable housing developments in Virginia that qualify for housing tax credits.
- In June 2011, WFB invested \$643,640 in the Warwick Single Room Occupancy Apartments, an 88-unit affordable housing project located in downtown Newport News, Virginia. The funds will be used by an affordable housing organization for the purchase and rehabilitation of the former Hotel Warwick. All units are efficiencies and serve previously homeless individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Blacksburg-Christiansburg-Radford and Roanoke MSAs is not inconsistent with the bank's overall **High Satisfactory** performance under the Investment Test in Virginia.

The bank's performance in the Northwestern Virginia, Prince Edward County, and Western Virginia Non-Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance under the Investment Test for Virginia. The bank's performance in the Kingsport-Bristol-Bristol, Lynchburg, Charlottesville, Winchester, Danville, and Harrisonburg MSAs and Martinsville-Henry County, Northern Virginia, and Southside Virginia Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance under the Investment Test for Virginia. Performance in the limited-scope AAs did not influence the Investment Test rating in Virginia. Refer to Table 14 in the Virginia section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the state of Virginia is rated **High Satisfactory**. Based on full-scope reviews, the bank's performance in the Richmond MSA is adequate and in the Virginia Beach-Norfolk-Newport News MSA is excellent.

Retail Banking Services

Refer to Table 15 in the Virginia section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Accessibility of Delivery Systems

WFB's distribution of branches in Virginia full-scope AAs is good.

In the Richmond MSA, WFB's distribution of branches is good. Delivery systems are accessible to essentially all portions of WFB's AA.

The percentage distribution of branches in low-income geographies is lower than the percentage of the population residing in these geographies and is poor. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent. However, when considering seven middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low- and moderate-income geographies although the conclusion remained the same.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

In the Virginia Beach-Norfolk-Newport News MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's AA.

The percentage distribution of branches in low-income geographies is somewhat lower than the percentage of the population residing in these geographies and is adequate. The percentage distribution of branches in moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good. However, when considering 12 middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low-income geographies and is good and in moderate-income geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the AA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in Virginia full-scope AAs. WFB has not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

WFB's record of opening and closing branches in the Richmond MSA is adequate. WFB has generally not adversely affected the accessibility of its delivery systems particularly in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, WFB closed two branches throughout the AA resulting in a net loss of one branch in a moderate-income geography and one branch in an upper-income geography.

WFB's record of opening and closing branches in the Virginia Beach-Norfolk-Newport News MSA did not affect the accessibility of its delivery systems in a negative or positive way. During the evaluation period, WFB opened one and closed two branches throughout the AA resulting in a net loss of one branch in an upper-income geography.

Reasonableness of Business Hours and Services

WFB's branch operating hours are good and do not vary in a way that inconveniences portions of Virginia full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences portions of the Richmond MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 75 percent of branches located

in those geographies maintained Saturday hours, compared to 98 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences certain portions of the Virginia Beach-Norfolk-Newport News MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 91 percent of branches located in those geographies maintained Saturday hours, compared to 77 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in Virginia full-scope AAs. We considered the shorter evaluation period for AAs in the state of Virginia in our assessment of CD services.

In the Richmond MSA, WFB provides a relatively high level of CD services. WFB employees provided a total of 454 hours of CD services. These hours represented 114 CD service activities that benefited 29 different organizations and amounted to almost three hours of CD service per branch per year. Twenty-four percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Richmond MSA include the following:

- WFB employees provided financial education for the clients of an organization that assists welfare recipients in transitioning from welfare to work and ultimately self-sufficiency. The organization helps clients comply with the work requirements while providing case management, crisis intervention and supportive services to assist in overcoming barriers.
- WFB employees provided financial education to clients of numerous other organizations that promote affordable housing or offer guidance and assistance to low- and moderate-income individuals or families.

In the Virginia Beach-Norfolk-Newport News MSA, WFB provides an adequate level of CD services. WFB employees provided a total of 249 hours of CD services. These hours represented 64 CD service activities that benefited 20 different organizations and amounted to about one and a half hours of CD service per branch per year. Nine percent of the CD service activities were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Virginia Beach-Norfolk-Newport News MSA include the following:

- A WFB employee serves on the board of directors of non-profit corporation formed in 1983 to promote commercial and industrial growth throughout Virginia and eastern North Carolina. The organization serves as a resource for small businesses in need of permanent financing to acquire fixed assets.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Northern Virginia Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Virginia. Performance under the Service Test in the Blacksburg-Christiansburg-Radford, Harrisonburg, Kingsport-Bristol-Bristol, Lynchburg, Roanoke, and Winchester MSAs and Southside Virginia and Western Virginia Non Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance in Virginia. Performance under the Service Test in the Charlottesville and Danville MSAs and the Northwestern Virginia, Martinsville-Henry County, and Prince Edward County Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in Virginia. Performance in limited-scope areas did not influence the Service Test performance in Virginia.

Refer to Table 15 in the Virginia section of Appendix D for the facts and data that support these conclusions.

OTHER RATING AREAS

Allentown-Bethlehem-Easton, (Pennsylvania-New Jersey) Multistate MSA

Augusta-Richmond County, (Georgia-South Carolina) Multistate MSA

Columbus, (Georgia-Alabama) Multistate MSA

Davenport-Moline-Rock Island (Iowa-Illinois) Multistate MSA

Fargo (North Dakota-Minnesota) Multistate MSA

Grand Forks (North Dakota-Minnesota) Multistate MSA

Logan (Utah-Idaho) Multistate MSA

Memphis (Tennessee-Mississippi) Multistate MSA

Omaha-Council Bluffs (Nebraska-Iowa) Multistate MSA

Portland-Vancouver-Hillsboro (Oregon-Washington) Multistate MSA

Texarkana (Texas)-Texarkana (Arkansas) Multistate MSA

State of Alabama

State of Alaska

State of Arkansas

State of Connecticut

State of Delaware

State of Idaho

State of Illinois

State of Indiana

State of Iowa

State of Kansas

State of Maryland

State of Michigan

State of Minnesota

State of Mississippi

State of Montana

State of Nebraska

State of New Mexico

State of New York

State of North Dakota

State of Ohio

State of Oregon

State of South Carolina

State of South Dakota

State of Tennessee

State of Utah

State of Washington

State of Wisconsin

State of Wyoming

Allentown-Bethlehem-Easton (Pennsylvania-New Jersey) Multistate MSA Rating

CRA rating for the Multistate MSA: Satisfactory

The Lending Test is rated: Outstanding

The Investment Test is rated: Low Satisfactory

The Service Test is rated: High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects good penetration throughout the AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within the AA.
- WFB's CD lending has a positive effect on Lending Test performance.
- WFB has an adequate level of qualified CD investments and grants within the AA.
- To the extent changes have been made, WFB's record of opening and closing branch offices has generally not adversely affected the accessibility of its delivery systems within its AA, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.

Description of Institution's Operations in Allentown-Bethlehem-Easton MSA

Of the bank's 54 state and multistate rating areas, Allentown-Bethlehem-Easton MSA ranks 31st and accounts for 0.4 percent of total bank deposits, or \$3.39 billion as of June 30, 2012. WFB's AA includes the entire MSA. Within the multistate MSA, WFB operates 46 branches. WFB is the largest banking institution in the Allentown-Bethlehem-Easton MSA with 23.2 percent of the deposit market share. Primary competitors include National Penn Bank, and PNC Bank, NA, with deposit market shares of 11.3 percent and 10.4 percent, respectively.

Because WFB's branches in the Allentown-Bethlehem-Easton MSA have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services. CD lending and investment opportunities statewide in both New Jersey and Pennsylvania were limited by the downturn in the economy during the evaluation period. Due to government cutbacks at the federal, state, and local level as a result of falling tax revenues, the nonprofit developers and organizations

that are the source of CD projects were unable to cover the predevelopment costs needed to create viable lending and investment opportunities. We considered performance context factors in our evaluation of CD lending and investments and geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

LENDING TEST

WFB's Lending Test performance in the Allentown-Bethlehem-Easton MSA is rated **Outstanding**.

Lending Activity

The level of lending activity in the Allentown-Bethlehem-Easton MSA is excellent. It is supported by a good level of activity for home improvement loans and small loans to businesses, an excellent level of activity for home purchase and home refinance loans and small loans to farms in relation to WFB's deposit market share. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Allentown-Bethlehem-Easton MSA is good. We initially concluded that distribution was adequate for home improvement loans, excellent for small loans to farms, good for home purchase and small loans to businesses, and poor for refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase and refinance loans is considered excellent and adequate respectively.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Allentown-Bethlehem-Easton MSA is good. We initially concluded that distribution was good for home purchase loans and small loans to businesses, excellent for home improvement loans and small loans to farms, and adequate for refinance loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to WFB's ranking and number of loans originated relative to all other lenders in

the AA, performance improved and distribution of home refinance loans is considered good.

CD Lending

The volume and nature of the bank's CD Lending had a neutral effect on performance in Allentown-Bethlehem-Easton MSA. WFB originated \$19.1 million in CD loans equal to 5 percent of allocated Tier 1 Capital. However, when we considered the performance context factors limiting opportunities for CD lending, we determined the level of CD lending was sufficient to have a positive effect on performance.

INVESTMENT TEST

WFB's Investment Test performance in the Allentown-Bethlehem-Easton MSA is rated **Low Satisfactory**.

WFB's grant and investment volume in the Allentown-Bethlehem-Easton MSA is adequate. During the evaluation period, WFB made 58 investments in the AA totaling \$12.3 million or 3.2 percent of allocated Tier 1 Capital. In addition, one prior period investment totaling \$314,000 or 0.1 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. This prior period investment adds support for the assigned rating. WFB's grants and investments exhibited adequate responsiveness to the identified need for affordable housing within the assessment area.

We considered the effect of the shortened evaluation period and the limited opportunities for investment in our assessment of Investment Test performance.

SERVICE TEST

WFB's Service Test performance in Allentown-Bethlehem-Easton MSA is rated **High Satisfactory**. Based on a full-scope review, performance in Allentown-Bethlehem-Easton MSA is good.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Allentown-Bethlehem-Easton MSA is excellent.

In Allentown-Bethlehem-Easton MSA, delivery systems are readily accessible to all portions of the institution's assessment area

The percentage distribution of branches in low-income geographies is below the percentage of the population residing in these geographies and is adequate. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

However, when considering seven middle- and upper-income branches that are in close proximity to low- and moderate-income geographies, accessibility improves and is good in low-income geographies.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in the Allentown-Bethlehem-Easton MSA is adequate. WFB has generally not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. During the evaluation period, WFB closed three branches throughout the assessment area, resulting in a net loss of one branch in moderate-income and two in middle-income geographies.

Reasonableness of Business Hours and Services

WFB's branch hours and services are adequate and do not vary in a way that inconveniences portions of the Allentown-Bethlehem-Easton MSA, particularly low- and moderate-income geographies and individuals. Fifty-seven percent of branches located in low- and moderate-income geographies maintained Saturday hours, compared to 91 percent of located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in Allentown-Bethlehem-Easton MSA.

WFB provides a relatively high level of CD services. WFB employees provided a total of 336 hours of CD Services. These hours represented 166 CD service activities that benefited 39 different organizations and amounted to slightly more than two and a half hours of CD service per branch per year.

Highlights of WFB's CD services that benefited the Allentown-Bethlehem-Easton MSA include the following:

- A WFB employee provided financial and strategic planning expertise to an affordable housing organization in the Allentown-Bethlehem-Easton MSA.

- Through their board membership, a WFB employee provides financial, fundraising, and budget advice at monthly board meetings for an Allentown-Bethlehem-Easton MSA community services organization.

Refer to Tables 1 - 15 in the Multistate section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

Augusta-Richmond County (Georgia-South Carolina) Multistate MSA Rating

CRA rating for the Multistate MSA: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Low Satisfactory

The Service Test is rated: Low Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its AA.
- WFB's CD lending has a neutral effect on Lending Test performance.
- WFB has an adequate level of qualified CD investments and grants within its AA.
- WFB's delivery systems are reasonably accessible to essentially all portions of its AA.

Description of Institution's Operations in Augusta-Richmond County, MSA

Of the bank's 54 state and multistate rating areas, Augusta-Richmond County MSA ranks 41st and accounts for 0.2 percent of total bank deposits, or \$1.5 billion as of June 30, 2012. WFB has one defined AA in the Augusta-Richmond County MSA, which include all six counties in the multistate metropolitan area. Within the multistate MSA, WFB operates 21 branches. WFB is the largest banking institution in Augusta-Richmond County MSA with 20.6 percent of the deposit market share. Primary competitors include Georgia Bank & Trust Company of Augusta and Sun Trust Bank with deposit market shares of 19.0 percent and 9.1 percent, respectively.

Because WFB's branches in the Augusta-Richmond County MSA have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services. We considered performance context factors in our evaluation of geographic and borrower distribution of loans.

LENDING TEST

WFB's Lending Test performance in the Augusta-Richmond County MSA is rated **High Satisfactory**.

Lending Activity

The levels of lending activity in the Augusta-Richmond County MSA is good and is supported by an excellent level of activity for home improvement, and refinance loans, a good level of activity for home purchase and small loans to farm and an adequate level of activity for small loans to businesses in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Augusta-Richmond County MSA is adequate. We initially concluded that distribution was excellent for small loans to farms, good for small loans to businesses, adequate for home purchase, poor for home improvement loans and very poor for refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to severe economic conditions affecting the AA, credit demand as indicated by HMDA applications, and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase and refinance loans is good and adequate respectively.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Augusta-Richmond County MSA is good. We initially concluded that distribution excellent for small loans to farms, good for home purchase, home improvement loans, and small loans to businesses, and adequate for refinance loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home refinance loans is considered good .

CD Lending

The volume and nature of the bank's CD lending had a neutral effect on performance in Augusta-Richmond County MSA. WFB originated \$4.2 million in CD loans equal to 2.44 percent of allocated Tier 1 Capital. WFB's CD loans were responsive to the need for affordable housing identified in the Augusta-Richmond County MSA.

INVESTMENT TEST

WFB's Investment Test performance in the Augusta-Richmond County MSA is rated **Low Satisfactory**.

WFB's grant and investment volume in the Augusta-Richmond County MSA is adequate. WFB's investments were responsive to community service and affordable housing needs within the MSA. During the evaluation period, WFB made 41 investments in the AA totaling \$3 million or 1.8 percent of allocated Tier 1 Capital. In addition, two prior period grants and investments totaling \$1.4 million or 0.8 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

SERVICE TEST

WFB's Service Test performance in Augusta-Richmond County MSA is rated **Low Satisfactory**.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Augusta-Richmond County MSA is adequate.

In Augusta-Richmond County MSA, delivery systems are reasonably accessible to geographies and individuals of different income levels.

The percentage distribution of branches in low-income geographies is significantly below the percentage of the population residing in these geographies and is very poor. The percentage distribution of branches in moderate-income geographies is well below the percentage of the population residing in these geographies and is poor. However, when giving consideration to three branches in middle and upper geographies that are in close proximity to low- and moderate-income geographies, accessibility improves and is adequate.

Changes in Branch Location

There were no openings or closings in the Augusta-Richmond County MSA during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services are adequate and do not vary in a way that inconveniences portions of the Augusta-Richmond County MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income areas, fifty percent of stores located in those geographies maintained Saturday hours, compared to sixty-eight percent of stores located in middle- and upper-income areas.

CD Services

WFB provided a poor level of CD services in Augusta-Richmond County MSA. WFB employees provided a total of 60 hours of CD services. These hours represented 29 different CD services that benefited 14 different organizations, but amounted to only an hour of CD services per branch per year.

Highlights of WFB's CD services that benefited the Augusta-Richmond County MSA include the following:

- A WFB employee participates in Board meetings to offer financial expertise regarding funding options for an affordable housing organization in Augusta-Richmond County MSA. The organization was facing a shortage of funding due to state and local budget cuts.
- A WFB employee provided financial literacy training to students on the importance of managing credit and budgeting at a CD qualified organization in the Augusta-Richmond County MSA.

Refer to Tables 1 - 15 in the Augusta-Richmond County MSA section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

Columbus (Georgia-Alabama) Multistate MSA Rating

CRA rating for the Multistate MSA: Satisfactory

The Lending Test is rated: **Outstanding**

The Investment Test is rated: **Low Satisfactory**

The Service Test is rated: **High Satisfactory**

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of loans reflects adequate penetration throughout its AA.
- The distribution of WFB's borrowers reflect good penetration among borrowers of different income levels and businesses of different sizes within its AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an adequate level of qualified CD investments and grants within its AA.
- WFB's delivery systems are readily accessible to all portions of its AA.
- WFB provided only a limited level of CD services within its AA.

Description of Institution's Operations in Columbus MSA

Of the bank's 54 state and multistate rating areas, Columbus MSA ranks 48th and accounts for 0.1 percent of total bank deposits, or \$778 million as of June 30, 2012. WFB has one defined AA in Columbus-GA-AL MSA, which includes every county in the multistate metropolitan area. Within the multistate MSA, WFB operates 14 branches. WFB is the third largest banking institution in Columbus MSA with 11.1 percent of the deposit market share. Primary competitors include Synovus Bank and BB&T Financial, FSB with deposit market shares of 55.7 percent and 12.7 percent, respectively.

Because WFB's branches in the Columbus MSA have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services. We considered performance context factors in our evaluation of geographic and borrower distribution of loans.

LENDING TEST

WFB's Lending Test performance in the Columbus MSA is rated **Outstanding**.

Lending Activity

The level of lending activity in the Columbus MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans, and small loans to businesses in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Columbus MSA is adequate. We initially concluded that distribution was excellent for small loans to businesses, and small loans to farms, adequate for home purchase and home improvement loans, and very poor for refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to severe economic conditions affecting the AA, credit demand as indicated by HMDA applications, and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase and refinance loans is good and poor respectively.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Columbus MSA is good. The distribution is excellent for home improvement loans and small loans to farms, good for home purchase and small loans to businesses, and adequate for refinance loans.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in the Columbus MSA. WFB originated \$9 million in CD loans equal to 10.29 percent of allocated Tier 1 Capital. WFB's CD loans were responsive to the need for affordable housing identified in the Columbus MSA.

INVESTMENT TEST

WFB's Investment Test performance in the Columbus MSA is rated **Low Satisfactory**.

WFB's grant and investment volume in the Columbus MSA is adequate. WFB's investments were responsive to the need for affordable housing and community services identified within the AA. During the evaluation period, WFB made 19 investments in the AA totaling \$901,000 or 1.0 percent of allocated Tier 1 Capital. In addition, one investments totaling \$1.5 million or 1.8 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. This prior period investment added support

for the assigned rating. WFB's grants exhibited a good level of responsiveness to the need for affordable housing identified in the AA.

Highlights of WFB's grants that benefited the Columbus MSA include the following:

- WFB made three grants totaling \$90,000 to the Columbus Housing Initiative, now known as NeighborWorks. The funds will help establish a public/private corporation to identify existing, and cultivate new, funding sources dedicated to the development and redevelopment of affordable housing. The funds will also go to the Columbus Cottage program to assist elderly, impoverished residents in danger of becoming homeless.

SERVICE TEST

WFB's Service Test performance in Columbus MSA is rated **High Satisfactory**.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Columbus MSA is excellent. In Columbus MSA, delivery systems are readily accessible to all portions of the MSA.

The percentage distribution of branches in low- and moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent. When giving consideration to three middle and upper income branch locations that are in close proximity to moderate-income geographies overall accessibility improves.

WFB's ATM network offers an excellent alternative delivery system to low-and moderate-income geographies and individuals in the assessment area.

Changes in Branch Location

There were no branch openings or closings in the Columbus MSA during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services are adequate and do not vary in a way that inconveniences portions of the Columbus MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 67 percent of

stores located in those geographies maintained Saturday hours, compared to 88 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided a poor level of CD services in Columbus MSA.

In the Columbus MSA, WFB provided a limited level of CD services. WFB employees provided a total of 47 hours of CD services. These hours represented 18 different CD services that benefited 10 different organizations, but amounted to slightly more than one hour of CD activities per branch per year.

Refer to Tables 1 - 15 in the Columbus MSA section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

Davenport-Moline-Rock Island (Iowa-Illinois) Multistate MSA Rating

CRA rating for the Multistate MSA: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its AA.
- WFB's delivery systems are reasonably accessible to essentially all portions of its AA.

Description of Institution's Operations in Davenport-Moline-Rock Island MSA

Of the bank's 54 state and multistate rating areas, Davenport-Moline-Rock Island MSA ranks 43rd and accounts for 0.1 percent of total bank deposits, or \$1.1 billion as of June 30, 2012. WFB has one defined AA in the Davenport-Moline-Rock Island MSA, which includes every county in the multistate metropolitan area. Within the multistate MSA, WFB operates 17 branches. WFB is the largest banking institution in Davenport-Moline-Rock Island MSA with 16.0 percent of the deposit market share. Primary competitors include Blackhawk Bank & Trust and Quad City Bank and Trust Company with deposit market shares of 11.5 percent and 9.5 percent, respectively.

CD lending and investment opportunities statewide in Illinois were constrained by the downturn in the economy. The nonprofit organizations that are the developers on most CD projects throughout the state suffered significant financial hardship when anticipated revenue from federal, state, and local entities was cut back as a result of falling tax revenues. Without the money to cover basic expenses and predevelopment costs, these organizations were unable to create viable lending and investment opportunities at prerecession levels. Although most states were faced with budget shortfalls, the situation was particularly severe in Illinois.

LENDING TEST

WFB's Lending Test performance in the Davenport-Moline-Rock Island MSA is rated **Outstanding**.

Lending Activity

The level of lending activity in the Davenport-Moline-Rock Island MSA is excellent and is supported by an excellent level of activity for home purchase and refinance loans and small loans to businesses and farms and a good level of activity for home improvement loans in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Davenport-Moline-Rock Island MSA is adequate. The distribution is excellent for small loans to businesses, good for home improvement loans, adequate for home purchase, poor for refinance loans and very poor for small loans to farms.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Davenport-Moline-Rock Island MSA is good. The distribution is excellent for home purchase and small loans to businesses and good for home improvement loans, refinance loans and small loans to farms.

CD Lending

The volume and nature of the bank's CD lending had a positive effect on performance in Davenport-Moline-Rock Island MSA. WFB originated \$8.1 million in CD loans equal to 6.1 percent of allocated Tier 1 Capital. WFB's CD loans were responsive to the need for affordable housing and community services identified in the Davenport-Moline-Rock Island MSA.

Seventy-five percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA. In addition, when we considered performance context factors that limited opportunities for CD lending, we determined the level of CD lending was sufficient to have a significantly positive effect on lending performance overall.

Highlights of WFB's CD lending that benefited the Davenport-Moline-Rock Island MSA include the following:

- In April 2011, WFB provided a \$50,000 line of credit to a non-profit organization in Davenport, Iowa. The loan was used to cover timing differences between expenses incurred and grants and donations received. This nonprofit organization provides emergency shelter, and transitional and permanent supportive housing programs that offer opportunities for men and women experiencing homelessness to become emotionally, mentally and physically more stable.
- In November 2009, WFB provided a \$150 million line of credit to a Tax Credit Investment Fund. Of the total, \$7.2 million was allocated to a 41-unit affordable housing project located in Davenport, Iowa. Residential units in the project will be restricted to low- and moderate-income households.

INVESTMENT TEST

WFB's Investment Test performance in the Davenport-Moline-Rock Island MSA is rated **Outstanding**.

WFB's grant and investment volume in the Davenport-Moline-Rock Island MSA is excellent.

During the evaluation period, WFB made 32 investments in the AA totaling \$6.7 million or 5.0 percent of allocated Tier 1 Capital. Additionally, seven prior period grants and investments totaling \$3.6 million or 2.7 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments exhibit adequate responsiveness to the needs identified in the AA. Highlights of WFB investments that benefited the Davenport-Moline-Rock Island MSA include the following:

- WFB made a \$1 million investment during 2009 in a LIHTC to fund the building of the Holiday Court Apartments, a 13-unit affordable housing unit in the assessment area.
- WFB made a \$3.7 million investment during 2012 in a LIHTC to fund the building of the Harrison Lofts, a multifamily project located in the assessment area. This investment was part of a \$14.96 million investment in the RBC Tax Credit Equity National Fund-16, which is a low-income housing tax credit fund.

SERVICE TEST

WFB's Service Test performance in Davenport-Moline-Rock Island MSA is rated "High Satisfactory."

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Davenport-Moline-Rock Island MSA is good.

In Davenport-Moline-Rock Island MSA, delivery systems are accessible to essentially all portions of the bank's assessment area.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is below the percentage of the population residing in these geographies and is adequate.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals in the AA.

Changes in Branch Location

There were no openings or closings during the evaluation period in Davenport-Moline-Rock Island MSA.

Reasonableness of Business Hours and Services

WFB's branch hours and services do not vary in a way that inconveniences portions of the Davenport-Moline-Rock Island MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 67 percent of stores located in those geographies maintained Saturday hours, compared to 88 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in Davenport-Moline-Rock Island MSA.

In the Davenport-Moline-Rock Island MSA, WFB provides a relatively high level of CD services. WFB employees provided 239 hours of CD services. These hours represented 39 different CD services that benefited 17 different organizations and amounted to almost three and a half hours of CD services per branch per year. No services were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Davenport-Moline-Rock Island MSA include the following:

- A WFB employee provides financial expertise serving as the Treasurer and Loan Committee member to an affordable housing organization in the Davenport-Moline-Rock Island MSA.
- A WFB employee provided financial literacy training on how to manage credit to a CD qualified organization.

Refer to Tables 1 - 15 in the Davenport-Moline-Rock Island MSA section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

Fargo (North Dakota-Minnesota) Multistate MSA Rating

CRA rating for the Multistate MSA: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its AA.
- WFB's CD lending has a neutral effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its AA.
- WFB's delivery systems are readily accessible to all portions of its AA.
- WFB provides only a limited level of CD services within its AA.

Description of Institution's Operations in the Fargo MSA

Of the bank's 54 state and multistate rating areas, the Fargo MSA ranks 46th and accounts for 0.1 percent of total bank deposits, or \$804 million as of June 30, 2012. WFB has one defined AA in the Fargo MSA, which includes every county in the multistate metropolitan area. Within the multistate MSA, WFB operates 10 branches. WFB is the second largest banking institution in the Fargo MSA with 14.6 percent of the deposit market share. Primary competitors include State Bank & Trust and U.S. Bank NA with deposit market shares of 29.9 percent and 7.5 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

LENDING TEST

WFB's Lending Test performance in the Fargo MSA is rated **Outstanding**.

Lending Activity

The level of lending activity in the Fargo MSA is excellent and is supported by an excellent level of activity for home purchase and refinance loans and small loans to

farms and a good level of activity for small loans to businesses and home improvement loans in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Fargo MSA is adequate. The distribution is excellent for small loans to businesses, good for home purchase, adequate for home improvement and poor for refinance loans and small loans to farms.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Fargo MSA is good. The distribution is excellent for home purchase, and good for home improvement loans and loans to small loans to businesses, and adequate for refinance and small loans to farms.

CD Lending

The volume and nature of the bank's CD lending had a neutral effect on performance in the Fargo MSA. WFB originated \$5.4 million in CD loans equal to 6.1 percent of allocated Tier 1 Capital. WFB's CD loans were responsive to the need for affordable housing and community services identified in the Fargo MSA.

INVESTMENT TEST

WFB's Investment Test performance in the Fargo MSA is rated **Outstanding**.

WFB's grant and investment volume in the Fargo MSA is excellent. During the evaluation period, WFB made 12 investments in the AA totaling \$15 million or 16.6 percent of allocated Tier 1 Capital. In addition, seven prior period grants and investments totaling \$1.6 million or 1.8 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's investments and grants exhibit excellent responsiveness to the need for community service and affordable housing identified within the Fargo MSA.

Highlights of WFB investments that benefited the Fargo MSA include the following:

- In June 2011, WFB invested \$15 million in an NMTC for the development of a comprehensive dental and medical clinic in Fargo.

SERVICE TEST

WFB's Service Test performance in Fargo MSA is rated **High Satisfactory**.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Fargo MSA is excellent. Delivery systems are readily accessible to geographies and individuals of different income levels.

The percentage distribution of branches in low-income and moderate-income geographies significantly exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system for low- and moderate-income geographies and individuals in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Fargo MSA did not affect branch distribution in a negative or positive way. During the evaluation period, WFB closed one branch in the assessment area resulting in a net loss of one branch in a middle-income geography.

Reasonableness of Business Hours and Services

WFB's branch hours and services are tailored to convenience and needs of the Fargo MSA assessment area, particularly low and moderate-income geographies and individuals. In low and moderate-income geographies, 80 percent of stores located in those geographies maintained Saturday hours, compared to 40 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided a poor level of CD services in Fargo MSA.

In the Fargo MSA, WFB provides a limited level of CD services. WFB employees provided a total of 55 hours of CD services. These hours represented 11 different CD services that benefited six different organizations, but amounted to only slightly more than one hour of service per branch per year. Six services were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Fargo MSA include the following:

- A WFB employee serves as a Board member and provides financial expertise on financials and budgets to an affordable housing organization in the Fargo MSA.
- A WFB employee serves as an executive committee member, provides accounting services, and assists with the completion and submission of grant applications for an affordable housing organization in the Fargo MSA.

Refer to Tables 1 - 15 in the Fargo MSA section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

Grand Forks (North Dakota-Minnesota) Multistate MSA Rating

CRA rating for the Multistate MSA: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its AA.
- WFB has an excellent level of qualified CD investments and grants within its AA.
- WFB's delivery systems are reasonably accessible to essentially all portions of its AA.

Description of Institution's Operations in Grand Forks MSA

Of the bank's 54 state and multistate rating areas, Grand Forks MSA ranks 52nd and accounts for 0.02 percent of total bank deposits, or \$127 million as of June 30, 2012. WFB has one defined AA in the Grand Forks MSA, which includes every county in the multistate metropolitan area. Within the multistate MSA, WFB operates two branches. WFB is the seventh largest banking institution in Grand Forks MSA with 5.4 percent of the deposit market share. Primary competitors include Bremer Bank and Alerus Financial, with deposit market shares of 24.8 percent and 19.1 percent, respectively.

LENDING TEST

WFB's Lending Test performance in the Grand Forks MSA area is rated **High Satisfactory**.

Lending Activity

The level of lending activity in the Grand Forks MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Grand Forks MSA is good. The distribution is good for home purchase and refinance loans, adequate for small loans to businesses, poor for home improvement loans and very poor for small loans to farms.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Grand Forks MSA is good. The distribution is excellent for small loans to businesses, good for home purchase, adequate for refinance loans and small loans to farms and poor for home improvement.

CD Lending

WFB made no CD loans in the Grand Forks MSA.

INVESTMENT TEST

WFB's Investment Test performance in the Grand Forks MSA is rated **Outstanding**.

WFB's grant and investment volume in the Grand Forks MSA is excellent. During the evaluation period, WFB made one investment and one grant in the AA totaling \$1.7 million or 11.9 percent of allocated Tier 1 Capital. Additionally, three prior period grants and investments totaling \$2.1 million or 14.8 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's investments and grants exhibit an excellent level of responsiveness to the need for affordable housing identified in the Grand Forks MSA.

Highlights of WFB's investments in the Grand Forks MSA include the following:

- In January 2009, WFB purchased a \$1.7 million LIHTC to support the construction of an affordable housing development in the assessment area. The 16-unit development supports the need for additional affordable multifamily housing.
- In December 2011, WFB made a \$9,500 grant to the Housing Authority of the City of Grand Forks. The grant was targeted to support affordable housing vouchers and self-sufficiency programs for low- and moderate-income individuals in the Grand Forks MSA.

SERVICE TEST

WFB's Service Test performance in Grand Forks MSA is rated **Low Satisfactory**.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Grand Forks MSA is adequate.

WFB's delivery systems are reasonably accessible to essentially all portions of the Grand Forks MSA.

The percentage distribution of branches in low- and moderate-income geographies is significantly below the population residing in these geographies and is very poor. WFB does not have any branches in low- and moderate-income geographies. However, when we considered the trade area and the central location of the branches as well as their proximity to moderate-income tracts, we determined that the branches were reasonably accessible.

Changes in Branch Location

There were no branch openings or closings in the Grand Forks MSA during the evaluation period.

Reasonableness of Business Hours and Services

Operating hours of branches in the AA were the same, regardless of the income level of the geography. There are no branches located in low- or moderate-income geographies.

CD Services

WFB provided a poor level of CD services in the Grand Forks MSA.

In the Grand Forks MSA, WFB provides a limited level of CD services. WFB employees provided a total of 32 hours of CD services. These hours represented 25 CD services that benefited four different organizations, but amounted to only slightly more than one hour of service per branch per year. No services were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Grand Forks MSA include the following:

- WFB employees provided financial literacy training to elementary school students in the AA.

Refer to Tables 1 - 15 in the Grand Forks MSA section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

Logan (Utah-Idaho) Multistate MSA Rating

CRA rating for the Multistate MSA: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: Outstanding

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments that are highly responsive to the needs of its AA.
- WFB's delivery systems are readily accessible to all portions of its AA.

Description of Institution's Operations in Logan MSA

Of the bank's 54 state and multistate rating areas, the Logan MSA ranks 51st and accounts for 0.02 percent of total bank deposits, or \$199 million as of June 30, 2012. WFB has one defined AA in the Logan MSA, which includes every county in the multistate metropolitan area. Within the multistate MSA, WFB operates seven branches. WFB is the fourth largest banking institution in the Logan MSA, with 16.7 percent of the deposit market share. Primary competitors include Zion's First National Bank Trust and Cache Valley Bank, with deposit market shares of 26.6 percent and 21.2 percent respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans.

LENDING TEST

WFB's Lending Test performance in the Logan MSA is rated **Outstanding**.

Lending Activity

The level of lending activity in the Logan MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance

loans and small loans to businesses and farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Logan MSA is good. We initially concluded that distribution was excellent for home refinance loans, good for home purchase loans, adequate for home improvement loans and small loans to businesses and poor for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to severe economic conditions affecting the AA and credit demand as indicated by HMDA applications, performance improved and distribution of home purchase loans is considered excellent.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Logan MSA is good. We initially concluded that distribution was good for home purchase loans and small loans to businesses and farms, adequate for home refinance loans and poor for home improvement loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to moderately severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of refinance loans is considered good.

CD Lending

WFB CD lending had a significantly positive impact on the bank's lending performance. During the evaluation period, WFB originated one loan totaling \$3.8 million and equal to 17.2 percent of allocated Tier 1 Capital. The loan was considered particularly responsive to the need for affordable housing identified in the Logan MSA and had a significantly positive effect on our assessment of CD lending performance in the AA.

INVESTMENT TEST

WFB's Investment Test performance in the Logan MSA is rated **Outstanding**.

WFB's grant and investment volume in the Logan MSA is excellent.

During the evaluation period, WFB made eight investments in the AA totaling \$4.7 million or 21.3 percent of allocated Tier 1 Capital. Additionally, three prior period grants

and investments totaling \$10.6 million or 47.5 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's investments and grants exhibit excellent responsiveness to the need for affordable housing identified in the AA.

Highlights of WFB investments that benefited the Logan MSA include the following:

- WFB invested \$4.4 million in a Community Based Housing Development Organization. The investment helped to fund 40 units of senior housing in the assessment area. The units are restricted to low-and moderate-income senior residents.
- WFB invested \$300,000 in a non-profit housing group for predevelopment financing for affordable housing in the assessment area.

SERVICE TEST

WFB's Service Test performance in Logan MSA is rated **High Satisfactory**.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Logan MSA is excellent.

In Logan MSA, delivery systems are readily accessible to geographies and individuals of different income levels.

The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent. WFB did not have branches in low-income census tracts in the Logan MSA where less than five percent of the total population in the assessment area resides. Therefore, our evaluation was weighted toward performance in the moderate-income geographies.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals.

Changes in Branch Location

There were no openings or closings during the evaluation period in Logan MSA.

Reasonableness of Business Hours and Services

WFB's branch hours and services do not vary in a way that inconveniences portions of the Logan MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of stores located in those geographies maintained Saturday hours, compared to 100 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in Logan MSA.

In the Logan MSA, WFB provides a relatively high level of CD services. WFB employees provided a total of 62 hours of CD services. These hours represented five different CD services that benefited four different organizations and amounted to slightly more than two hours of service per branch per year. Five services were considered highly responsive to identified community needs. We considered the limited opportunities for CD services in our assessment.

Highlights of WFB's CD services that benefited the Logan MSA include the following:

- A WFB employee serves on the Board and provides financial expertise for a non-profit affordable housing organization in the Logan MSA.
- A WFB employee provided financial literacy training on how to save and manage money to a CD qualified organization.

Refer to Tables 1 - 15 in the Logan MSA section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

Memphis (Tennessee-Mississippi) Multistate MSA Rating

CRA rating for the Multistate MSA: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

The major factors that support this rating include the following:

- Lending levels reflect excellent responsiveness to the credit needs of WFB's AA.
- The distribution of loans reflects adequate penetration throughout WFB's AA and good penetration among borrowers of different income levels within WFB's AA.
- CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants that are highly responsive to the needs of its AA.
- WFB delivery systems are reasonably accessible to its AA.

Description of Institution's Operations in Memphis MSA

Of the bank's 54 state and multistate rating areas, the Memphis MSA ranks 50th and accounts for 0.05 percent of total bank deposits, or \$463 million as of June 30, 2012. WFB has one defined AA in the Memphis MSA, which includes every county in the multistate metropolitan area. Within the multistate MSA, WFB operates eight branches. WFB is the eighth largest banking institution in Memphis MSA with 2.0 percent of the deposit market share. Primary competitors include First Tennessee Bank, N.A., and Regions Bank with deposit market shares of 30.3 percent and 16.8 percent, respectively.

Because WFB's branches in the Memphis MSA have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for this AA is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services. We considered performance context factors in our evaluation of geographic and borrower distribution of loans

LENDING TEST

WFB's Lending Test performance in the Memphis MSA is rated **Outstanding**.

Lending Activity

The level of lending activity in the Memphis MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and an adequate level of activity for small loans to farms in relation to WFB's deposit market share. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the large number of farm lenders in the AA.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Memphis MSA is adequate. We initially concluded that distribution was poor for home purchase, refinance, and home improvement loans, adequate for small loans to businesses and excellent for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase loans is considered adequate.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Memphis MSA is good. We concluded that distribution is excellent for small loans to farms, good for home purchase loans and small loans to businesses, adequate for home refinance loans and poor for home improvement loans.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in Memphis MSA. WFB originated \$48 million in CD loans equal to 92.1 percent of allocated Tier 1 Capital. WFB's CD loans were responsive to the need for affordable housing and neighborhood revitalization and stabilization identified in the Memphis MSA.

Thirty-six percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

- In December 2010, WFB provided \$17.4 million in financing for a Recovery Zone Facility Revenue Bond. The funds were used for construction and permanent

financing to acquire and renovate an office tower in Memphis, Tennessee. This project is a NMTC.

INVESTMENT TEST

WFB's Investment Test performance in the Memphis MSA is rated **Outstanding**.

WFB's grant and investment volume in the Memphis MSA is excellent. During the evaluation period, WFB made 25 investments in the AA totaling \$50.4 million or 96.4 percent of allocated Tier 1 Capital. Additionally, two prior period grants and investments totaling \$3 million or 5.9 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments exhibited an excellent level of responsiveness to the need for affordable housing and neighborhood revitalization and stabilization identified in the AA. Highlights of WFB investments that benefited the Memphis MSA include the following:

- WFB invested \$35.5 million in a NMTC project. The tax credit was made to a certified Community Development Entity (CDE) as part of a revitalization project in a moderate-income census tract in the assessment area. The project has resulted in the creation of over 500 jobs in the assessment area.
- WFB invested \$4.7 million in a LIHTC fund. The investment helped to fund 71 affordable housing units in the assessment area.

SERVICE TEST

WFB's Service Test performance in Memphis MSA is rated **Low Satisfactory**.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Memphis MSA is adequate.

In Memphis MSA, delivery systems are reasonably accessible to essentially all portions of the Memphis MSA.

The percentage distribution of branches in low- income geographies is significantly below the percentage of the population residing in these geographies and is very poor. The percentage distribution of branches in moderate-income geographies is near to the population residing in these geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals in the AA.

Changes in Branch Location

There were no branch openings or closings during the evaluation period in Memphis MSA.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences certain portions of the Memphis MSA, particularly moderate-income geographies and individuals. Although there were no branches in low-income geographies, 100 percent of stores located in moderate-income geographies maintained Saturday hours, compared to 33 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided a poor level of CD services in Memphis MSA.

In the Memphis MSA, WFB provides a limited level of CD services. WFB employees provided a total of 17 hours of CD services. These hours represented 11 different CD services that benefited six different organizations, but amounted to less than one hour of service per branch per year. Four services were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Memphis MSA include the following:

- A WFB employee provided financial literacy training for high school students on how to manage credit at a CD qualified organization in the Memphis MSA.
- A WFB employee provided financial literacy training specifically targeted to "banking the unbanked" in low and moderate income individuals to a CD qualified organization in the Memphis MSA.

Refer to Tables 1 - 15 in the Memphis MSA section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

Omaha-Council Bluffs (Nebraska-Iowa) Multistate MSA Rating

CRA rating for the Multistate MSA: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its AA.
- WFB delivery systems are accessible to essentially all portions of its AA.

Description of Institution's Operations in Omaha-Council Bluffs MSA

Of the bank's 54 state and multistate rating areas, Omaha-Council Bluffs MSA ranks 34th and accounts for 0.4 percent of total bank deposits, or \$3 billion as of June 30, 2012. WFB has one defined AA in the Omaha-Council Bluffs MSA, which includes every county in the multistate metropolitan area. Within the multistate MSA, WFB operates 18 branches. WFB is the third largest banking institution in Omaha-Council Bluffs MSA with 12.7 percent of the deposit market share. Primary competitors include First National Bank of Omaha and Mutual of Omaha Bank with deposit market shares of 27.0 percent and 13.3 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

LENDING TEST

WFB's Lending Test performance in the Omaha-Council Bluffs MSA is rated **Outstanding**.

Lending Activity

The level of lending activity in the Omaha-Council Bluffs MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and a good level of activity for small loans to farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Omaha-Council Bluffs MSA is adequate. We initially concluded that distribution was adequate for home improvement loans, and small loans to businesses and farms, poor for home purchase loans and very poor for home refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home refinance loans is now considered.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Omaha-Council Bluffs MSA is good. The distribution is excellent for small loans to businesses, good for home purchase and home improvement loans, and adequate for home refinance loans and small loans to farms.

Community Development Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in Omaha-Council Bluffs MSA. WFB originate \$64.6 million in CD loans equal to 19.1 percent of allocated Tier 1 Capital. WFB's CD loans were responsive to the need for affordable housing and community services identified in the Omaha-Council Bluffs MSA. Forty percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Omaha-Council Bluffs MSA include the following:

- In 2008, 2009, and 2010, WFB purchased participations in a lending pool with a consortium of local banks in Omaha, Nebraska. These funds are being used to provide long-term income restricted mortgage financing for low- and moderate-income borrowers. The success of this organization has helped to support the

missions of several CD corporations working in North and South Omaha, while centralizing certain development functions so that each housing organization will not need to duplicate expertise within individual CD corporations.

- In October 2010, WFB loaned \$13.2 million for construction financing of an 84-unit LIHTC apartment development located in La Vista, Nebraska. The apartments will be restricted to low- and moderate-income households.

INVESTMENT TEST

WFB's Investment Test performance in the Omaha-Council Bluffs MSA is rated **Outstanding**.

WFB's grant and investment volume in the Omaha-Council Bluffs MSA is excellent. During the evaluation period, WFB made 74 investments in the AA totaling \$61.9 million or 18.3 percent of allocated Tier 1 Capital. Additionally, 22 prior period grants and investments totaling \$11.4 million or 3.4 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investment exhibited a good level of responsiveness to the need for affordable housing and neighborhood revitalization and stabilization identified in the AA.

Highlights of WFB investments that benefited the Omaha-Council Bluffs MSA include the following:

- WFB invested \$6.7 million for the construction of 33 new single-family rental homes in the assessment area. All of the units are restricted to tenant's earning 60 percent of the area median income or less.
- WFB invested \$5.9 million in a LIHTC that helped to fund a 154 unit affordable housing project in the assessment area.

SERVICE TEST

WFB's Service Test performance in Omaha-Council Bluffs MSA is rated **High Satisfactory**.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Omaha-Council Bluffs MSA is excellent.

In Omaha-Council Bluffs MSA, delivery systems are accessible to essentially all portions of the assessment area.

The percentage distribution of branches in low-income geographies is below the percentage of the population residing in these geographies and is adequate. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent. However, when considering one low-income and one moderate-income bordering branch, the distribution of branches in low-income geographies improved and is considered good.

WFB's ATM network offers an excellent alternative delivery system to low-and moderate-income geographies and individuals through full service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Omaha-Council Bluffs MSA did not affect branch distribution in a negative or positive way. During the evaluation period, WFB closed two branches throughout the assessment area resulting in a net loss of one branch in a moderate-income geography and one branch in a middle-income geography.

Reasonableness of Business Hours and Services

WFB's branch hours are adequate and do not vary in a way that inconveniences portions of the Omaha-Council Bluffs MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 80 percent of stores located in those geographies maintained Saturday hours, compared to 92 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided an excellent level of CD services in Omaha-Council Bluffs MSA.

In the Omaha-Council Bluffs MSA, WFB is a leader in providing CD services. WFB employees provided a total of 875 hours of CD services. These hours represented 301 different CD services that benefited 58 different organizations and amounted to more

than 11 hours of CD services per branch per year. Five services were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited the Omaha-Council Bluffs MSA include the following:

- A WFB employee serves on the Loan Committee and provides financial expertise in the review of financial reports for an affordable housing organization in Omaha-Council Bluffs MSA.
- A WFB employee provided financial literacy training to students on the importance of managing credit and budgeting at a CD qualified organization in the Omaha-Council Bluffs MSA.

Refer to Tables 1 - 15 in the Omaha-Council Bluffs MSA section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

Portland-Vancouver-Hillsboro (Oregon-Washington) Multistate MSA Rating

CRA rating for the Multistate MSA: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its AA.
- The distribution of WFB's borrowers reflect good penetration among borrowers of different income levels and businesses of different sizes within its AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its AA.
- WFB's delivery systems are readily accessible to all portions of its AA.

Description of Institution's Operations in the Portland-Vancouver-Hillsboro, MSA

Of the bank's 54 state and multistate rating areas, Portland-Vancouver-Hillsboro ranks 25th and accounts for 0.7 percent of total bank deposits, or \$6.17 billion as of June 30, 2012. WFB's AA includes the entire MSA. Within the multistate MSA, WFB operates 72 branch offices. WFB is the fourth largest banking institution in the Portland-Vancouver-Hillsboro MSA with 13.5 percent of the deposit market share. Primary competitors include Bank of America and US Bank, NA, with deposit market shares of 17.8 percent and 17.3 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans.

CD lending and investment opportunities statewide in Oregon were constrained by the downturn in the economy. The nonprofit organizations that are the developers on most CD projects throughout Oregon suffered significant financial hardship when anticipated revenue from federal, state, and local entities was cut back as a result of falling tax revenues. Without the money to cover basic expenses and predevelopment costs, these organizations were unable to create viable lending and investment opportunities at prerecession levels. Although most states were faced with budget shortfalls, the situation was particularly severe in Oregon.

LENDING TEST

WFB's Lending Test performance in the Portland-Vancouver-Hillsboro MSA is rated **Outstanding**.

Lending Activity

The level of lending activity in the Portland-Vancouver-Hillsboro MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, refinance, small loans to farms, and small loans to businesses in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Portland-Vancouver-Hillsboro MSA is excellent. The distribution is good for home improvement and refinance loans, excellent for home purchase and small loans to businesses, and poor for small loans to farms.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Portland-Vancouver-Hillsboro MSA is good. The distribution is good for home purchase and small loans to farms, excellent for small loans to businesses, and adequate for home improvement and refinance loans.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in Portland-Vancouver-Hillsboro MSA. WFB originated \$100 million in CD loans equal to 14.4 percent of allocated Tier 1 Capital.

Twenty-three percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA. In addition, when we considered performance context factors that limited opportunities for CD lending, we determined the level of CD lending was sufficient to have a significantly positive effect on lending performance overall.

Highlights of WFB's CD lending that benefited the Portland-Vancouver-Hillsboro MSA include the following:

- WFB provided a loan to fund construction financing for the acquisition and rehabilitation of an affordable LIHTC housing complex located in a low-income census tract in the MSA.
- WFB provided financing for the construction of a health care clinic serving the homeless and very low-income individuals in the MSA.

INVESTMENT TEST

WFB's Investment Test performance in the Portland-Vancouver-Hillsboro MSA is rated **Outstanding**.

WFB's grant and investment volume in the Portland-Vancouver-Hillsboro MSA is excellent. During the evaluation period, WFB made 75 investments in the AA totaling \$82.1 million or 12.0 percent of allocated Tier 1 Capital. In addition, 35 prior period grants and investments totaling \$23.0 million or 3.4 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated a good level of responsiveness to the needs identified in the AA for affordable housing and community services.

Highlights of WFB's grants and investments that benefited the Portland-Vancouver-Hillsboro MSA include the following:

- WFB provided funding which was used by an affordable housing organization within the MSA to create public and section eight rental-housing units for individuals transitioning out of chronic homelessness.
- The bank invested in a community services organization for the purpose of constructing a new behavioral and primary care clinic that will serve homeless and very low-income individuals.

SERVICE TEST

WFB's Service Test performance in Portland-Vancouver-Hillsboro MSA is rated **High Satisfactory**. Based on a full-scope review, performance in Portland-Vancouver-Hillsboro MSA is good.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Portland-Vancouver-Hillsboro MSA is excellent.

In Portland-Vancouver-Hillsboro MSA, delivery systems are readily accessible to all portions of the WFB's assessment area.

The distribution of branches in low- and moderate-income geographies exceeds the population residing in these geographies and is excellent. When giving consideration to eight middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in the Portland-Vancouver-Hillsboro MSA is good. WFB has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies or to low- and moderate-income individuals. During the evaluation period, WFB closed two branches throughout the assessment area, resulting in a net loss of one branch in a moderate-income geography and one branch in a middle-income geography. However, distribution remained excellent after the closing.

Reasonableness of Business Hours and Services

WFB's branch hours and services are adequate and do not vary in a way that inconveniences portions of Portland-Vancouver-Hillsboro MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 79 percent of stores located in those geographies maintained Saturday hours, compared to 91 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in the Portland-Vancouver-Hillsboro MSA.

WFB provides a relatively high level of CD services. WFB employees provided a total of 932 hours of CD services. These hours represented 218 CD service activities that

benefited 50 different organizations and amounted to slightly more than three hours of CD services per branch per year.

Highlights of WFB's CD services that benefited the Portland-Vancouver-Hillsboro MSA include the following:

- A WFB employee is providing guidance to a struggling non-profit within the MSA and assisting the organization to liquidate its affordable housing portfolio and transfer properties to other more viable non-profits.
- A WFB employee is an active participant on the board of a successful and effective affordable housing organization.

Refer to Tables 1 - 15 in the Multistate section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

Texarkana (Texas-Arkansas) Multistate MSA Rating

CRA rating for the Multistate MSA: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect good responsiveness to the credit needs of its AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its AA.
- The distribution of WFB's borrowers reflects adequate penetration among borrowers of different income levels and businesses of different sizes within its AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its AA.
- WFB's delivery systems are accessible to essentially all portions of its AA.

Description of Institution's Operations in the Texarkana MSA

Of the bank's 54 state and multistate rating areas, the Texarkana MSA ranks 47th and accounts for 0.1 percent of total bank deposits, or \$779 million as of June 30, 2012. WFB's AA includes the entire MSA. Within the multistate MSA, WFB operates eight branches. WFB is the largest banking institution in the Texarkana MSA with 35.3 percent of the deposit market share. Primary competitors include Regions Bank, and Capital One, NA, with deposit market shares of 11.3 percent and 10.4 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans.

We also considered performance context factors affecting CD lending and investment in the state of Texas. See the Austin-Round Rock-San Marcos MSA Market Profile for performance context factors affecting the opportunities for CD lending and investment in Texas statewide including the Texarkana MSA.

LENDING TEST

WFB's Lending Test performance in the Texarkana MSA is rated **High Satisfactory**.

Lending Activity

The level of lending activity in the Texarkana MSA is good and is supported by a good level of activity for home purchase, refinance, and small loans to farms, and an adequate level of activity for home improvement and small loans to businesses in relation to WFB's deposit market share. Our assessment of lending activity was influenced by the presence of significant lenders in the area that do not have deposit-taking facilities

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Texarkana MSA is adequate. The distribution is adequate for refinance and small loans to farms, excellent for small loans to businesses, and poor for home purchase and home improvement loans.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Texarkana MSA is adequate. The distribution is adequate for home purchase loans, good for home improvement and small loans to businesses, and poor for refinance and small loans to farms.

CD Lending

The volume and nature of the bank's CD Lending had a significantly positive effect on performance in the Texarkana MSA. WFB originated \$19.8 million in community development loans in the MSA.

One hundred percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA. In addition, when we considered performance context factors that limited opportunities for CD lending, we determined the level of CD lending was sufficient to have a significantly positive effect on lending performance overall.

Highlights of WFB's CD Lending that benefited the Texarkana MSA include the following:

- WFB provided financing to an affordable housing organization for the purpose of constructing a new multi-family affordable housing development located within the MSA.
- The bank also funded an affordable housing organization's construction of an apartment development located in a low-income census track within the MSA.

INVESTMENT TEST

WFB's Investment Test performance in the Texarkana MSA is rated **Outstanding**.

WFB's grant and investment volume in the Texarkana MSA is excellent. During the evaluation period, WFB made four investments in the AA totaling \$31 million or 36.3 percent of allocated Tier 1 Capital. WFB's grants and investments demonstrated an excellent level of responsiveness to the need identified in the AA for affordable housing.

Highlights of WFB's grants and investments that benefited the Texarkana MSA include the following:

- WFB invested in a low income tax credit qualified project within the MSA focused on the rehabilitation of low-income apartments.
- The bank invested in an affordable housing project within the MSA through a national syndicator of low-income housing tax credit projects.

SERVICE TEST

WFB's Service Test performance in Texarkana MSA is rated **High Satisfactory**. Based on a full-scope review, performance in the Texarkana MSA is good.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Texarkana MSA is good.

In the Texarkana MSA, delivery systems are accessible to essentially all portions of the institution's assessment area.

The distribution of branches in low- income geographies is very poor. WFB has no branches in low-income geographies in the MSA. The distribution of branches in moderate-income geographies exceeds the population residing in these geographies and is excellent.

However, when giving consideration to two middle- and upper-income branches that are in close proximity to low- and moderate-income geographies accessibility improves and is adequate in low-income geographies.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in the Texarkana MSA, did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB opened three and closed four branches throughout the assessment area resulting in a net loss of one branch in middle-income geographies.

Reasonableness of Business Hours and Services

WFB's branch hours are good and do not vary in a way that inconveniences certain portions of the Texarkana MSA, particularly low- and moderate-income geographies and individuals. One hundred percent of stores located in moderate-income geographies maintained Saturday hours, compared to 67 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in Texarkana MSA. WFB provides a relatively high level of CD services. WFB employees provided a total of 69 hours of CD services. These hours represented 31 CD service activities that benefited four different organizations and amounted to slightly more than three hours of CD services per branch per year.

Highlights of WFB's CD services that benefited the Texarkana MSA include the following:

- WFB employees assist with a financial literacy program sponsored by a community services organization for elementary school students within the MSA.
- WFB employees provide budget and credit management expertise to an affordable housing organization operating within the MSA.

Refer to Tables 1 - 15 in the Multistate section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Alabama Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Alabama AAs.
- The geographic distribution of WFB's loans reflects an adequate penetration throughout its full-scope Alabama AAs.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Alabama AAs.
- WFB's CD lending has a positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Alabama AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope Alabama AAs.
- To the extent changes have been made, WFB's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems within its full-scope Alabama AAs.

Description of Institution's Operations in the State of Alabama

Of the bank's 54 state and multistate rating areas, Alabama ranks 21st and accounts for 1.0 percent of total bank deposits, or \$8.15 billion as of June 30, 2012. WFB has 17 defined AAs in Alabama, which include 42 out of 67 total counties in the state. Within the state, WFB operates 136 branches. WFB is the third largest banking institution in Alabama with 9.7 percent of the deposit market share. Primary competitors include Regions Bank and Compass Bank, with deposit market shares of 25.0 percent and 11.6 percent, respectively.

Because WFB's branches in the State of Alabama have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Alabama

Of WFB's 17 AAs in Alabama, the Birmingham-Hoover, Huntsville, and Montgomery MSAs were selected for full-scope review. These AAs account for 59.7 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Alabama is rated **High Satisfactory**. Based on full-scope reviews, performance in the Birmingham-Hoover MSA is good, the Huntsville MSA is adequate, and the Montgomery MSA is excellent.

Lending Activity

The level of lending activity in Alabama full-scope AAs is excellent. The level of lending activity in the Birmingham-Hoover MSA is excellent and is supported by an excellent level of activity for home purchase, refinance, and small loans to farms, a good level of activity for small loans to businesses, and an adequate level of activity for home improvement loans in relation to WFB's deposit market share. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

The level of lending activity in the Huntsville MSA is excellent and is supported by an excellent level of activity for home purchase and refinance loans, an adequate level of activity for home improvement loans and small loans to businesses, and a poor level of activity for small loans to farms in relation to WFB's deposit market share.

The level of lending activity in the Montgomery MSA is excellent and is supported by an excellent level of activity for home purchase, refinance, and small loans to farms, a good level of activity for small loans to businesses, and an adequate level of activity for home improvement loans in relation to WFB's deposit market share. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Alabama full-scope AAs is adequate.

In the Birmingham-Hoover MSA, overall geographic distribution of loans is good. We initially concluded that distribution was good for home improvement and small loans to businesses, excellent for small loans to farms, and poor for home purchase and refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase loans is good and refinance loans is adequate.

In the Huntsville MSA, the overall geographic distribution of loans is poor. We initially concluded that the distribution was poor for home purchase and home improvement loans, good for small loans to businesses, very poor for refinance loans, and excellent for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase loans is adequate.

In the Montgomery MSA, the overall geographic distribution of loans is adequate. We initially concluded that distribution was poor for home purchase, home improvement, and refinance loans, good for small loans to businesses and excellent for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA, performance improved and distribution of home purchase and refinance loans is considered adequate.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Alabama is good.

In the Birmingham-Hoover MSA, the overall distribution of loans by borrower income is good. We initially concluded that the distribution was good for home purchase, home improvement, and small loans to businesses, and adequate for refinance loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to the credit demand as indicated by HMDA applications and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of refinance loans is considered good.

In the Huntsville MSA, the overall distribution of loans by borrower income is good. The distribution is good for home purchase and small loans to businesses and adequate for home improvement and refinance loans.

In the Montgomery MSA, the overall distribution of loans by borrower income is adequate. The distribution is adequate for refinance loans, good for home purchase, home improvement, and small loans to businesses. The number of small loans to farms is too small for meaningful analysis.

CD Lending

The volume and nature of the bank's CD lending had a positive effect on performance in Alabama full-scope AAs.

In the Montgomery MSA, WFB's CD loans had a significantly positive effect on lending performance in the MSA. WFB originated \$26.8 million in CD loans equal to 28.28% of allocated Tier 1 Capital. Thirty-three percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

In the Birmingham-Hoover MSA, WFB's CD loans had a neutral effect on lending performance in the MSA. WFB originated \$750,000 in CD loans equal to 0.2 percent of allocated Tier 1 Capital. One hundred percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited Alabama include the following:

- In May 2010, WFB provided a \$250,000 line of credit to a nonprofit organization in Birmingham, Alabama. The funds were used as working capital. The borrower is a nonprofit organization with a history of serving women and their families in the central Alabama area.
- In February 2012, WFB renewed a \$500,000 working capital line of credit for a nonprofit organization located in a low-income census tract in Montgomery, Alabama. This nonprofit organization fights hunger and poverty across central and south Alabama through member agencies by soliciting, procuring, and distributing excess food, grocery and household products; by developing and monitoring agency networks; and by cultivating community awareness and participation.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Auburn-Opelika, Decatur, Dothan, Mobile, and Tuscaloosa MSAs and the Cullman-Marshall, Dallas County, Marion County, Southeastern AL Non-Metropolitan Assessment Areas is not inconsistent with the bank's overall **High Satisfactory** performance in Alabama. Performance under the Lending Test in the Anniston-Oxford, Florence-Muscle Shoals, and Gadsden MSAs and the Baldwin County and Eastern Central Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in Alabama. Performance in these limited-scope AAs did not influence the Lending Test performance in Alabama.

INVESTMENT TEST

WFB's Investment Test performance in Alabama is rated **Outstanding**. Based on full-scope reviews, performance in the Birmingham-Hoover, Montgomery, and Huntsville MSAs is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's investment volume in the Birmingham-Hoover MSA is excellent. During the evaluation period, WFB made 77 investments in the MSA totaling \$17.6 million or 4.5 percent of allocated Tier 1 Capital. In addition, four prior period investments totaling \$12 million remained outstanding as of year-end 2012. These prior period investments add support for the assigned rating. WFB's grants and investments demonstrated an excellent level of responsiveness to affordable housing and neighborhood stabilization and revitalization needs within the MSA.

WFB's investment volume in the Huntsville MSA is excellent. During the evaluation period, WFB made 24 grants and investments in the MSA totaling \$5.6 million or 8.9 percent of allocated Tier 1 Capital. WFB's investments demonstrated an adequate level of responsiveness to affordable housing needs within the MSA.

WFB's investment volume in the Montgomery MSA is excellent. During the evaluation period, WFB made 19 grants and investments in the MSA totaling \$11 million or 11.6 percent of allocated Tier 1 Capital. In addition, two prior period investments totaling \$116,000 remained outstanding as of year-end 2012. These prior period investments add support for the assigned rating. WFB's grants demonstrated an adequate level of responsiveness to community services needs within the MSA.

Highlights of WFB's grants and investments that benefited the Alabama AAs include the following:

- In October 2011, WFB invested \$15 million in a New Markets Tax Credit project in a moderate-income census tract of Birmingham, Alabama. The funds were used for expansion of a large regional hospital facility. The expansion will significantly revitalize and stabilize the area.
- In September 2012, WFB made a \$20,000 grant to a housing assistance program that provides foreclosure and/or eviction counseling and financial assistance to prevent families from becoming homeless. They also provide counseling to help families understand their finances and the importance of paying mortgage or rent on time to avoid foreclosure or evictions.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Mobile MSA and the Baldwin County Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance in Alabama. Performance under the Investment Test in Anniston-Oxford, Auburn-Opelika, Decatur, Dothan, Florence-Muscle Shoals, Gadsden, and Tuscaloosa MSAs and Cullman-Marshall, Dallas County, Eastern Central, Marion County, and Southeastern Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance in Alabama. Performance in limited-scope areas did not influence the Investment Test performance in Alabama.

SERVICE TEST

WFB's Service Test performance in Alabama is rated **High Satisfactory**. Based on full-scope reviews, performance in the Birmingham-Hoover, Huntsville, and Montgomery MSAs is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Alabama full-scope AAs is excellent.

In the Birmingham-Hoover MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to geographies and individuals of different income levels.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is below the

percentage of population residing in these geographies and is adequate. However, when giving consideration to seven middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves and is good in moderate-income geographies.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Huntsville MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to geographies and individuals of different income levels.

The percentage distribution of branches in low- income geographies exceeds the percentage of population residing in these geographies. The percentage distribution of branches in moderate-income geographies is near to the percentage of population residing in these geographies and is excellent.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Montgomery MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to geographies and individuals of different income levels.

The percentage distribution of branches in low-income geographies exceeds the percentage of population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is near to the percentage of population residing in these geographies and is excellent. However, when considering two middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in Alabama full-scope AAs did not affect branch distribution in a negative or positive way.

WFB's record of opening and closing branches in the Birmingham-Hoover MSA did not affect branch distribution in a negative or positive way. During the evaluation period, WFB opened one and closed two branches throughout the assessment area resulting in a net loss of one branch in middle-income geographies.

In the Huntsville and Montgomery MSAs, WFB did not open or close any branches during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services are adequate and do not vary in a way that inconveniences portions of the full-scope AAs in Alabama, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Birmingham-Hoover MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 36 percent of branches located in low- and moderate-income geographies maintained Saturday hours, compared to 60 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Huntsville MSA, particularly low- and moderate-income geographies and individuals. Thirty-three percent of branches located in low- and moderate-income geographies maintained Saturday hours, compared to forty percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portion of the Montgomery MSA, particularly low- and moderate-income geographies and individuals. Twenty-five percent of branches located in low- and moderate-income geographies maintained Saturday hours, compared to thirty-eight percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in Alabama full-scope AAs.

In the Birmingham-Hoover MSA, WFB is leader in providing CD services. WFB employees provided a total of 563 hours of CD services. These hours represented 158 different CD services that benefited 28 different organizations and amounted to more than five and a half hours of services per branch per year. Five services were considered highly responsive to identified community needs.

In the Huntsville MSA, WFB provides a relatively high level of CD services. WFB employees provided a total of 56 hours of CD services. These hours represented eleven different CD services that benefited five different organizations and amounted to slightly more than two and half hours of services per branch per year. Two services were considered highly responsive to identified community needs.

In the Montgomery MSA, WFB provides a limited level of CD services. WFB employees provided a total of 29 hours of CD services. These hours represented fourteen different CD services that benefited three different organizations and amounted to less than 1 hour of service per branch per year. No services were considered highly responsive to identified community needs.

Highlights of WFB's CD services that benefited Alabama include the following:

- A WFB employee serves as treasurer and provides financial expertise on lending to an affordable housing organization in the Birmingham-Hoover MSA.
- WFB employees provide financial literacy training to CD qualified organizations in the state of Alabama rating area.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Tuscaloosa MSA and the Baldwin County non-metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Alabama. Performance under the Service Test in Dothan, Florence-Muscle Shoals, and Gadsden MSAs and Marion County and Southeastern non-metropolitan assessment areas is stronger than the bank's overall **High Satisfactory** performance in Alabama. Performance under the Service Test in Anniston-Oxford, Auburn-Opelika, Decatur, and Mobile MSAs and Dallas County, Cullman-Marshall, and Eastern Central non-metropolitan AAs is weaker than the bank's overall High Satisfactory performance in Alabama. Performance in limited-scope areas did not influence the Service Test performance in Alabama.

Refer to Tables 1 - 15 in the Alabama section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Alaska Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Alaska AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Alaska AAs.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Alaska AAs.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Alaska AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope Alaska AAs.
- WFB's business hours do not vary in a way that inconveniences portions of its full-scope Alaska AAs.

Description of Institution's Operations in the State of Alaska

Of the bank's 54 state and multistate rating areas, Alaska ranks 28th and accounts for 0.6 percent of total bank deposits, or \$5.3 billion as of June 30, 2012. WFB has three AAs in Alaska, which includes every borough in the state. Within the state, WFB operates 50 branches. WFB is the largest banking institution in Alaska with 52.3 percent of the deposit market share. Primary competitors include First National Bank of Alaska and Northrim Bank, with deposit market shares of 19.9 percent and 8.9 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Alaska

Of WFB's three AAs in Alaska, the Anchorage MSA and the Greater Alaska Non-Metropolitan AA were selected for full-scope reviews. These AAs accounts for 92 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Alaska is rated **Outstanding**. Based on full-scope reviews, performance is excellent in the Anchorage MSA and in the Greater Alaska Non-Metropolitan AA.

Lending Activity

The level of lending activity in Alaska full-scope AAs is excellent.

The level of lending activity in Anchorage MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share percentage or ranking.

Lending activity in the Greater Alaska Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share percentage or ranking.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Alaska full-scope AAs is good.

In the Anchorage MSA, the overall geographic distribution of loans is good. We initially concluded that the distribution was good for home purchase and small loans to businesses, adequate for refinance loans and poor for home improvement loans and small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home refinance loans was considered good.

In the Greater Alaska Non-Metropolitan AA, the overall geographic distribution of loans is good. We initially concluded that the distribution was poor for home purchase, home improvement and refinance loans, adequate for small loans to businesses, and poor for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase and refinance loans was good.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Alaska is good.

In the Anchorage MSA, the overall distribution of loans by borrower income is good. The distribution is excellent for small loans to businesses, good for home purchase, refinance and small loans to farms, and adequate for home improvement loans.

In the Greater Alaska Non-Metropolitan AA, the overall distribution of loans by borrower income is good. The distribution is excellent for small loans to businesses, good for home purchase, and small loans to farms and adequate for home improvement and refinance loans.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on lending performance in Alaska full-scope AAs.

WFB's CD loans had a significantly positive effect on lending performance in the Anchorage MSA. WFB originated \$115.2 million in CD loans equal to 35.7 percent of allocated Tier 1 Capital. Fifty-three percent of the loans were considered highly responsive to the need for affordable housing and neighborhood revitalization and had a significantly positive effect on our assessment of CD lending performance in the AA.

WFB's CD lending had a significantly positive effect on performance in the Greater Alaska Non-Metropolitan AA. WFB originated \$101 million in CD loans equal to 44.7 percent of allocated Tier 1 Capital. Twelve percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Greater Alaska Non-Metropolitan AA include the following:

- WFB provided over \$50 million in financing to Anchorage's largest nonprofit housing developer for the construction of 213 units of mixed-income, mixed-use, affordable housing in two economically challenged and diverse Anchorage neighborhoods.

- WFB provided a \$6 million annual operating line of credit and introduced an innovative method to provide Tribal Assistance for Native Families payments to low- and moderate-income individuals and families.
- WFB provided a \$35 million non-revolving construction loan for the development of a primary care health center located in the assessment area. The facility will provide employment opportunities to over 200 individuals.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Fairbanks MSA was not inconsistent with the bank's overall **Outstanding** performance in Alaska. Performance in the limited-scope assessment area did not influence the Lending Test performance in Alaska.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Alaska is rated **Outstanding**. Based on full-scope reviews, performance is excellent in the Anchorage MSA and good in the Greater Alaska Non-Metropolitan AA.

WFB's investment volume in the Anchorage MSA is excellent. During the evaluation period, WFB made 56 investments in the AA totaling \$63.1 million or 19.3 percent of allocated Tier 1 Capital. In addition, 13 prior period investments totaling \$4 million remained outstanding as of year-end 2012. These prior period investments add support for the assigned rating.

WFB's grants and investments demonstrated an excellent level of responsiveness to the need for affordable housing and community services identified in the AA.

WFB's investment volume in the Greater Alaska Non-Metropolitan AA is adequate. During the evaluation period, WFB made 18 investments in the AA totaling \$4.2 million or 1.9 percent of allocated Tier 1 Capital. In addition, eight prior period investments totaling \$2.9 million remained outstanding as of year-end 2012. These prior period investments add support for the assigned rating.

WFB's grants and investments demonstrated an excellent level of responsiveness to the need for affordable housing identified in the AA.

Highlights of WFB's grants and investments that benefited Alaska include the following:

- WFB invested \$17.5 million in a New Market Tax Credit project in the Anchorage MSA. The investment was used to provide financing for an approved community services organization that provides short-term shelter, food, clothing, health-care services, employment and education assistance to low- and moderate-income individuals in the assessment area.
- WFB invested \$13.2 million in an affordable housing project in the Anchorage MSA. The apartment complex is comprised of 59 units, of which 51 units will be rent-restricted and eight units will be available to seniors at market rate. Specifically, 39 of the 51 units will be restricted to households below 60 percent of the area median income and 12 units will be restricted to households below 50 percent of the area median income. This project qualifies for low-income housing tax credits.
- In January 2009, WFB invested \$3.1 million in the Carlanna Housing Project, a 24-unit affordable housing project located in Ketchikan, Alaska. Sponsored by the Tlingit-Haida Regional Housing Authority, these housing units are rent restricted and qualify for LIHTCs.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Fairbanks MSA was weaker than the bank's overall **Outstanding** performance in Alaska. Performance in limited-scope areas did not influence the Investment Test performance in Alaska.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in Alaska is rated **High Satisfactory**. Based on full-scope reviews, performance is good in the Anchorage MSA and in the Greater Alaska Non-Metropolitan AA.

Retail Banking Services

Accessibility of Delivery Systems

In the Anchorage AA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the MSA.

WFB has no branches in low-income tracts. However, because only two percent of the MSA population resides in these tracts we put more weight on branch distribution in moderate-income tracts. The percentage distribution of branches in moderate-income

geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Greater Alaska Non-Metropolitan AA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the AA.

WFB has no branches in low-income tracts. However, because only three percent of the AA population resides in these tracts we put more weight on branch distribution in moderate-income tracts. The percentage distribution of branches in moderate-income geographies is significantly below the percentage of the population residing in these geographies. However, geographies in the rural areas of Alaska tend to be very large with widely scattered populations. WFB's branches are located in centers of commerce that serve the widely dispersed population. Although the branch locations are generally middle- and upper-income areas, they are the most convenient for the widely scattered population of rural Alaska.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in Alaska full-scope AAs has generally not adversely affected the accessibility of delivery systems.

WFB's record of opening and closing branch offices in the Anchorage MSA did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB closed one branch throughout the assessment area resulting in a net loss of one branch in an upper-income geography.

There were no branch openings or closings in the Greater Alaska Non-Metropolitan AA during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services are adequate and do not vary in a way that inconveniences portions of Alaska full-scope AAs, particularly low-and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Anchorage MSA, particularly low-and moderate-income geographies and individuals. Forty-four percent of branches located in moderate-income geographies maintained Saturday hours, compared to 89 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences portions of the Greater Alaska Non-Metropolitan AA, particularly low-and moderate-income geographies and individuals. Fifty percent of branches located in moderate-income geographies maintained Saturday hours, compared 32 percent of branches located in middle- and upper-income geographies.

CD Services

WFB's Service Test performance in Alaska full-scope AAs is excellent.

In the Anchorage AA, WFB is a leader in providing CD services. WFB employees provided a total of 1,368 hours of CD services. These hours represented 250 CD service activities that benefited 22 different organizations and amounted to almost 18 hours of CD services per branch per year.

In the Greater Alaska Non-Metropolitan AA, WFB provides a relatively high level of CD services. WFB employees provided a total of 255 hours of CD services. These hours represented 34 CD service activities that benefited 10 different organizations and amounted to slightly more than two hours of CD service per branch per year. We considered the limited opportunities for CD services in the AA in our performance evaluation.

Highlights of WFB's CD services that benefited Alaska include the following:

- A WFB employee serves as a board member and provides financial expertise on revenue review including financials and monthly budgets for an affordable housing organization in the Anchorage, MSA.
- A WFB employee serves as a board member and provides financial expertise to a community mental health service provider in the Anchorage MSA.
- A WFB employee serves as the finance committee chairperson for a community services organization. In this capacity, the team member assists with fund raising activities, reviewing, planning and managing a budget for the organization and serves as the chairperson for the annual charity ball commission.

- A WFB employee volunteered financial expertise to find ways to bring more banking services and financial literacy to low-income and remote areas in the Greater AK-Non-Metro AA.
- A WFB employee serves on the Board as treasurer for a community services organization that provides direct health care related services to low- and moderate-income individuals in the Greater AK-Non-Metro AA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Fairbanks MSA was stronger than the bank's overall **High Satisfactory** performance in Alaska. Performance in limited-scope areas did not influence the Service Test performance in Alaska.

Refer to Tables 1 - 15 in the Alaska section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Arkansas Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	Low Satisfactory
The Investment Test is rated:	Low Satisfactory
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect adequate responsiveness to the credit needs of its Arkansas AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its Arkansas AA.
- The distribution of WFB's borrowers reflect adequate penetration among borrowers of different income levels and businesses of different sizes within its Arkansas AA.
- WFB has an adequate level of qualified CD investments and grants within its Arkansas AA.
- WFB's delivery systems are reasonably accessible to essentially all portions of its Arkansas AA.

Description of Institution's Operations in the State of Arkansas

Of the bank's 54 state and multistate rating areas, Arkansas ranks fifty-fourth and accounts for 0.0015 percent of total bank deposits, or \$12.6 million as of June 30, 2012. WFB has one defined AA in Arkansas, which consists of the entire county of Little River. Little River County is one of the 75 counties in the state. Within the AA, WFB operates one branch office. With a 0.02 percent market share of statewide deposits, WFB ranks 141 out of 143 banking institutions in the state of Arkansas. However, in Little River County, WFB is the third largest banking institution with 12.7 percent of deposits. Primary competitors include Regions Bank and First National Bank with deposit market shares of 43.6 percent and 33.2 percent, respectively.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Arkansas is rated **Low Satisfactory**. Based on a full-scope review, performance in the Ashdown Non-Metropolitan AA is adequate.

Lending Activity

The level of lending activity in the Ashdown Non-Metropolitan AA is adequate and is supported by an excellent level of activity for home purchase and home refinance loans,

an adequate level of activity for home improvement loans, and a very poor level of activity for small loans to businesses and farms in relation to WFB's deposit rank or market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Arkansas is adequate. In the Ashdown Non-Metropolitan AA, the overall geographic distribution of loans is adequate. There are no low- and moderate-income geographies. However, lending throughout the middle- and upper-income geographies reflected adequate penetration.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Arkansas is adequate. In the Ashdown Non-Metropolitan AA, the overall distribution of loans by borrower income is adequate. The distribution is adequate for home purchase, home improvement, and home refinance loans, good for small loans to businesses, and excellent for small loans to farms.

CD Lending

WFB originated no CD loans in the Ashdown Non-Metropolitan AA during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Review

There were no limited-scope AAs within the state of Arkansas rating area.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Arkansas is rated **Low Satisfactory**. WFB made no investments in the Ashdown Non-Metropolitan AA during the evaluation period.

WFB made one investments totaling \$500,000 that benefited the entire state during the evaluation period. The statewide investment is equal to 35 percent of allocated Tier 1 Capital allocated to the entire state. We considered the limited opportunities for investment in the Ashdown Non-Metropolitan AA and the effect of the statewide investment in our assessment of Investment Test performance in Arkansas.

WFB's statewide investment exhibited good responsiveness to the need for neighborhood revitalization and stabilization. Through an EQ2, WFB invested in a nonprofit CDFI based in Fayetteville, Arkansas. The funds were used to provide onsite technical assistance, training, and access to financing for small towns and rural communities with community water supply and wastewater disposal problems and, to a lesser extent, providing sustainable affordable housing for low-income and working families throughout 16 states in the Midwest and South. The organization's primary focus is on rural areas and on low-income populations.

Conclusions for Areas Receiving Limited-Scope Review

There were no limited-scope AAs within the state of Arkansas rating area.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in Arkansas is rated **Low Satisfactory**. Based on a full-scope review, performance in the Ashdown Non-Metropolitan AA is adequate.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Arkansas adequate.

In the Ashdown Non-Metropolitan AA, WFB's distribution of branches is adequate. Delivery systems are reasonably accessible to essentially all portions of the AA. WFB has only one branch in the AA, which is located in a middle-income geography. The AA has no low-income or moderate-income geographies. The branch is centrally located within the AA.

Changes in Branch Location

There were no branch openings or closings in Arkansas during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences portions of the Arkansas AA particularly low- and moderate-income individuals.

CD Services

WFB provided a good level of CD services in Arkansas.

In the Ashdown Non-Metropolitan AA, WFB provides a relatively high level of CD services. WFB employees provided a total of seven hours of CD services. These hours represented one CD service activity and amounted to slightly more than two and a half hours of CD service per branch per year.

Conclusions for Areas Receiving Limited-Scope Review

There were no limited-scope AAs within the state of Arkansas rating area.

Refer to Tables 1 - 15 in the Arkansas section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Connecticut Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Low Satisfactory
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Connecticut AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Connecticut AAs.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Connecticut AAs.
- WFB's CD lending has a neutral effect on Lending Test performance.
- WFB has an adequate level of qualified CD investments and grants within its full-scope Connecticut AAs.
- WFB's delivery systems are accessible to essentially all portions of its full-scope Connecticut AAs.

Description of Institution's Operations in the State of Connecticut

Of the bank's 54 state and multistate rating areas, Connecticut ranks 22nd and accounts for 0.8 percent of total bank deposits, or \$7.35 billion as of June 30, 2012. WFB has four defined AAs in Connecticut, which include six out of eight counties and all MSAs in the state. Within the state, WFB operates 74 branch offices. WFB is the fourth largest banking institution in Connecticut with 7.2 percent of the deposit market share. Primary competitors include Bank of America, Webster Bank, and People's United Bank, with deposit market shares of 23.9 percent, 11.8 percent, and 10.7 percent, respectively.

Because WFB's branches in Connecticut have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services. We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Connecticut

Of WFB's four AAs in Connecticut, the Bridgeport-Stamford-Norwalk and New Haven-Milford, MSAs were selected for full-scope review. These AAs accounts for 86.9 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Connecticut is rated **High Satisfactory**. Based on full-scope reviews, performance in the Bridgeport-Stamford-Norwalk MSA is good and the New Haven-Milford, MSA is excellent.

Lending Activity

The level of lending activity in Connecticut full-scope AAs is excellent.

The level of lending activity in the Bridgeport-Stamford-Norwalk MSA is excellent and is supported by an excellent level of activity for home purchase, home refinance, and home improvement loans and small loans to businesses and farms in relation to WFB's deposit market share. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

The level of lending activity in the New Haven-Milford MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Connecticut full-scope AAs is good.

In the Bridgeport-Stamford-Norwalk MSA, the overall geographic distribution of loans is good. We initially concluded that the distribution was good for home improvement and small loans to businesses, excellent for home purchase and small loans to farms, and poor for refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA and credit demand

as indicated by HMDA applications, performance improved and distribution of refinance loans is considered adequate.

In the New Haven-Milford MSA, the overall geographic distribution of loans is good. We initially concluded that the distribution was adequate for refinance loans and small loans to businesses, excellent for small loans to farms, and good for home purchase and home improvement loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to severe economic conditions affecting the AA and credit demand as indicated by HMDA applications, performance improved and distribution of home purchase loans was revised and is now considered excellent.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Connecticut full-scope AAs is good.

In the Bridgeport-Stamford-Norwalk MSA, the overall distribution of loans by borrower income is good. The distribution is good for home improvement loans and small loans to businesses, excellent for home purchase loans and small loans to farms, and adequate for refinance loans.

In the New Haven-Milford MSA, the overall distribution of loans by borrower income is good. We initially concluded that the distribution was good for home purchase, home improvement, and small loans to businesses, excellent for small loans to farms, and adequate for refinance loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to moderately severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of refinance loans is considered good.

CD Lending

The volume and nature of the bank's CD lending had a neutral effect on performance in Connecticut full-scope AAs.

WFB's CD loans had a neutral effect on performance in the Bridgeport-Stamford-Norwalk MSA. WFB originated \$3.2 million in CD loans equal to 0.7 percent of allocated Tier 1 Capital.

WFB's CD loans had a neutral effect on performance in the New Haven-Milford MSA. WFB originated \$5.0 million in CD loans equal to 1.8 percent of allocated Tier 1 Capital. Forty percent of WFB's CD loans were considered particularly complex and/or

responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited Connecticut include the following:

- WFB renewed a line of credit used by a Community Loan Fund for their Affordable Housing Loan Pool. The funds were used to renovate a residential home that provides housing to low-income elderly individuals.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Hartford-West Hartford-East Hartford MSA and Litchfield County nonmetropolitan AA was not inconsistent with the bank's overall **High Satisfactory** performance in Connecticut. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Connecticut.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Connecticut is rated **Low Satisfactory**. Based on full-scope reviews, performance is adequate in the Bridgeport-Stamford-Norwalk MSA and good in the New Haven-Milford MSA.

WFB's grant and investment volume in the Bridgeport-Stamford-Norwalk MSA is adequate. During the evaluation period, WFB made 71 grants and investments in the MSA totaling \$17.3 million or 3.9 percent of allocated Tier 1 Capital.

WFB's grant and investment volume in the New Haven-Milford MSA is good. During the evaluation period, WFB made 43 grants and investments in the MSA totaling \$14.4 million or 5.2 percent of allocated Tier 1 Capital. WFB's grants and investments demonstrated an adequate level of responsiveness to the need identified in the AA for affordable housing.

Highlights of WFB's grants and investments that benefited Connecticut include the following:

- In April 2012, WFB invested \$250,000 through an EQ2 in an affordable housing organization in Bridgeport, Connecticut. The investment proceeds were used for acquisition, pre-development and rehab of residential real estate. The funds were initially used to improve the neighborhood by restoring abandoned buildings and

vacant lots to functional use and reducing blight, which will ultimately lead to a more vibrant community.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Hartford-West Hartford-East Hartford MSA was not inconsistent with the bank's overall **Low Satisfactory** performance in Connecticut. Performance under the Investment Test in the Litchfield County nonmetropolitan AA was weaker than the bank's overall **Low Satisfactory** performance in Connecticut. Performance in these limited-scope assessment areas did not influence the Investment Test performance in Connecticut.

SERVICE TEST

WFB's Service Test performance in Connecticut is rated **High Satisfactory**. Based on full-scope reviews, performance in the Bridgeport-Stamford-Norwalk and New Haven-Milford MSAs is good.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Connecticut full-scope AAs is good.

In the Bridgeport-Stamford-Norwalk MSA, WFB's distribution of branches is good. Delivery systems are accessible to essentially all geographies and individuals of different income levels.

The percentage distribution of branches in low- income geographies is significantly below the percentage of the population residing in these geographies and is poor. The percentage distribution of branches in moderate- income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the New Haven-Milford MSA, WFB's distribution of branches is good. Delivery systems are accessible to essentially all geographies and individuals of different income levels.

The percentage distribution of branches in low- income geographies is significantly below the percentage of the population residing in these geographies and is poor. However, when considering one middle- and upper-income branch location that are in close proximity to low- income geographies, accessibility improves and is adequate. The percentage distribution of branches in moderate- income geographies exceeds the percentage of the population residing in these geographies and is excellent. However, when considering three middle- and upper-income branch locations that are in close proximity to moderate-income geographies, accessibility improves.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in Connecticut full-scope AAs did not affect branch distribution in a negative or positive way.

To the extent changes have been made, WFB's record of opening and closing branch offices in the Bridgeport-Stamford-Norwalk MSA did not affect branch distribution in a negative or positive way. During the evaluation period, WFB closed one branch throughout the assessment area resulting in a net loss of one branch in a middle-income geography.

In the New Haven-Milford MSA, WFB did not open or close any branches during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services are adequate and do not vary in a way that inconveniences portions of the Connecticut full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Bridgeport-Stamford-Norwalk MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours, compared to 96 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the New Haven-Milford MSA, particularly low- and

moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours, compared to 95 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an adequate level of CD services in Connecticut full-scope AAs.

In the Bridgeport-Stamford-Norwalk MSA, WFB provides an adequate level of CD services. WFB employees provided a total of 191 hours of CD services. These hours represented 54 CD service activities that benefited 17 different organizations and amounted to slightly more than two hours of CD service per branch per year.

In the New Haven-Milford MSA, WFB is a leader in providing CD services. WFB employees provided a total of 200 hours of CD services. These hours represented 61 CD service activities that benefited 24 different organizations and amounted to slightly less than two and a half hours of CD service per branch per year.

Highlights of WFB's CD services that benefited Connecticut include the following:

- A WFB employee presents resources and information for first time homebuyers in the Bridgeport-Stamford-Norwalk MSA.
- A WFB employee provides financial expertise on lending to an affordable housing organization in the New Haven-Milford MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Hartford-West Hartford-East Hartford MSA is stronger than the bank's overall **High Satisfactory** performance in Connecticut. Performance under the Service Test in the Litchfield County AA is weaker than the bank's overall **High Satisfactory** performance in Connecticut. Performance in these limited-scope assessment areas did not influence the Service Test performance in Connecticut.

Refer to Tables 1 - 15 in the Connecticut section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Delaware Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include the following:

- WFB's lending activities reflect excellent responsiveness to the credit needs of its full-scope Delaware AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope Delaware AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Delaware AA.
- WFB has a good level of qualified CD investments and grants within its full-scope Delaware AA.
- WFB's delivery systems are reasonably accessible to essentially all portions of its full-scope Delaware AA.

Description of Institution's Operations in the State of Delaware

Of the bank's 54 state and multistate rating areas, Delaware ranks 39th and accounts for 0.3 percent of total bank deposits, or \$2.08 billion as of June 30, 2012. WFB has three defined AAs in Delaware, which include all of the counties in the state. Within the state, WFB operates 21 branches. WFB is the 12th largest banking institution in Delaware with 0.6 percent of the deposit market share. Primary competitors include FIA Card Services, NA, and ING Bank, FSB with deposit market shares of 27.8 percent and 23.7 percent, respectively.

Because WFB's branches in Delaware have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

Scope of Evaluation in the State of Delaware

Of WFB's three AAs in Delaware, the Wilmington MD was selected for full-scope review. The AA accounts for 82 percent of the bank's state deposits and is the most significant AA in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Delaware is rated **High Satisfactory**. Based on a full-scope review, performance in the Wilmington MD is good.

Lending Activity

The level of lending activity in the Delaware full-scope AA is excellent. The level of lending activity in the Wilmington MD is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and small farms.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Delaware full scope AA is adequate. We initially concluded that the distribution was adequate for home purchase loans and home improvement loans, poor for refinance loans, good for small loans to businesses and excellent for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications, performance improved and distribution of refinance loans is considered adequate.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Delaware full-scope AA is good. The distribution is excellent for home purchase loans, good for home improvement loans, refinance loans, good for small loans to businesses and excellent for small loans to farms.

CD Lending

WFB originated no CD loans in the Wilmington MD.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Dover MSA is not inconsistent with the bank's overall **High Satisfactory** performance in Delaware. Performance under the Lending Test in the Sussex County Non-Metropolitan AA is weaker than the bank's

overall **High Satisfactory** performance in Delaware. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Delaware.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Delaware is rated **High Satisfactory**. Based on a full-scope review, performance in the Wilmington MD is good. WFB's investment volume represents adequate responsiveness to the area's identified needs, particularly community services.

WFB's grant and investment volume in the Wilmington MD is excellent. During the evaluation period, WFB made 24 investments in the AA totaling \$10.5 million or 5.59 percent of allocated Tier 1 Capital. WFB had no prior period grants and investments.

WFB's investments represent excellent responsiveness to the need for community services identified in the MD.

Highlights of WFB's grants and investment that benefited the state of Delaware include the following:

- In December 2010, WFB invested \$10.3 million through a NMTC in an organization in Wilmington, Delaware for the expansion of an existing homeless shelter. The expansion wing was developed to accommodate women and families and offer 40 new transitional apartments for homeless families and individuals.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Dover MSA and the Sussex County Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in Delaware. Performance in limited-scope areas did not influence the Investment Test performance in Delaware.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in Delaware is rated **Low Satisfactory**. Based on a full-scope review, performance in the Wilmington MD is adequate.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Delaware full-scope AA is adequate.

In the Wilmington MD, WFB's distribution of branches is adequate. Delivery systems are reasonably accessible to essentially all portions of the institution's assessment area.

The percentage distribution of branches in low-income geographies is significantly below the percentage of the population residing in these geographies and is very poor. The percentage distribution of branches in mod-income geographies is well below the percentage of the population residing in these geographies and is poor.

However, when considering four branches in middle- and upper-income geographies that are in close proximity to low- and moderate-income geographies, accessibility improves in low-income geographies and is adequate.

Changes in Branch Location

There were no branch openings or closings in the Delaware assessment area during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours are poor and vary in a way that inconveniences certain portions of the Delaware full-scope AA particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours vary in a way that inconveniences certain portions of the assessment area of the Wilmington MD, particularly low- and moderate-income geographies and individuals. No stores located in moderate-income geographies maintained Saturday hours, compared to 47 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided a poor level of CD services in the Delaware full-scope AA.

In the Wilmington MD, WFB provides a limited level of CD services. WFB employees provided a total of 45 hours of CD services. These hours represented 22 different CD service activities that benefited 10 different organizations, but amounted to slightly less than two and a half hours of CD service per branch per year.

Highlights of WFB's CD services that benefited the Delaware include the following:

- A WFB employee taught Teach Children to Save and Hands On Banking classes.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Dover MSA is stronger than the bank's overall **Low Satisfactory** performance in Delaware. Performance under the Service Test in the Sussex County Non-Metropolitan AA is weaker than the bank's overall **Low Satisfactory** performance in Delaware. Performance in limited-scope areas did not influence the Service Test performance in Delaware.

Refer to Tables 1 - 15 in the Delaware section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Idaho Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	Outstanding

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Idaho AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Idaho AAs.
- The distribution of WFB's borrowers reflect good penetration borrowers of different income levels and businesses of different sizes within its full-scope Idaho AAs.
- WFB's CD lending has a positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Idaho AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope Idaho AAs.
- WFB is a leader in providing CD services within its full-scope Idaho AAs.

Description of Institution's Operations in the State of Idaho

Of the bank's 54 state and multistate rating areas, Idaho ranks 29th and accounts for 0.5 percent of total bank deposits, or \$4.57 billion as of June 30, 2012. WFB has 10 defined AAs in Idaho, which include 38 out of 44 total counties in the state. Within the state, WFB operates 89 branches. WFB is the largest banking institution in Idaho with 23.6 percent of the deposit market share. Primary competitors include US Bank and Zions First National Bank, with deposit market shares of 16.2 percent and 6.7 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Idaho

Of WFB's 10 AAs in Idaho, the Boise City-Nampa MSA-Nampa MSA and the Central Idaho Non-Metropolitan AA were selected for full-scope review. These AAs accounts for 63.1 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Idaho is rated **Outstanding**. Based on full-scope reviews, performance in the Boise City-Nampa MSA and Central Idaho Non-Metropolitan AAs is excellent.

Lending Activity

The level of lending activity in Idaho full-scope AAs is excellent. The level of lending activity in the Boise City-Nampa MSA is excellent and is supported by an excellent level of activity for home purchase and home refinance loans and small loans to businesses and farms and a good level of activity for home improvement loans in relation to WFB's deposit market share or rank. The level of lending activity in the Central Idaho Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase and home refinance loans and small loans to businesses and farms and a good level of activity for home improvement loans in relation to WFB's deposit market share or rank.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Idaho full-scope AAs is good.

In the Boise City-Nampa MSA, the overall geographic distribution of loans is good. We initially concluded that the distribution was adequate for home purchase loans and small loans to farms, excellent for small loans to businesses, and poor for home improvement and refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to severe economic conditions affecting the AA, credit demand as indicated by HMDA applications, and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution is considered good for home purchase loans and adequate for refinance loans.

In the Central Idaho Non-Metropolitan AA, the overall geographic distribution of loans is excellent. The distribution is excellent for home purchase and refinance loans, small loans to businesses, and small loans to farms, and good for home improvement loans.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Idaho full-scope AAs is good.

In the Boise City-Nampa MSA, the overall distribution of loans by borrower income is good. We initially concluded that distribution was good for home purchase and refinance loans, small loans to businesses, and small loans to farms, and excellent for home improvement loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to moderately severe economic conditions affecting the AA, performance improved and distribution of home purchase loans is considered excellent.

In the Central Idaho Non-Metropolitan AA, the overall distribution of loans by borrower income is adequate. The distribution is adequate for home purchase, refinance, and small loans to farms, good for small loans to businesses, and poor for home improvement loans.

CD Lending

The volume and nature of the bank's CD lending had a positive effect on performance in Idaho full-scope AAs.

CD loans had a significantly positive effect on performance in the Boise City-Nampa MSA. WFB originated \$29.4 million in CD loans equal to 11.9 percent of allocated Tier 1 Capital. Thirty-six percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

CD loans had a neutral effect on performance in the Central Idaho Non-Metropolitan AA. WFB originated \$3.2 million in CD loans equal to 4.2 percent of allocated Tier 1 Capital. Fifty percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited Idaho include the following:

- In the Boise City-Nampa MSA, WFB provided a loan to fund the construction of a senior affordable housing development located in a moderate-income census tract.
- In the Central Idaho Non-Metropolitan AA, WFB provided a line of credit as a participation in a master line of credit for funding the acquisitions of rental apartment projects that qualify for federal LIHTCs.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Idaho Falls and Lewiston MSAs is not inconsistent with the bank's overall **Outstanding** performance in Idaho. Performance under the Lending Test in the Coeur d'Alene and Pocatello MSAs and the Bear Lake County, Panhandle Idaho, Rexburg-Driggs, and Western Idaho Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance in Idaho. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Idaho.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Idaho is rated **Outstanding**. Based on full-scope reviews, performance in the Boise City-Nampa MSA and Central Idaho Non-Metropolitan AA is excellent.

WFB's grant and investment volume in the Boise City-Nampa MSA is excellent. During the evaluation period, WFB made 68 grants and investments in the MSA totaling \$11.9 million or 4.8 percent of allocated Tier 1 Capital. In addition, 13 prior period grants and investments totaling \$7.8 million or 3.1 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments exhibited adequate responsiveness to the need for affordable housing within the assessment area. WFB's grant and investment volume in the Central Idaho Non-Metropolitan AA is excellent. During the evaluation period, WFB made 11 grants and investments in the MSA totaling \$1.6 million or 2.1 percent of allocated Tier 1 Capital. In addition, eight prior period grants and investments totaling \$3.4 million or 4.4 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments exhibited good responsiveness to the need for affordable housing within the assessment area.

Highlights of CD investments in Idaho include the following:

- In June 2010, WFB invested \$600,000 through an EQ2 in an affordable housing developer. WFB's investment was used for predevelopment costs on future affordable housing projects located in Idaho and Oregon.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Coeur d'Alene, Idaho Falls, and Pocatello MSAs and Western Idaho AAs is not inconsistent with the bank's overall **Outstanding** performance in Idaho. Performance under the Investment Test in the Lewiston MSAs and Panhandle Idaho, Bear Lake County, and Rexburg-Driggs Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance in Idaho. Performance in these limited-scope assessment areas did not influence the Investment Test performance in Idaho.

SERVICE TEST

WFB's Service Test performance in Idaho is rated Outstanding. Based on full-scope reviews, performance in the Boise City and Central ID MSAs is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

WFB's distribution of branches in Idaho full-scope AAs is excellent.

In the Boise City MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all geographies and individuals of different income levels.

The percentage distribution of branches in low- income geographies is significantly below the percentage of the population residing in these geographies and is very poor. The percentage distribution of branches in moderate- income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Central ID MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all geographies and individuals of different income levels.

The percentage distribution of branches in low- income geographies is significantly below the percentage of the population residing in these geographies and is very poor. The percentage distribution of branches in moderate- income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in Idaho full-scope AAs has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate- income geographies and/or to low- and moderate-income individuals.

WFB's record of opening and closing branch offices in the Boise City MSA is good. WFB has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate- income geographies and/or to low- and moderate-income individuals. During the evaluation period, WFB closed two branches throughout the assessment area resulting in a net loss of two branches in moderate-income geographies. However, distribution in moderate-income geographies continued to be excellent.

To the extent changes have been made, WFB's record of opening and closing branch offices in the Central ID MSA did not affect branch distribution in a negative or positive way. During the evaluation period, WFB closed two branches throughout the assessment area resulting in a net loss of one branch in a middle-income geography and one branch in an upper-income geography.

Reasonableness of Business Hours and Services

WFB's branch hours and services do not vary in a way that inconveniences portions of Idaho full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Boise City MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 64 percent of branches located in those geographies maintained Saturday hours, compared to 93 percent of branches located in non-low- and moderate-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Central ID MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 67 percent of branches located in those geographies maintained Saturday hours, compared to 39 percent of branches located in non-low- and moderate-income geographies.

CD Services

WFB provided an excellent level of CD services in Idaho.

In the Boise City MSA, WFB is a leader in providing CD Services. WFB employees provided a total of 466 hours of CD Services. These hours represented 167 different CD services that benefited 23 different organizations and amounted to more than four hours of CD service per branch per year. 50 services were considered highly responsive to identified community needs.

In the Central ID MSA, WFB provides an adequate level of CD Services. WFB employees provided a total of 64 hours of CD Services. These hours represented nine different CD services that benefited four different organizations and amounted to less than one hour of CD service per branch per year. Six services were considered highly responsive to identified community needs. We considered the limited opportunities for CD services in our conclusions for the Central ID MSA.

Highlights of WFB's CD services that benefited Idaho include the following:

- A WFB employee provides financial expertise to an affordable housing organization in the Boise City MSA.
- A WFB employee provides financial expertise to an organization that provides support services for low- and moderate-income individuals in the Central ID MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the service test in the Coeur d'Alene, Idaho Falls, Lewiston, Panhandle ID, and Pocatello MSAs is not inconsistent with the bank's overall **Outstanding** performance in Idaho. Performance under the service test in the Rexburg-Driggs, Bear Lake County, and Western ID MSAs is weaker than the bank's overall **Outstanding** performance in Idaho. Performance in these limited-scope assessment areas did not influence the service test performance in Idaho.

Refer to Tables 1 - 15 in the Idaho section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Illinois Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	Needs To Improve

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Illinois AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Illinois AA.
- The distribution of WFB's borrowers reflects good penetration among retail customers of different income levels and business customers of different sizes within its full-scope Illinois AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified community development investment and grants within its full-scope Illinois AA.
- WFB's delivery systems are accessible to limited portions of its full-scope Illinois AA.

Description of Institution's Operations in the State of Illinois

Of the bank's 54 state and multistate rating areas, Illinois ranks twenty-seventh and accounts for 0.7 percent of total bank deposits, or \$ 5.5 billion as of June 30, 2012. WFB has three defined AAs in Illinois, which include 15 out of the 102 counties in the state. Within the state, WFB operates 16 branch offices. WFB is the twelfth largest banking institution in Illinois with 1.5 percent of the deposit market share. Primary competitors include JP Morgan Chase Bank, NA and BMO Harris Bank, NA with deposit market shares of 17.9 percent and 9.1 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

CD lending and investment opportunities statewide in Illinois were constrained by the downturn in the economy. The nonprofit organizations that are the developers on most CD projects throughout the state suffered significant financial hardship when anticipated revenue from federal, state, and local entities was cut back as a result of falling tax revenues. Without the money to cover basic expenses and predevelopment costs, these organizations were unable to create viable lending and investment opportunities at prerecession levels. Although most states were faced with budget shortfalls, the situation was particularly severe in Illinois.

Scope of Evaluation in the State of Illinois

Of WFB's three AAs in Illinois, the Chicago-Joliet-Naperville MD was selected for full-scope review. This AA accounts for 83 percent of the bank's state deposits and is the most significant AA in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Illinois is rated **Outstanding**. Based on full-scope review, performance in the Chicago-Joliet-Naperville MD is excellent

Lending Activity

The level of lending activity in the Illinois full-scope AA is excellent. The level of lending activity in Chicago-Joliet-Naperville MD is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Illinois full-scope AA is good.

In the Chicago-Joliet-Naperville MD, the overall geographic distribution of loans is good. We initially concluded that the distribution was good for home purchase loans, adequate for home improvement loans and small loans to businesses, poor for home refinance loans and very poor for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to severe economic conditions affecting the AA and credit demand as indicated by HMDA applications, performance improved and distribution is considered excellent for home purchase loans and adequate for home refinance loans.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Illinois full-scope AA is good.

In the Chicago-Joliet-Naperville MD, the overall distribution of loans by borrower income is good. The distribution is excellent for small loans to businesses, good for home

purchase loans and small loans to farms, and adequate for home improvement and home refinance loans.

CD Lending

The volume and nature of the bank's CD Lending had a significantly positive effect on performance in the Illinois full-scope AA.

WFB's \$35.8 million in community development loans had a positive effect on performance in the Chicago-Joliet-Naperville MD. However, when we considered the performance context factors limiting opportunities for CD lending, we determined the level of CD lending was sufficient to have a significantly positive effect on lending performance overall.

Highlights of WFB's CD Lending that benefited the state of Illinois include the following:

- In December 2011, WFB provided a \$9.3 million loan for the purpose of funding the acquisition and renovation of a 132-unit LIHTC affordable housing complex located in Yorkville, Illinois. The borrower is collaborating with the ninth largest affordable housing developer to acquire and renovate an existing 132-unit LIHTC affordable housing complex in Yorkville, Illinois. Ninety percent of the units are restricted to low- and moderate-income residents.
- In August 2011, WFB refinanced a \$12.2 million loan that was originated for the purpose of funding the acquisition of a 200-unit affordable housing complex located in Oak Park, Illinois. The property, consisting of 186 one-bedroom units and 14 two-bedroom units, is restricted to residents that are 62 or older and low- and moderate-income.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Galesburg-Canton Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Illinois. Performance under the Lending Test in the Sterling Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in Illinois. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Illinois.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Illinois is rated **Outstanding**. Based on a full-scope review, performance in the Chicago-Joliet-Naperville MD is excellent.

WFB's grant and investment volume in the Chicago-Joliet-Naperville MD is excellent. During the evaluation period, WFB made 57 grants and investments in the AA totaling \$54.5 million or 10.5 percent of allocated Tier 1 Capital. In addition, six prior period investments totaling \$2.9 million or 0.6 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated a good level of responsiveness to the need identified in the AA for affordable housing.

Highlights of WFB's grants and investments that benefited the Illinois include the following:

- In July 2011, WFB invested \$36.7 million in Parkway Gardens, a 694-unit affordable housing apartment property in the Southside of Chicago, Illinois. The development will be preserved as affordable housing for an additional 30 years, utilizing both low-income housing tax credits and Section 8 vouchers.
- In April 2009, WFB invested \$1.5 million in the Neighborhood Housing Services of Chicago (NHS). WFB's investment was used to help fund a lending program called the Homeownership Retention and Neighborhood Preservation Loan Pool. This program provides credit to disinvested communities to help prevent foreclosure. The program originates loans to help homeowners retain their homes, provide rehab and energy efficiency, and increase short-term disposable household income that is being depleted by sub-prime mortgage lending and the economic recession.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Sterling Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance in Illinois. Performance under the Investment Test in Galesburg-Canton, IL Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance in Illinois. Performance in limited-scope areas did not influence the Investment Test performance in Illinois.

SERVICE TEST

WFB's Service Test performance in Illinois is rated **Needs to Improve**. Based on a full-scope review, performance in the Chicago-Joliet-Naperville MD is poor.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Illinois full-scope AA is very poor.

In the Chicago-Joliet-Naperville MD, WFB's distribution of branches is very poor. Delivery systems are accessible to limited portions of WFB's AAs. There are no branches in low- and moderate-income geographies.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in the Illinois full-scope AA did not affect the branch distribution in a negative or positive way.

WFB's record of opening and closing branch offices in the Chicago-Joliet-Naperville MD, did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB opened two branches throughout the assessment area resulting in a net gain of two branches in upper-income geographies.

Reasonableness of Business Hours and Services

WFB's branch hours and services vary in a way that significantly inconveniences many portions of the Illinois full-scope AA, particularly low- and moderate-income geographies and individuals.

CD Services

WFB provided an excellent level of CD services in the Illinois full-scope AA.

In the Chicago-Joliet-Naperville MD, WFB is a leader in providing CD services. WFB employees provided a total of 296 hours of CD Services. These hours represented 69 different CD services that benefited 19 different organizations and amounted to almost eight hours of CD service activities per branch per year. Twenty-two percent of the services were considered highly responsive to identified community needs.

Highlights of WFB's CD Services that benefited the Illinois include the following:

- A WFB employee is an active member of the board of directors of a non-profit organization with a mission to assist the financial services industry to identify, develop, and implement innovative ways to serve the underbanked market that are profitable for both company and customer.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in Galesburg-Canton Non-Metropolitan AA is stronger than the bank's overall **Needs to Improve** performance in Illinois. Performance under the Service Test in Sterling Non-Metropolitan AA is weaker than the bank's overall **Needs to Improve** performance in Illinois. Performance in limited-scope areas did not influence the Service Test performance in Illinois.

Refer to Tables 1 - 15 in the Illinois section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Indiana Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Indiana AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Indiana AAs.
- The distribution of WFB's borrowers reflects excellent penetration among retail customers of different income levels and businesses of different sizes within its full-scope Indiana AAs.
- WFB's CD lending has a neutral effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Indiana AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope Indiana AAs.
- WFB's branch hours do not vary in a way that inconveniences portions of its full-scope Indiana AAs.

Description of Institution's Operations in the State of Indiana

Of the bank's 54 state and multistate rating areas, Indiana ranks 33rd and accounts for 0.4 percent of total bank deposits, or \$ 3.03 billion as of June 30, 2012. WFB has ten defined AAs in Indiana, which includes 26 out of 92 total counties in the state. Within the state, WFB operates 38 branches. WFB is the eighth largest banking institution in Indiana with 3.0 percent of the deposit market share. Primary competitors include JPMorgan Chase Bank, National Association and PNC Bank, National Association, with deposit market shares of 13.35 percent and 9.5 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Indiana

Of WFB's 10 AAs in Indiana, the Fort Wayne MSA and Northeastern Indiana Non-Metropolitan AA were selected for full-scope review. These AAs accounts for 58.4 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Indiana is rated **High Satisfactory**. Based on full-scope reviews, performance is good in the Fort Wayne MSA and Northeastern Indiana Non-Metropolitan AA.

Lending Activity

The level of lending activity in Indiana full-scope AAs is excellent. The level of lending activity in the Fort Wayne MSA is excellent and is supported by an excellent level of activity for home purchase and home refinance loans and small loans to businesses, a good level of activity for small loans to farms, and an adequate level of activity for home improvement loans in relation to WFB's deposit market share percentage or rank.

The level of lending activity in the Northeastern Indiana Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase and refinance loans and small loans to businesses and farms and an adequate level of activity for home improvement loans in relation to WFB's deposit market share percent or rank.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Indiana full-scope AAs is good.

In the Fort Wayne MSA, the overall geographic distribution of loans is good. We initially concluded that the distribution was adequate for home purchase loans, excellent for small loans to businesses, good for home improvement loans, poor for refinance loans, and very poor for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA and credit demand as indicated by HMDA applications, performance improved and distribution of home refinance loans is considered good.

In the Northeastern Indiana Non-Metropolitan AA, the overall geographic distribution of loans is good. The distribution is good for refinance loans, excellent for home purchase, home improvement, and small loans to businesses, and adequate for small loans to farms.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Indiana full-scope AAs is excellent.

In the Fort Wayne MSA, the overall distribution of loans by borrower income is excellent. The distribution is good for home improvement and refinance loans, excellent for home purchase and small loans to businesses, and poor for small loans to farms.

In the Northeastern Indiana Non-Metropolitan AA, the overall distribution of loans by borrower income is good. The distribution is good for refinance loans, excellent for home purchase, home improvement, and small loans to businesses, and adequate for small loans to farms.

CD Lending

The volume and nature of the bank's CD lending had a neutral effect on performance in Indiana full-scope AAs.

WFB's CD loans had a neutral effect on performance in the Fort Wayne MSA. WFB originated \$2.3 million in CD loans equal to 1.3 percent of allocated Tier 1 Capital. Fifty-two percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited Indiana include the following:

- WFB renewed a line of credit that provided working capital to a community service organization, which focuses on assisting people experiencing developmental or economic challenges in the Fort Wayne MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Michigan City-La Porte and South Bend-Mishawaka MSAs and Decatur and Rush County Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Indiana. Performance under the Lending Test in North Central Indiana Non-Metropolitan AA is stronger than the bank's overall **High Satisfactory** performance in Indiana. Performance under the Lending Test in Elkhart-Goshen and Indianapolis-Carmel MSAs, and White County Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in Indiana. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Indiana.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Indiana is rated **Outstanding**. Based on full-scope reviews, performance in the Fort Wayne MSA is excellent and the Northeastern Indiana Non-Metropolitan AA is adequate.

WFB's grant and investment volume in the Fort Wayne MSA is excellent. During the evaluation period, WFB made 28 grants and investments in the AA totaling \$4.6 million or 2.6 percent of allocated Tier 1 Capital. In addition, seven prior period grants and investments totaling \$9.8 million or 5.7 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments were responsive to the identified need for affordable housing within the assessment area.

WFB's grant and investment volume in the Northeastern Indiana Non-Metropolitan AA is adequate. During the evaluation period, WFB made nine grants and investments in the AA totaling \$411,000 or 1.7 percent of allocated Tier 1 Capital. In addition, one prior period investment totaling \$392,000 or 1.7 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments were responsive to the need for affordable housing within the assessment area.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the North Central Indiana Non-Metropolitan AA was not inconsistent with the bank's overall **Outstanding** performance in Indiana. Performance under the Investment Test in the North Central Non-Metropolitan Assessment Area was stronger than the bank's overall **Outstanding** performance in Indiana. Performance under the Investment Test in the Elkhart-Goshen, Indianapolis-Carmel, South Bend-Mishawaka and Michigan City-La Porte MSAs and Decatur, Rush County, and White County Non-Metropolitan AAs was weaker than the bank's overall **Outstanding** performance in Indiana. Performance in limited-scope areas did not influence the Investment Test performance in Indiana.

SERVICE TEST

WFB's Service Test performance in Indiana is rated **High Satisfactory**. Based on full-scope reviews, performance in the Fort Wayne MSA is good and the Northeastern Indiana Non-Metropolitan AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Indiana full-scope AAs is excellent.

In the Fort Wayne MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the bank's assessment area.

The percentage distribution of branches in low-income geographies is near to the percentage of the population residing in these geographies and is good. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Northeastern Indiana Non-Metropolitan AA, WFB's distribution of branches is good. Delivery systems are accessible to essentially all portions of the bank's assessment area. There were no low- or moderate-income census tracts in the assessment area therefore our evaluation focused on distribution throughout the AA.

Changes in Branch Location

There were no branch openings or closings in Fort Wayne MSA or Northeastern Indiana Non-Metropolitan AA during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services do not vary in a way that inconveniences portions of Indiana full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Fort Wayne MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 63 percent of branches located in those geographies maintained Saturday hours, compared to 100 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Northeastern Indiana Non-Metropolitan AA particularly

low- and moderate-income individuals. There are no low- or moderate-income geographies in the AA.

CD Services

WFB provided an excellent level of CD services in Indiana full-scope AAs.

In the Fort Wayne MSA, WFB is a leader in providing CD services. WFB employees provided a total of 333 hours of CD services. These hours represented 74 different CD service activities that benefited 16 different organizations and amounted to almost five hours of CD service per branch per year.

In the Northeastern Indiana Non-Metropolitan AA, WFB provides few if any CD services. WFB employees provided a total of four hours of CD services. These hours represented two different CD service activities that benefited one organization and amounted to less than a half hour of CD service per branch per year.

Highlights of WFB's CD services that benefited Indiana full-scope AAs include the following:

- A WFB employee facilitated a quarterly class focusing on credit review and organization for an affordable housing group within the Fort Wayne MSA.
- A WFB employee participated in the board meetings of an affordable housing organization with the Northeastern Indiana Non-Metropolitan AA, by reviewing the financial statements of the organization.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the South Bend-Mishawaka MSA and North Central and Rush County Non-Metropolitan Assessment Areas is stronger than the bank's overall **High Satisfactory** performance in Indiana. Performance under the Service Test in the Elkhart-Goshen, Indianapolis-Carmel, and Michigan City-La Porte MSAs and Decatur and Whit County Non-Metropolitan Assessment Areas is weaker than the bank's overall **High Satisfactory** performance in Indiana. Performance in limited-scope areas did not influence the Service Test performance in Indiana.

Refer to Tables 1 - 15 in the Indiana section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Iowa Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Iowa AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Iowa AAs.
- The borrower distribution of WFB's loans reflect good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Iowa AAs.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants in its full-scope Iowa AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope Iowa AAs.
- WFB's branch hours do not vary in a way that inconveniences portions of its full-scope Iowa AAs.

Description of Institution's Operations in the State of Iowa

Of the bank's 54 state and multistate rating areas, Iowa ranks 26th and accounts for 0.7 percent of total bank deposits, or \$ 5.57 million as of June 30, 2012. WFB has 15 defined AAs in Iowa, which include 28 out of 99 total counties in the state. Within the state, WFB operates 63 branches. WFB is the largest banking institution in Iowa with 8.8 percent of the deposit market share. Primary competitors include US Bank and Bank of America, with deposit market shares of 6.8 percent and 3.6 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Iowa

Of WFB's 15 AAs in Iowa, the Cedar Rapids and Des Moines-West Des Moines MSAs were selected for full-scope review. These AAs accounts for 58.5 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Iowa is rated **Outstanding**. Based on full-scope reviews, performance in the Cedar Rapids and Des Moines-West Des Moines MSAs is excellent.

Lending Activity

The level of lending activity in Iowa full-scope AAs is excellent. The level of lending activity in the Cedar Rapids MSA is excellent and is supported by an excellent level of activity for home purchase, refinance, small loans to farms and small loans to businesses, and an adequate level of activity for home improvement loans in relation to WFB's deposit market share.

The level of lending activity in the Des Moines-West Des Moines MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share percentage or ranking.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Iowa full-scope AAs is good.

In the Cedar Rapids MSA, the overall geographic distribution of loans is adequate. We initially concluded that the distribution was good for home purchase loans, adequate for home improvement and small loans to businesses, poor for refinance loans, and very poor for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications in the AA, performance improved and distribution of refinance loans is considered adequate.

In the Des Moines-West Des Moines MSA, the overall geographic distribution of loans is good. We initially concluded that the distribution was good for small loans to businesses, adequate for home purchase loans, and poor for home improvement and home refinance loans and for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications in the AA, performance

improved and distribution of home purchase and home refinance loans is considered good and adequate respectively.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Iowa full-scope AAs is good.

In the Cedar Rapids MSA, the overall distribution of loans by borrower income is good. The distribution is good for refinance loans and excellent for home purchase, home improvement, and small loans to businesses, and adequate for small loans to farms.

In the Des Moines-West Des Moines MSA, the overall distribution of loans by borrower income is good. We initially concluded that the distribution was excellent for home purchase and home improvement loans and small loans to businesses and adequate for home refinance loans and small loans to farms.

However, when we assessed lending to low- and/or moderate-income borrowers relative to WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of refinance loans is considered good.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in Iowa full-scope AAs.

WFB's CD loans had a significantly positive effect on performance in the Cedar Rapids MSA. WFB originated \$10.0 million in CD loans equal to 14 percent of allocated Tier 1 Capital.

WFB's CD loans had a significantly positive effect on performance in the Des Moines-West Des Moines MSA. WFB originated \$30.4 million in CD loans equal to 10 percent of allocated Tier 1 Capital. Sixty-one percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Iowa AA include the following:

- WFB provided a \$3.7 million dollar construction to an affordable housing organization for the purpose of acquiring and rehabilitating two projects consisting of 60 LIHTC family units in the Des Moines-West Des Moines MSA.
- The bank provided a \$150 million dollar line of credit to a Tax Credit Investment Fund, which was allocated to a 150-unit affordable housing project located in a low-income area of the Des Moines-West Des Moines MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Waterloo-Cedar Falls MSA and Crawford County, Fort Dodge, Marion County, and Ottumwa Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance in Iowa. Performance under the Lending Test in Ames, Iowa City, and Sioux City MSAs and Cass County, Marshalltown, Mason City, Palo Alto County, and Poweshiek County Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance in Iowa. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Iowa.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Iowa is rated **Outstanding**. Based on full-scope reviews, performance in the Cedar Rapids and Des Moines-West Des Moines MSAs is excellent

WFB's grant and investment volume in the Cedar Rapids MSA is excellent. During the evaluation period, WFB made 10 grants and investments in the AA totaling \$7.5 million or 10.7 percent of allocated Tier 1 Capital. In addition, three prior period grants and investments totaling \$0.8 million or 1.2 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments demonstrated an adequate level of responsiveness to the need identified in the AA for affordable housing.

WFB's grant and investment volume in the Des Moines-West Des Moines MSA is excellent. During the evaluation period, WFB made 85 grants and investments in the AA totaling \$44.2 million or 14.9 percent of allocated Tier 1 Capital. In addition, 11 prior period grants and investments totaling \$9.3 million or 3.1 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments were responsive to affordable housing and community services needs within the MSA.

Highlights of WFB's grants and investments that benefited the Iowa include the following:

- WFB provided a grant to a local affordable housing organization that is dedicated to providing affordable housing in the Cedar Rapids area.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Ames, Iowa City, Sioux City, and Waterloo-Cedar Falls MSAs is not inconsistent with the bank's overall **Outstanding** performance in Iowa. Performance under the Investment Test in Cass County, Crawford County, Fort Dodge, Marion County, Marshalltown, Mason City, Ottumwa, Palo Alto County, and Poweshiek County Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance in Iowa. Performance in limited-scope areas did not influence the Investment Test performance in Iowa.

SERVICE TEST

WFB's Service Test performance in Iowa is rated **High Satisfactory**. Based on full-scope reviews, performance in the Cedar Rapids and Des Moines-West Des Moines MSAs are good.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

WFB's distribution of branches in Iowa full-scope AAs is excellent.

Accessibility of Delivery Systems

In the Cedar Rapids MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of WFB's assessment area.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is near to the percentage of the population residing in these geographies and is good. However, when considering one middle-income branch that is in close proximity to low- and moderate-income geographies, accessibility improves.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Des Moines-West Des Moines MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the banks assessment area.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is near to the percentage of the population residing in these geographies and is excellent. However, when considering one middle-income branch that is in close proximity to low- and moderate-income geographies, accessibility improves.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in Iowa full-scope AAs did not affect branch distribution in a negative or positive way.

WFB's record of opening and closing branches in the Cedar Rapids MSA did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB opened one and closed one branch in a moderate-income geography resulting in no change in the branch distribution in moderate-income geographies.

WFB's record of opening and closing branches in the Des Moines-West Des Moines MSA did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB closed three branches resulting in a net loss of three branches in middle-income geographies.

Reasonableness of Business Hours and Services

WFB's branch hours and services do not vary in a way that inconveniences portions of Iowa full-scope AAs particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours do not vary in a way that inconveniences portions of the Cedar Rapids MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 33 percent of branches located in those geographies maintained Saturday hours, compared to 67 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours do not vary in a way that inconveniences portions of the Des Moines-West Des Moines MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 67 percent of branches located in those geographies maintained Saturday hours, compared to 79 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an excellent level of CD services in Iowa full-scope AAs.

In the Cedar Rapids MSA, WFB provides a limited level of CD services. WFB employees provided a total of 66 hours of CD services. These hours represented 35 different CD service activities that benefited five different organizations, but amounted to slightly more than one hour of CD service per branch per year.

In the Des Moines-West Des Moines MSA, WFB is a leader in providing CD services. WFB employees provided a total of 1,284 hours of CD services. These hours represented 213 CD service activities that benefited 47 different organizations and amounted to more than 15 hours of service per branch per year.

Highlights of WFB's CD services that benefited Iowa include the following:

- A WFB employee serves as a board member and provides financial expertise to community services organization in the Cedar Rapids MSA.
- A number of WFB employees provide free income tax return preparation services through a community services organization in the Des Moines-West Des Moines MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in Crawford, Mason City, and Palo Alto Non-Metropolitan AAs is not inconsistent with the bank's overall **High Satisfactory** performance in Iowa. Performance under the Service Test in Sioux City MSA and Cass County, Marion County, and Poweshiek County Non-Metropolitan AA is stronger than the bank's overall **High Satisfactory** performance in Iowa. Performance under the Service Test in Ames and Waterloo-Cedar Falls MSAs and Fort Dodge, Marshalltown, and Ottumwa County Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in Iowa. Performance in limited-scope areas did not influence the Service Test performance in Iowa.

Refer to Tables 1 - 15 in the Iowa section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Kansas Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Kansas AA.
- The geographic distribution of WFB's loans reflects poor penetration throughout its full-scope Kansas AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Kansas AA.
- WFB has an excellent level of CD investments and grant and investments within its full-scope Kansas AA.
- WFB's delivery systems are readily accessible to all portions of its full-scope Kansas AA.
- WFB provided an adequate level of CD services in its full-scope Kansas AA.

Description of Institution's Operations in the State of Kansas

Of the bank's 54 state and multistate rating areas, Kansas ranks 44th and accounts for 0.1 percent of total bank deposits, or \$968 million as of June 30, 2012. WFB has three defined AAs in Kansas, which include 11 of the 105 counties in the state. Within the state, WFB operates nine branches. WFB is the ninth largest banking institution in Kansas with 1.4 percent of the deposit market share. Primary competitors include Capital Federal Savings Bank, and Bank of America, NA with deposit market shares of 7.8 percent and 7.8 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Kansas

Of WFB's three AAs in Kansas, the Kansas City MSA was selected for full-scope review. This AA accounts for 59 percent of the bank's state deposits and is the most significant AA in the state.

LENDING TEST

WFB's Lending Test performance in Kansas is rated **High Satisfactory**. Based on a full-scope review, performance in the Kansas City MSA is good.

Conclusions for Areas Receiving Full-Scope Reviews Lending Activity

The level of lending activity in the Kansas full-scope AA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home improvement loans and a good level of activity for small loans to businesses and farms in relation to WFB's deposit market share. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the number of farm lenders in the AA.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Kansas full-scope AA is poor. We initially concluded that the distribution was excellent for small loans to farms, adequate for small loans to businesses, poor for home purchase loans, and very poor for home improvement and home refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase loans is considered good.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Kansas full-scope AA is good. We initially concluded that the distribution was excellent for home purchase loans and small loans to businesses and farms, good for home improvement loans, and adequate for home refinance loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of refinance loans is considered good.

CD Lending

WFB made no CD loans in Kansas during the evaluation period. The volume and nature of the bank's CD lending had a neutral effect on performance in Kansas.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Wichita MSA is not inconsistent with the bank's overall **High Satisfactory** performance in Kansas. Performance under the Lending Test in the Atchison County Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in Kansas. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Kansas.

INVESTMENT TEST

WFB's Investment Test performance in Kansas is rated **Outstanding**. Based on a full-scope review, performance in the Kansas City MSA is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's grant and investment volume in the Kansas City MSA is excellent. During the evaluation period, WFB made 11 grants and investments in the AA totaling \$7.9 million or 12.8 percent of allocated Tier 1 Capital.

WFB's grants and investments demonstrated an excellent level of responsiveness to the need for affordable housing identified in the AA.

Highlights of WFB's grants and investments that benefited the Kansas include the following:

- As part of WFB's 2010 Priority Markets Initiative, \$150,000 was donated to a non-profit organization for investment and renovation in five urban core neighborhoods. These investments have attracted hundreds of new homeowners and residents to formerly declining neighborhoods and attracted new services and jobs to under-served urban communities. This effort has served as a catalyst for other investors and developers to initiate projects in our community.
- In November 2010, WFB invested \$7.2 million in Pemberton Place, an 80-unit affordable housing project located in Kansas City, Kansas. Of the total, 76 units are rent restricted to low- and moderate-income households. This project was part of a \$25 million investment in a national LIHTC fund.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Wichita MSA is not inconsistent with the bank's overall **Outstanding** performance in Kansas. Performance under the

Investment Test in Atchison County Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance in Kansas. Performance in limited-scope areas did not influence the Investment Test performance in Kansas.

SERVICE TEST

WFB's Service Test performance in Kansas is rated **High Satisfactory**. Based on a full-scope review, performance in the Kansas City MSA is good.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Kansas full-scope AA is excellent.

In the Kansas City MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the MSA.

WFB has no branches in low-income geographies. However, because less than five percent of the MSA population lives in these geographies we placed more weight on performance in the moderate-income geographies. The percentage distribution of branches in moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good.

However, when giving consideration to two branches in middle- and upper-income locations that are in close proximity to moderate-income geographies, accessibility improves in moderate-income geographies and is excellent.

WFB's ATM network offers adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Kansas full-scope AA did not affect the branch distribution in a negative or positive way.

WFB's record of opening and closing branches in the Kansas City MSA, did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB

opened one branch throughout the assessment area resulting in a net gain of one branch in an upper-income geography.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences certain portions of the Kansas full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Kansas City MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours, compared to 80 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an adequate level of CD services in the Kansas full-scope AA.

In the Kansas City MSA, WFB provided an adequate level of CD services. WFB employees provided a total of 36 hours of CD services. These hours represented 15 CD service activities that benefited five different organizations and amounted to slightly more than two hours of CD services per branch per year.

Highlights of WFB's CD services that benefited the Kansas include the following:

- WFB employees provided Hands on Banking training clients of various affordable housing organizations in the MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in Atchison County Non-Metropolitan AA was not inconsistent with the bank's overall **High Satisfactory** performance in Kansas. Performance under the Service Test in Wichita MSA was weaker than the bank's overall **High Satisfactory** performance in Kansas. Performance in limited-scope areas did not influence the Service Test performance in Kansas.

Refer to Tables 1 - 15 in the Kansas section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Maryland Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	Outstanding

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Maryland AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope Maryland AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes.
- CD lending has a positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Maryland AA.
- WFB's delivery systems are readily accessible to all portions of its full-scope Maryland AA.
- WFB's business hours do not vary in a way that inconveniences certain portions of its full-scope Maryland AA.

Description of Institution's Operations in the State of Maryland

Of the bank's 54 state and multistate rating areas, Maryland ranks 20th and accounts for 1.0 percent of total bank deposits, or \$8.5 billion as of June 30, 2012. WFB has two AAs in Maryland, which includes nine out of 24 counties in the state. Within the state, WFB operates 56 branch offices. WFB is the fifth largest banking institution in Maryland with 7.8 percent of the deposit market share. Primary competitors include Bank of America, N.A., and Manufactures and Traders Trust Company, with deposit market shares of 19.6 percent and 16.0 percent, respectively.

Because WFB's branches in the Maryland have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Maryland

Of WFB's two AAs in Maryland, the Baltimore-Towson MSA was selected for full-scope review. This AA accounts for 68.9 percent of the bank's state deposits and is the most significant AA in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in the Maryland full-scope AA is rated **Outstanding**. Based on a full-scope review, performance in the Baltimore-Towson MSA is good.

Lending Activity

The level of lending activity in Baltimore-Towson MSA is excellent and is supported by an excellent level of lending activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share percentage and ranking. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Baltimore-Towson MSA is adequate. We initially concluded that the distribution was excellent for small loans to farms, good for home improvement loans, adequate for home purchase loans and small loans to businesses, and poor for refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA, credit demand as indicated by HMDA applications, and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase and refinance loans is considered good and adequate respectively.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Baltimore-Towson MSA is good. We initially concluded that the distribution was excellent for small loans to farms, good for home improvement and small loans to businesses, and adequate for home purchase and refinances loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to moderately severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home refinance loans is considered good.

CD Lending

The volume and nature of the bank's CD lending had a positive effect on lending performance in the Baltimore-Towson MSA. WFB originated \$31 million in CD loans equal to 4.7 percent of allocated Tier 1 Capital.

We considered the shorter evaluation period for the Baltimore-Towson MSA in our assessment of CD loans.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Bethesda-Rockville-Frederick, MD is not inconsistent with the bank's overall **High Satisfactory** performance in Maryland. Performance in the limited-scope assessment area did not influence the Lending Test performance in Maryland.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Maryland is rated **Outstanding**. Based on a full-scope review, performance in the Baltimore-Towson MSA is excellent.

WFB's investment volume in the Baltimore-Towson MSA is excellent. During the evaluation period, WFB made 97 investments in the AA totaling \$24.4 million or 3.7 percent of allocated Tier 1 Capital. In addition, eight prior period investments totaling \$29.7 million or 4.5 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period investments add support for the assigned rating.

WFB's investments exhibit good responsiveness to the need for neighborhood stabilization and revitalization identified within the MSA.

Highlights of WFB's grants and investments that benefited Maryland include the following:

- WFB invested \$9.5 million in an affordable housing LIHTC in the Baltimore-Towson MSA. The investment was used for new construction of a housing development that will provide 74 units of housing to low-moderate income families in the assessment area.
- WFB invested \$1.2 million to finance housing and revitalization in an affordable housing project in the Baltimore-Towson MSA. The proceeds were used to finance an affordable rental housing project, which was one of the first affordable housing projects in the state to receive funds from the HUD Tax Credit Assistance Program (TCAP). Funded through the American Recovery and Reinvestment Act of 2009, TCAP allows state housing finance agencies to resume funding affordable rental housing projects while stimulating job creation

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Bethesda-Rockville-Frederick, MD is weaker than the bank's overall **Outstanding** performance in Maryland. Performance in limited-scope areas did not influence the bank's Investment Test performance in Maryland.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in Maryland is rated **Outstanding**. Based on a full-scope review, performance in the Baltimore-Towson MSA is excellent.

Retail Banking Services

Accessibility of Delivery Systems

The distribution of branches in the Maryland full-scope AA is excellent.

In the Baltimore-Towson MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the banks assessment area.

The percentage distribution of branches in low-income geographies is reasonably near to the percentage of the population residing in these geographies and is good. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

However, when considering 12 middle- and upper-income branches that are in close proximity to low-income and moderate-income geographies, accessibility improves in low-income geographies and is excellent.

WFB's ATM network offers adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

There were no branch openings or closings in the Maryland full-scope AA during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences certain portions of the Maryland full-scope AA, particularly low-and moderate-income geographies and individuals.

WFB's branch hours are good and do not vary in a way that inconveniences certain portions of the Baltimore-Towson MSA, particularly low-and moderate-income geographies and individuals. One hundred percent of branches located in low- and moderate-income geographies in the Baltimore-Towson MSA, maintained Saturday hours, compared to 92 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provides an excellent level of CD services in the Maryland full-scope AA.

In the Baltimore-Towson MSA, WFB is a leader in providing CD services. WFB employees provided a total of 768 hours of CD services. These hours represented 117 CD service activities that benefited 49 different organizations and amounted to slightly more than five hours of CD services per branch per year.

Highlights of WFB's CD services that benefited Maryland include the following:

- A WFB employee serves as a board member and provides financial expertise for an affordable housing organization in the Baltimore-Towson MSA.
- A WFB employee taught a financial literacy course on managing finances and credit to a group of students in middle/high school with an 81 percent participation in the free and reduced lunch program in the Baltimore-Towson MSA.

- A WFB employee serves as a board member for a community services organization. In this capacity, the employee assists with fund raising activities, reviewing financials for the organization and provides financial literacy "best practices" to local small businesses in the Baltimore-Towson MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Bethesda-Rockville-Frederick MD was weaker than bank's overall **Outstanding** performance in Maryland. Performance in limited-scope areas did not influence the Service Test performance in Maryland.

Refer to Tables 1 - 15 in the Maryland section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Michigan Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its Michigan full-scope AA.
- The geographic distribution of WFB's loans reflects excellent penetration throughout its Michigan full-scope AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its Michigan full-scope AA.
- WFB's CD lending has a positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its Michigan full-scope AA.
- WFB's delivery systems are readily accessible to all portions of its Michigan full-scope AA.
- WFB provided an adequate level of CD services in its Michigan full-scope AA.

Description of Institution's Operations in the State of Michigan

Of the bank's 54 state and multistate rating areas, Michigan ranks 35th and accounts for 0.31 percent of total bank deposits, or \$2.6 billion as of June 30, 2012. WFB has two AAs in Michigan, which includes 18 out of 83 total counties in the state. Within the state, WFB operates 19 branches. WFB is the eleventh largest banking institution in Michigan with 1.6 percent of the deposit market share. Primary competitors include JP Morgan Chase, N.A., and Comerica Bank, with deposit market shares of 17.5 percent and 14.2 percent, respectively.

Scope of Evaluation in the State of Michigan

Of WFB's two AAs in Michigan, the Northwestern Michigan Non-Metropolitan AA was selected for full-scope review. This AA accounts for only 25.8 percent of the bank's state deposits. However, 18 of the 19 branches in the state are located within this AA. The remaining deposits are identified with the one branch in the Grand Rapids-Wyoming MSA and are not associated with WFB's retail operations in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Michigan is rated **Outstanding**. Based on a full-scope review, performance in the Northwestern Michigan Non-Metropolitan AA is excellent.

Lending Activity

The level of lending activity in the Northwestern Michigan Non-Metropolitan AA is excellent and is supported by an excellent level of lending activity for home purchase, home improvement, loans, and home refinance loans, a good level of lending activity for small loans to businesses, and an adequate level of lending activity for small loans to farms in relation to WFB's deposit market share percentage or ranking. We considered the number of non-deposit taking credit card lenders with market share in the AA and WFB's market share in dollar volume in our evaluation of lending activity for small loans to businesses and farms.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Northwestern Michigan Non-Metropolitan AA is excellent. The overall geographic distribution of loans is excellent for home purchase loans and small loans to businesses. Geographic distribution is good for refinance loans and small loans to farms and adequate for home improvement loans.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Northwestern Michigan Non-Metropolitan AA is good. The distribution is good for home purchase loans and small loans to businesses and farms and adequate for home improvement and refinances loans.

CD Lending

The volume and nature of the bank's CD lending had a positive effect on lending performance in the Michigan full-scope AA.

WFB's CD lending had a positive effect on lending performance in the Northwestern Michigan Non-Metropolitan AA. During the evaluation period, WFB originated eight CD loans totaling \$4.7 million and equal to 6.1 percent of allocated Tier 1 Capital.

Thirty-three percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Northwestern Michigan Non-Metropolitan AA include the following:

- In June 2010, WFB renewed a \$1.0 million unsecured line of credit for the purpose of providing working capital for a Tribal Entity located in rural Michigan. The borrower is a federally recognized Native American tribe that provides housing, education, health and social services to its members.
- In June 2009, WFB provided a \$100,000 line of credit for the purpose of providing working capital to a nonprofit organization located in Big Bay, Michigan. This organization is a year-round, not-for-profit therapy and wellness center for children and adults with physical disabilities.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Grand Rapids-Wyoming MSA is weaker than the bank's overall **Outstanding** performance in Michigan. Performance in the limited-scope assessment area did not influence the Lending Test performance in Michigan.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Michigan is rated **Outstanding**. Based on a full-scope review, performance in the Northwestern Michigan Non-Metropolitan AA is excellent.

WFB's investment volume in the Northwestern Michigan Non-Metropolitan AA is excellent. During the evaluation period, WFB made 23 grants and investments in the AA totaling \$11.1 million or 14.6 percent of allocated Tier 1 Capital. In addition, eight prior period investments totaling \$1.9 million or 2.6 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period investments add support for the assigned rating.

WFB's investments exhibited an excellent level of responsiveness to the need for neighborhood stabilization and revitalization identified within the AA.

Highlights of WFB's grants and investments that benefited Michigan include the following:

- WFB invested \$7.9 million to fund renovations to a medical facility in the Northwestern Michigan Non-Metropolitan AA. The majority of the clients served by this facility were Medicaid recipients.
- WFB invested \$2.4 million in a multifamily project located in the Northwestern Michigan Non-Metropolitan AA assessment area. This investment was part of a \$14.96 million investment in a LIHTC to fund affordable housing.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Grand Rapids-Wyoming MSA was stronger than bank's overall **High-Satisfactory** performance in Michigan. Performance in limited-scope areas did not influence the bank's Investment Test performance in Michigan.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in Michigan is rated **High Satisfactory**. Based on a full-scope review, performance in the Northwestern Michigan Non-Metropolitan AA is good.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Michigan full-scope AA is excellent.

In the Northwestern Michigan Non-Metropolitan AA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the bank's AA.

There are no low-income geographies in the AA so therefore our conclusions are based on the moderate-income geographies. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in the Michigan full-scope AA did not affect the branch distribution in a negative or positive way.

WFB's record of opening and closing branch offices in the Northwestern Michigan Non-Metropolitan AA did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB opened one and closed seven branches throughout the assessment area resulting in a net gain of one branch in upper-income geography and a net loss of seven branches in middle-income geographies.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences portions of the Michigan full-scope AA, particularly low-and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Northwestern Michigan Non-Metropolitan AA, particularly low- and moderate-income geographies and individuals.

Fifty percent of branches located in moderate-income geographies maintained Saturday hours compared to 100 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an adequate level of CD services in the Michigan full-scope AA.

In the Northwestern Michigan Non-Metropolitan AA, WFB provides an adequate level of CD services. WFB employees provided a total of 101 hours of CD services. These hours represented 43 CD service activities that benefited nine different organizations, but amounted to slightly more than one hour of CD service per branch per year. We considered the limited opportunities for CD services in our evaluation of CD service performance.

Highlights of WFB's CD services that benefited the Northwestern Michigan Non-metropolitan AA include the following:

- A WFB employee serves as a board member to a community service organization in the Northwestern Michigan Non-Metropolitan AA. In this capacity, the team member reviews and approves the organization's financial statements, construction projects, assists with fundraising events and approves expenditures on a monthly basis.

- A WFB employee serves as a board member on a community service organization that provides financial literacy counseling services to low- and moderate-income individuals in the Northwestern Michigan Non-Metropolitan AA. The employee provides technical and financial expertise to the organization.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Grand Rapids-Wyoming MSA was weaker than the bank's overall **High Satisfactory** performance in Michigan. Performance in limited-scope areas did not influence the Service Test performance in Michigan.

Refer to Tables 1 - 15 in the Michigan section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Minnesota Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Minnesota AA.
- The geographic distribution of WFB's loans reflects poor penetration throughout its full-scope Minnesota AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Minnesota AA.
- WFB's CD lending has a neutral effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Minnesota AA.
- WFB's delivery systems are readily accessible to essentially all portions of its full-scope Minnesota AA.
- WFB provides a limited level of CD services within its full-scope Minnesota AA..

Description of Institution's Operations in the State of Minnesota

Of the bank's 54 state and multistate rating areas, Minnesota ranks 23rd and accounts for 0.8 percent of total bank deposits, or \$781 million as of June 30, 2012. WFB has six defined AAs in Minnesota, which include 75 out of 87 counties. Within the state, WFB operates 66 branches. WFB is the largest banking institution in Minnesota with 16.5 percent of the deposit market share. Primary competitors include US Bank, NA and Think Mutual Bank with deposit market shares of 5.1 percent and 2.5 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Minnesota

Of WFB's six AAs in Minnesota, the Greater Minnesota Non-Metropolitan AA was selected for full-scope review. This AA accounts for 58 percent of the bank's state deposits and is the most significant AA in the state.

LENDING TEST

WFB's Lending Test performance in Minnesota is rated **High Satisfactory**. Based on a full-scope review, performance in the Greater Minnesota Non-Metropolitan AA is good.

Conclusions for Areas Receiving Full-Scope Reviews Lending Activity

The level of lending activity in the Minnesota full-scope AA is excellent. The level of lending activity in Greater Minnesota Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans, and small loans to businesses and farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Minnesota full-scope AA is poor. In the Greater Minnesota Non-Metropolitan AA, the overall geographic distribution of loans is poor. The distribution is good for small loans to farms, adequate for small loans to businesses, and poor for home purchase, home improvement, and home refinance loans.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Minnesota the full-scope AA is good. In the Greater Minnesota Non-Metropolitan AA, the overall distribution of loans by borrower income is good. The distribution is excellent for small loans to businesses, good for home purchase and home improvement loans and adequate for home refinance loans and small loans to farms.

CD Lending

The volume and nature of the bank's CD lending had a positive effect on performance in the Minnesota full-scope AA.

WFB originated \$18.9 million in CD loans equal to 4.2 percent of allocated Tier 1 Capital. WFB's CD loans had a neutral effect on performance in the Greater Minnesota Non-Metropolitan AA. Eighteen percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Minnesota full-scope AA include the following:

- In October 2010, WFB provided a \$3.4 million loan for construction of a 30-unit affordable LIHTC rental townhome development located in the designated underserved area of Worthington, Minnesota. The townhomes will be affordable to low- and moderate-income households. Four units are reserved for households meeting the definition of long-term homeless. The organization is a member of Neighborworks America.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Duluth and St. Cloud MSAs and the Northeastern Minnesota Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Minnesota. Performance under the Lending Test in Mankato-North Mankato and Rochester MSAs is stronger than the bank's overall **High Satisfactory** Performance in these limited-scope assessment areas did not influence the Lending Test performance in Minnesota.

INVESTMENT TEST

WFB's Investment Test performance in Minnesota is rated **Outstanding**. Based on a full-scope review, performance in the Greater Minnesota Non-Metropolitan AA is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's grant and investment volume in the Greater Minnesota Non-Metropolitan AA is excellent. During the evaluation period, WFB made 45 grants and investments in the AA totaling \$33.4 million or 7.3 percent of allocated Tier 1 Capital. In addition, 18 prior period grants and investments totaling \$12.1 million or 2.3 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated a good level of responsiveness to the need for neighborhood revitalization and stabilization and affordable housing identified in the AA.

Highlights of WFB's grants and investments that benefited Minnesota include the following:

- In October 2009, WFB invested \$12.8 million through a NMTC in a Native American Community Redevelopment Corporation. The investment was used for construction

and financing of a new government services center in Nett Lake, Minnesota. The project is located on tribal land in a designated highly distressed area.

- In March 2009, WFB invested \$750,000 through an EQ2 in the Greater Minnesota Housing Fund. The current investment was used to expand the existing Affordable Housing Interim Loan Fund. This loan fund makes low-interest interim loans to affordable housing developers.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Duluth, Mankato-North Mankato, Rochester, and St. Cloud MSAs is not inconsistent with the bank's overall **Outstanding** performance in Minnesota. Performance under the Investment Test in Northeastern Minnesota Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance in Minnesota. Performance in limited-scope areas did not influence the Investment Test performance in Minnesota.

SERVICE TEST

WFB's Service Test performance in Minnesota is rated **High Satisfactory**. Based on a full-scope review, performance in the Greater Minnesota Non-Metropolitan AA is good.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Minnesota full-scope AA is **excellent**.

In the Greater Minnesota Non-Metropolitan AA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the AA.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Minnesota full-scope AA has not adversely affected the accessibility of its delivery systems.

WFB's record of opening and closing branches in the Greater Minnesota Non-Metropolitan AA, has not adversely affected the accessibility of its delivery systems. During the evaluation period, WFB closed four branches throughout the assessment area resulting in a net loss of two branches in moderate-income and two branches in middle-income geographies. However, overall branch distribution remained excellent.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences certain portions of the Minnesota full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Greater Minnesota Non-Metropolitan AA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 89 percent of branches located in those geographies maintained Saturday hours, compared to 85 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a poor level of CD services in the Minnesota full-scope AA.

In the Greater Minnesota Non-Metropolitan AA, WFB provided a limited level of CD services. WFB employees provided a total of 213 hours of CD services. These hours represented 63 CD service activities that benefited 10 different organizations, but amounted to slightly less than one and a half hours of CD service per branch per year.

Highlights of WFB's CD services that benefited Minnesota include the following:

- A WFB employee is an active participant on the board of directors of a food bank with a mission to distribute food and other resources to participating agencies, and to educate the public about hunger and its solutions.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Duluth MSA is not inconsistent with the bank's overall **High Satisfactory** performance in Minnesota. Performance under the

Service Test in Mankato-North Mankato, Rochester, and St. Cloud MSAs and the Northeastern Minnesota Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in Minnesota. Performance in limited-scope areas did not influence the Service Test performance in Minnesota.

Refer to Tables 1 - 15 in the Minnesota section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Mississippi Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Mississippi AAs.
- The distribution of WFB's loans reflects adequate penetration throughout its full-scope Mississippi AAs.
- WFB's borrower distribution reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Mississippi AAs.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Mississippi AAs.
- WFB's delivery systems are readily accessible to essentially all portions of its full-scope Mississippi AAs.
- WFB's branch hours vary in a way that inconveniences certain portions of its full-scope Mississippi AAs.

Description of Institution's Operations in the State of Mississippi

Of the bank's 54 state and multistate rating areas, Mississippi ranks 49th and accounts for 0.1 percent of total bank deposits, or \$603 million as of June 30, 2012. WFB has four defined AAs in Mississippi, which include 13 of 82 counties. Within the state, WFB operates 12 branches. WFB is the 12th largest banking institution in Mississippi with 1.4 percent of the deposit market share. Primary competitors include Regions Bank and Trustmark National Bank with deposit market shares of 15.2 percent and 14.7 percent, respectively.

Because WFB's branches in the state of Mississippi have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services. We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Mississippi

Of WFB's four AAs in Mississippi, the Jackson and Gulfport-Biloxi MSAs were selected for full-scope review. These AAs account for 66 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

WFB's Lending Test performance in Mississippi is rated **Outstanding**. Based on full-scope reviews, performance in the Jackson MSA is excellent and in the Gulfport-Biloxi MSA is good.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity

The level of lending activity in Mississippi full-scope AAs is excellent.

The level of lending activity in the Jackson MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and a very poor level of activity for small loans to businesses and farms in relation to WFB's deposit market share.

The level of lending activity in the Gulfport-Biloxi MSA is excellent and is supported by an excellent level of activity for home purchase and home refinance loans, a good level of activity for small loans to businesses and an adequate level of activity for home improvement loans and small loans to farms in relation to WFB's deposit market share. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the large number of farm lenders in the AA.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Mississippi full-scope AAs is adequate.

In the Jackson MSA, the overall geographic distribution of loans is adequate. We initially concluded that the distribution was poor for home purchase and home refinance loans, adequate for home improvement loans and small loans to businesses, and excellent for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA, credit demand as indicated by HMDA applications, and WFB's ranking and number of loans originated

relative to all other lenders in the AA, performance improved and distribution of home refinance loans is considered adequate.

In the Gulfport-Biloxi MSA, the overall geographic distribution of loans is adequate. We initially concluded that the distribution was poor for home purchase loans, very poor for home refinance loans, good for home improvement loans and small loans to businesses, and excellent for small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home refinance loans is considered poor.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Mississippi full-scope AAs is good. In the Jackson MSA, the overall distribution of loans by borrower income is good. The distribution is good for home purchase and home improvement loans, excellent for small loans to businesses and farms, and poor for home refinance loans.

In the Gulfport-Biloxi MSA, the overall distribution of loans by borrower income is good. The distribution is adequate for home purchase and home refinance loans, good for home improvement loans, and excellent for small loans to businesses and farms.

When we assessed lending to low- and/or moderate-income borrowers relative to moderately severe economic conditions affecting the AA, performance improved. As a result of these factors, we determined that distribution of home refinance loans by borrower income should be adjusted. Although the home refinance loan conclusion did not change, the overall borrower distribution for the Gulfport-Biloxi MSA improved.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in Mississippi full-scope AAs.

WFB originated a \$5.4 million CD loan equal to 21.3 percent of allocated Tier 1 Capital. WFB's CD lending had a significantly positive effect on Lending Test performance in the Jackson MSA. WFB's CD loan was considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

WFB's CD loans had a significantly positive effect on Lending Test performance in the Gulfport-Biloxi MSA. WFB originated a \$12 million CD loan equal to 63.4 percent of

allocated Tier 1 Capital. The CD loan was to the need for affordable housing identified in the AA.

Highlights of WFB's CD lending that benefited Mississippi include the following:

- In January 2012, WFB provided a \$5.5 million loan for the purpose of funding the construction of a 104-unit LIHTC senior affordable housing complex located in a low-income census tract in Jackson, Mississippi.
- In August 2011, WFB originated a \$12 million for the purpose of constructing a 131-unit LIHTC single-family rental development in Gulfport, Mississippi. The borrower is constructing a 131-unit LIHTC single-family rental development, consisting of 65 three-bedroom homes and 66 four-bedroom homes.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Hattiesburg and Pascagoula MSAs is weaker than the bank's overall **Outstanding** performance in Mississippi. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Mississippi.

INVESTMENT TEST

WFB's Investment Test performance in Mississippi is rated **Outstanding**. Based on full-scope reviews, performance in the Jackson and Gulfport-Biloxi MSAs is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's grant and investment volume in the Jackson MSA is excellent. During the evaluation period, WFB made nine grants and investments in the AA totaling \$1.7 million or 6.8 percent of allocated Tier 1 Capital.

WFB's grants and investments demonstrated an adequate level of responsiveness to the need for affordable housing identified in the AA.

WFB's grant and investment volume in the Gulfport-Biloxi MSA is excellent. During the evaluation period, WFB made six grants and investments in the AA totaling \$6.3 million or 33.5 percent of allocated Tier 1 Capital.

WFB's grants and investments demonstrated an adequate level of responsiveness to the need for affordable housing identified in the AA.

Highlights of WFB's grants and investments that benefited Mississippi full-scope AAs include the following:

- In August 2010, WFB invested \$2.2 million in the Holliman Place Apartments, a 132-unit affordable housing project located in Gulfport, Mississippi. This project was part of a \$50 million investment in a national LIHTC fund.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Hattiesburg MSA is not inconsistent with the bank's overall **Outstanding** performance in Mississippi. Performance under the Investment Test in the Pascagoula MSA is weaker than the bank's overall **Outstanding** performance in Mississippi. Performance in limited-scope areas did not influence the Investment Test performance in Mississippi.

SERVICE TEST

WFB's Service Test performance in Mississippi is rated **High Satisfactory**. Based on full-scope reviews, performance in the Jackson MSA is adequate and in the Gulfport-Biloxi MSA is good.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Mississippi full-scope AAs is good.

In the Jackson MSA, WFB's distribution of branches is adequate. Delivery systems are reasonably accessible to essentially all portions of the MSA.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies was significantly below the population residing in these geographies. WFB has no branches in moderate-income geographies although almost 19 percent of the population lives in moderate-income geographies.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Gulfport-Biloxi MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the MSA.

The percentage distribution of branches in low- and moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

There were no branch openings or closings in the Mississippi full-scope AAs during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services vary in a way that inconveniences certain portions of Mississippi full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are poor and vary in a way of that inconveniences certain portions of the Jackson MSA, particularly low- and moderate-income geographies and individuals. No branches located in low- and moderate-income geographies maintained Saturday hours, compared to 33 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are poor and vary in a way of that inconveniences certain portions of the Gulfport-Biloxi MSA, particularly low- and moderate-income geographies and individuals. No stores located in low- and moderate-income geographies maintained Saturday hours, compared to 100 percent of stores located in middle- and upper-income geographies.

CD Services

WFB provided an adequate level of CD services in Mississippi full-scope AAs.

In the Jackson MSA, WFB provided an adequate level of CD services. WFB employees provided a total of 26 hours of CD services. These hours represented 15 different CD service activities that benefited three different organizations and amounted to almost two and a half hours of CD service per branch per year.

In the Gulfport-Biloxi MSA, WFB provided an adequate level of CD services. WFB employees provided a total of 13.5 hours of CD services. These hours represented three different CD service activities that benefited three different organizations and amounted to slightly more than one and a half hours of CD service per branch per year.

Highlights of WFB's CD services that benefited Mississippi full-scope AAs include the following:

- WFB employees provided Hands on Banking and Teach Children to Save classes to elementary schools in the Jackson and Gulfport-Biloxi MSAs.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in Hattiesburg and Pascagoula MSA is weaker than the bank's overall **High Satisfactory** performance in Mississippi. Performance in limited-scope areas did not influence the Service Test performance in Mississippi.

Refer to Tables 1 - 15 in the Mississippi section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Montana Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Montana AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Montana AAs.
- The distribution of WFB's borrowers reflect good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Montana AAs..
- WFB's CD lending has a positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Montana AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope Montana AAs.
- WFB provides a relatively high level of CD services within its full-scope Montana AAs..

Description of Institution's Operations in the State of Montana

Of the bank's 54 state and multistate rating areas, Montana ranks 37th and accounts for 0.3 percent of total bank deposits, or \$2.11 billion as of June 30, 2012. WFB has seven defined AAs in Montana, which include 27 out of 56 counties and all MSAs in the state. Within the state, WFB operates 45 branches. WFB is the third largest banking institution in Montana with 11.2 percent of the deposit market share. Primary competitors include First Interstate Bank and Glacier Bank, with deposit market shares of 15.8 percent and 15.4 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Montana

Of WFB's seven AAs in Montana, the Billings MSA and Greater Montana Non-Metropolitan AAs were selected for full-scope review. These AAs account for 72.8 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Montana is rated **High Satisfactory**. Based on full-scope reviews, performance in the Billings MSA and Greater Montana Non-Metropolitan AA is good.

Lending Activity

The level of lending activity in Montana full-scope AAs is excellent.

The level of lending activity in the Billings MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share.

The level of lending activity in the Greater Montana Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Montana full-scope AAs is good.

In the Billings MSA, the overall geographic distribution of loans is adequate. The distribution is good for home purchase loans and small loans to businesses, adequate for home improvement loans, poor for refinance loans and very poor for small loans to farms.

In the Greater Montana Non-Metropolitan AA, the overall geographic distribution of loans is good. We initially concluded that the distribution was excellent for small loans to businesses, good for home purchase loans, poor for home refinance loans, and very poor for home improvement loans and small loans to farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications in the AA, performance improved and distribution of home refinance loans was adequate.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Montana full-scope AAs is good.

In the Billings MSA, the overall distribution of loans by borrower income is good. The distribution is excellent for small loans to businesses, good for home purchase and home refinance loans and small loans to farms, and adequate for home improvement loans.

In the Greater Montana Non-Metropolitan AA, the overall distribution of loans by borrower income is good. The distribution is excellent for small loans to businesses, good for home purchase loans, and adequate for home improvement and home refinance loans and small loans to farms.

CD Lending

The volume and nature of the bank's CD lending had a positive effect on performance in Montana full-scope AAs.

WFB's CD lending had a significantly positive effect on Lending Test performance in the Billings MSA. WFB originated \$3.47 million in community development loans equal to 6.4 percent of allocated Tier 1 Capital. Eighty-one percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

WFB's CD loans had a neutral effect on performance in the Greater Montana Non-Metropolitan AA. WFB originated \$5.99 million in CD loans equal to 5.0 percent of allocated Tier 1 Capital. Sixty-five percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited Montana full-scope AAs include the following:

- WFB converted an existing \$1 million term loan to a tax-exempt loan and increased it by \$110,000 for a non-profit organization. The funds were used to finance the purchase and renovation of an office building that housed an organization that provides mental health, alcohol, and chemical dependency services.
- WFB provided a \$3.9 million term loan for a LIHTC affordable senior housing project in Butte, Montana. The development consists of 48 units affordable to low- and moderate-income households.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Fallon County Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Montana. Performance under the Lending Test in Eastern Montana and Mineral County Non-

Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in Montana. Performance under the Lending Test in the Great Falls and Missoula MSAs is stronger than the bank's overall **High Satisfactory** performance in Montana. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Montana.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Montana is rated **Outstanding**. Based on full-scope reviews, performance in the Billings MSA and Greater Montana Non-Metropolitan AA is excellent.

WFB's grant and investment volume in the Billings MSA is excellent. During the evaluation period, WFB made 18 grants and investments in the AA totaling \$27.6 million or 51.0 percent of allocated Tier 1 Capital. In addition, two prior period grants and investments totaling \$1.9 million or 3.5 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated a good level of responsiveness to the need for neighborhood stabilization and revitalization and affordable housing.

WFB's grant and investment volume in the Greater Montana Non-Metropolitan AA is excellent. During the evaluation period, WFB made 23 grants and investments in the AA totaling \$20.1 million or 16.8 percent of allocated Tier 1 Capital. In addition, 14 prior period grants and investments totaling \$6.5 million or 5.4 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated an adequate level of responsiveness to the need for affordable housing identified in the AA.

Highlights of WFB's grants and investments that benefited Montana full-scope AAs include the following:

- In the Greater Montana Non-Metropolitan AA, WFB formed a limited partnership with Mountain Plains Equity Group to invest equity capital in new apartment buildings that qualify for LIHTCs. This was done to provide a better mechanism to locate and invest in affordable housing properties in smaller states and smaller markets.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Mineral County Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance in Montana. Performance under the Investment Test in Eastern Montana and Fallon County Non-Metropolitan AAs and Great Falls and Missoula MSAs is weaker than the bank's overall **Outstanding** performance in Montana. Performance in limited-scope areas did not influence the Investment Test performance in Montana.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in Montana is rated **High Satisfactory**. Based on full-scope reviews, performance in the Billings MSA is good and in the Greater Montana Non-Metropolitan AA is excellent.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Montana full-scope AAs is excellent.

In the Billings MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the institution's assessment area. WFB has no branches in low-income geographies. Because only two percent of the MSA population resides in these geographies, we put greater weight on performance in moderate-income geographies. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Greater Montana Non-Metropolitan AA, distribution of branches is excellent. Delivery systems are readily accessible to all portions of the institution's assessment area. WFB has no branches in low-income geographies. Because only two percent of the MSA population resides in these geographies, we put greater weight on performance in moderate-income geographies. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in Montana did not affect the branch distribution in a negative or positive way.

WFB did not open or close any branches in the Billings MSA and Greater Montana Non-Metropolitan AA during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services are tailored to the convenience and needs of the Montana full-scope AAs, particularly moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Billings MSA, particularly moderate-income geographies and individuals. One hundred percent of branches located in low- and moderate-income geographies maintained Saturday hours, compared to 57 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are excellent and tailored to the convenience and needs of the Greater Montana Non-Metropolitan AA, particularly moderate-income geographies and individuals. Fifty percent of branches located in moderate-income geographies maintained Saturday hours, compared to 22 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in Montana full-scope AAs.

In the Billings MSA, WFB provides a good level of CD services. WFB employees provided a total of 85 hours of CD services. These hours represented 28 CD service activities that benefited seven different organizations and amounted two and a half hours of CD service per branch per year.

In the Greater Montana Non-Metropolitan AA, WFB provides a good level of CD services. WFB employees provided a total of 281 hours of CD services. These hours represented 53 CD service activities that benefited seven different organizations and amounted to slightly more than two and a half hours of CD service per branch per year.

We considered the limited opportunities for CD services in the Billings MSA and the Greater Montana Non-Metropolitan AA in our evaluation.

Highlights of WFB's CD services that benefited Montana include the following:

- WFB employees presented Hands On Banking classes to various CD qualified organizations in the AA.
- A WFB employee assisted a non-profit affordable housing organization prepare grant applications.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Eastern Montana, Fallon County, and Mineral County Non-Metropolitan AAs is not inconsistent with the bank's overall **High Satisfactory** performance in Montana. Performance under the Service Test in the Great Falls and Missoula MSAs is stronger than the bank's overall **High Satisfactory** performance in Montana. Performance in limited-scope areas did not influence the Service Test performance in Montana.

Refer to Tables 1 - 15 in the Montana section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Nebraska Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Nebraska AAs.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope Nebraska AAs.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Nebraska AAs.
- WFB's CD lending has a neutral effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Nebraska AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope Nebraska AAs.
- WFB's branch hours do not vary in a way that inconveniences portions of its full-scope Nebraska AAs.

Description of Institution's Operations in the State of Nebraska

Of the bank's 54 state and multistate rating areas, Nebraska ranks 36th and accounts for 0.3 percent of total bank deposits, or \$2.1 billion as of June 30, 2012. WFB has seven defined AAs in Nebraska, which include 20 of 93 total counties in the state. Within the state, WFB operates 24 branch offices. WFB is the largest banking institution in Nebraska with 7.1 percent of the deposit market share. Primary competitors include Pinnacle Bank and Union Bank and Trust Company with deposit market shares of 6.4 percent and 6.1 percent, respectively.

Scope of Evaluation in the State of Nebraska

Of WFB's seven AAs in Nebraska, the Lincoln MSA and the Tri-City Non-Metropolitan AA were selected for full-scope review. These AAs account for 82 percent of the bank's state deposits and are the most significant AA in the state.

LENDING TEST

WFB's Lending Test performance in Nebraska is rated **High Satisfactory**. Based on full-scope reviews, performance in the Lincoln MSA and in the Tri-City Non-Metropolitan AA is good.

Conclusions for Areas Receiving Full-Scope Reviews Lending Activity

The level of lending activity in Nebraska full-scope AAs is excellent. The level of lending activity in the Lincoln MSA is excellent and is supported by an excellent level of activity for home purchase and home refinance loans and small loans to businesses, a good level of activity for small loans to farms, and an adequate level of activity for home improvement loans in relation to WFB's deposit market share.

The level of lending activity in the Tri-City Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Nebraska full-scope AAs is adequate.

In the Lincoln MSA, the overall geographic distribution of loans is adequate. The distribution is excellent for home improvement loans, good for small loans to businesses, adequate for home purchase loans and small loans to farms, and poor for home refinance loans.

In the Tri-City Non-Metropolitan AA, the overall geographic distribution of loans is adequate. The distribution is excellent for small loans to businesses and farms, poor for home purchase loans, and very poor for home improvement and home refinance loans.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Nebraska full-scope AAs is good.

In the Lincoln MSA, the overall distribution of loans by borrower income is good. The distribution is excellent for home purchase loans and small loans to businesses, good for home improvement and home refinance loans, and adequate for small loans to farms.

In the Tri-City Non-Metropolitan AA, the overall distribution of loans by borrower income is good. The distribution is excellent for home purchase loans, good for home improvement and home refinance loans and small loans to businesses, and poor for small loans to farms.

CD Lending

The volume and nature of the bank's CD Lending had a neutral effect on performance in Nebraska full-scope AAs.

WFB's CD lending had a positive effect on Lending Test performance in the Lincoln MSA. WFB originated \$9.1 million in CD loans equal to 7.3 percent of allocated Tier 1 Capital.

WFB's CD loans had a neutral effect on Lending Test performance in the Tri-City Non-Metropolitan AA. WFB originated \$1.3 million in CD loans equal to 1.8 percent of allocated Tier 1 Capital.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the North Platte Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Nebraska. Performance under the Lending Test in Norfolk Non-Metropolitan AA is stronger than the bank's overall **High Satisfactory** performance in Nebraska. Performance under the Lending Test in Northern Nebraska, Red Willow County, and Western Nebraska Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in Nebraska. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Nebraska.

INVESTMENT TEST

WFB's Investment Test performance in Nebraska is rated **Outstanding**. Based on full-scope reviews, performance is excellent in the Lincoln MSA and Tri-City Non-Metropolitan AA.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's grant and investment volume in the Lincoln MSA is excellent. During the evaluation period, WFB made 22 grants and investments in the AA totaling \$7.7 million or 6.2 percent of allocated Tier 1 Capital. In addition, five prior period grants and investments totaling \$3.8 million or 3.0 percent of allocated Tier 1 Capital remained

outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated a good level of responsiveness to the need for affordable housing identified in the AA.

WFB's grant and investment volume in the Tri-City Non-Metropolitan AA is excellent. During the evaluation period, WFB made 25 grants and investments in the AA totaling \$18 million or 25.4 percent of allocated Tier 1 Capital. In addition, seven prior period grants and investments totaling \$6.4 million or 9.0 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated a good level of responsiveness to the need for affordable housing identified in the AA.

Highlights of WFB's grants and investments that benefited Nebraska include the following:

- In December 2008, WFB invested \$1.77 million in the Stoneridge Apartments, a 24-unit affordable housing complex located in Kearney, Nebraska. This investment was part of a \$10 million investment in the Nebraska Fund XIII, offered by the Midwest Housing Equity Group. The Nebraska Fund is a private limited partnership formed for the purpose of investing in affordable housing developments in Nebraska that qualify for housing tax credits.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in North Platte Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance in Nebraska.

Performance under the Investment Test in Norfolk, Northern Nebraska, Red Willow County, and

Western Nebraska Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance in Nebraska. Performance in limited-scope areas did not influence the Investment Test performance in Nebraska.

SERVICE TEST

WFB's Service Test performance in Nebraska is rated **High Satisfactory**. Based on full-scope reviews, performance is good in the Lincoln MSA and Tri-City Non-Metropolitan AA.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Nebraska full-scope AAs is excellent.

In the Lincoln MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the MSA.

The percentage distribution of branches in low- and moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Tri-City Non-Metropolitan AA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the MSA.

We did not assess distribution in low-income geographies because there are no low-income geographies in the AA.

The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in Nebraska full-scope AAs did not affect the branch distribution in a negative or positive way.

WFB's record of opening and closing branch offices in the Lincoln MSA, did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB closed two branches throughout the assessment area resulting in a net loss of one branch in a middle-income geography and one branch in an upper-income geography.

WFB's record of opening and closing branch offices in the Tri-City Non-Metropolitan AA, did not affect the branch distribution in a negative or positive way. During the evaluation

period, WFB closed one branch throughout the assessment area resulting in a net loss of one branch in a middle-income geography.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences portions of Nebraska full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Lincoln MSA, particularly low- and moderate-income geographies and individuals. Eighty percent of branches located in low- and moderate-income geographies maintained Saturday hours, compared to 100 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Tri-City Non-Metropolitan AA, particularly moderate-income geographies and individuals. One hundred percent of branches located in moderate-income geographies maintained Saturday hours compared to 100 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an excellent level of CD services in Nebraska full-scope AAs.

In the Lincoln MSA, WFB is a leader in providing CD services. WFB employees provided a total of 449 hours of CD services. These hours represented 85 different CD service activities that benefited 17 different organizations and amounted to almost 12 hours of CD service per branch per year.

In the Tri-City Non-Metropolitan AA, WFB is a leader in providing CD services. WFB employees provided a total of 264 hours of CD services. These hours represented 67 CD service activities that benefited 22 different organizations and amounted to slightly more than 10 hours of CD services per branch per year.

Highlights of WFB's CD Services that benefited Nebraska full-scope AAs include the following:

- WFB employees provided Hands on Banking training to numerous CD qualified organizations throughout Nebraska.
- A WFB employee actively participates in finance committee of a local Habitat for Humanity chapter.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in North Platte, Northern Nebraska, Red Willow County, and Western Nebraska Non-Metropolitan AAs is not inconsistent with the bank's overall **High Satisfactory** performance in Nebraska. Performance under the Service Test in the Norfolk Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in Nebraska. Performance in limited-scope areas did not influence the Service Test performance in Nebraska.

Refer to Tables 1 - 15 in the Nebraska section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of New Mexico Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope New Mexico AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope New Mexico AAs.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope New Mexico AAs.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope New Mexico AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope New Mexico AAs.
- WFB provides a relatively high level of CD services within its full-scope New Mexico AAs.

Description of Institution's Operations in the State of New Mexico

Of the bank's 54 state and multistate rating areas, New Mexico ranks 24th and accounts for 0.8 percent of total bank deposits, or \$735 million as of June 30, 2012. WFB has five defined AAs in New Mexico, which include all 33 counties in the state. Within the state, WFB operates 95 branch offices. WFB is the largest banking institution in New Mexico with 24.9 percent of the deposit market share. Primary competitors include Bank of America, NA and Los Alamos National Bank with deposit market shares of 14.1 percent and 5.2 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of New Mexico

Of WFB's five AAs in New Mexico, the Albuquerque MSA and Greater New Mexico Non-Metropolitan AAs were selected for full-scope review. These AAs account for 81 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

WFB's Lending Test performance in New Mexico is rated **Outstanding**. Based on full-scope reviews, performance in the Albuquerque MSA and the Greater New Mexico Non-Metropolitan AA is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity

The level of lending activity in New Mexico full-scope AAs is excellent.

The level of lending activity in the Albuquerque MSA is excellent and is supported by an excellent level of activity for home purchase and home refinance loans and small loans to businesses and farms and a good level of activity for home improvement loans in relation to WFB's deposit market share.

The level of lending activity in the Greater New Mexico Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase, home improvement and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in New Mexico full-scope AAs is good.

In the Albuquerque MSA, the overall geographic distribution of loans is good. The distribution is excellent for home improvement loans, good for home purchase and home refinance loans and small loans to businesses, and adequate for small loans to farms.

In the Greater New Mexico Non-Metropolitan AA, the overall geographic distribution of loans is adequate. The distribution was excellent for small loans to businesses and farms, adequate for home improvement loans, poor for refinance loans, and very poor for home purchase loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA and credit demand as indicated by HMDA applications, performance improved and distribution of home purchase is considered poor.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in New Mexico full-scope AAs is good. In the Albuquerque MSA, the overall distribution of loans by borrower income is good. The distribution is excellent for small loans to businesses, good for home purchase and home improvement loans and small loans to farms, and adequate for home refinance loans.

In the Greater New Mexico Non-Metropolitan AA, the overall distribution of loans by borrower income is good. We initially concluded that the distribution was excellent for small loans to businesses, good for small loans to farms, adequate for home improvement loans, and poor for home purchase and home refinance loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to moderately severe economic conditions affecting the AA, credit demand as indicated by HMDA applications, and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase and home refinance loans is considered adequate.

CD Lending

The volume and nature of the bank's CD Lending had a significantly positive effect on performance in New Mexico full-scope AAs.

WFB's CD loans had a significantly positive effect on performance in the Albuquerque MSA. WFB originated \$50.9 million in CD loans equal to 10.9 percent of allocated Tier 1 Capital. Ninety percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

WFB's CD loans had a significantly positive effect on performance in the Greater New Mexico Non-Metropolitan AA. WFB originated \$8.8 million in CD loans equal to 7.0 percent of allocated Tier 1 Capital. Eighty percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD Lending that benefited New Mexico full-scope AAs include the following:

- In December 2010, WFB provided a \$4.0 million loan for construction financing of a 66-unit affordable LIHTC apartment development located in a low-income area of Albuquerque, New Mexico. The limited liability partnership was formed for the express purpose of holding this property by a nonprofit organization that was established in 1993 for the purpose of building affordable housing. They are

dedicated to raising the economic and social levels of the residents of Albuquerque by providing affordable housing opportunities via single-family developments and, more recently, rental property developments.

- In March 2010, WFB provided a \$715,000 line of credit to finance the construction and remodel of a medical office building located in a distressed middle-income census tract in Truth Or Consequences, New Mexico. This borrower was established in 1992 for the purpose of acquiring property and procuring construction funding for new clinics. They operate facilities statewide that provide dental and medical services. Of the clients served by this organization, 75 percent are considered low- and moderate-income.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in Farmington, Las Cruces, and Santa Fe MSAs is weaker than the bank's overall **Outstanding** performance in New Mexico. Performance in these limited-scope assessment areas did not influence the Lending Test performance in New Mexico.

INVESTMENT TEST

WFB's Investment Test performance in New Mexico is rated **Outstanding**. Based on full-scope reviews, performance in the Albuquerque MSA and the Greater New Mexico Non-Metropolitan AA is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's grant and investment volume in the Albuquerque MSA is excellent. During the evaluation period, WFB made 62 grants and investments in the AA totaling \$26.1 million or 5.0 percent of allocated Tier 1 Capital. In addition, 11 prior period grants and investments totaling \$8.8 million or 1.9 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated an excellent level of responsiveness to the need for affordable housing and neighborhood revitalization and stabilization identified in the AA.

WFB's grant and investment volume in the Greater New Mexico Non-Metropolitan AA is excellent. During the evaluation period, WFB made 21 grants and investments in the AA totaling \$14.7 million or 11.7 percent of allocated Tier 1 Capital. In addition, seven prior period grants and investments totaling \$5.7 million or 4.6 percent of allocated Tier

1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated an adequate level of responsiveness to the need for affordable housing identified in the AA.

Highlights of WFB's grants and investments that benefited the New Mexico full-scope AAs include the following:

- In December 2011, WFB invested \$400,000 through an EQ2 in a nonprofit CDC based in Albuquerque, New Mexico. The funds from this investment were used for predevelopment working capital to assist families, elderly, and physically/developmentally disabled persons through acquisition, rehabilitation, and new construction of rental apartments and single-family homes.
- In November 2011, WFB invested a total of \$850,000 through an EQ2 in the New Mexico Mortgage Finance Authority (MFA), the state's official housing agency, located in Albuquerque, New Mexico. The funds will be used to further capitalize one of MFA's existing loan programs, the Primero Loan Program that targets all regions of New Mexico, including rural communities and colonies, \$425,000 of these funds will go to finance projects in the Greater New Mexico Non-Metropolitan area. The Primero Loan Program is a flexible, low cost loan program created in 1993 to finance the development of affordable single-family or special needs residential facilities in New Mexico that would be considered "high risk" by traditional lenders.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Farmington and Santa Fe MSAs is not inconsistent with the bank's overall **Outstanding** performance in New Mexico. Performance under the Investment Test in Las Cruces MSA is weaker than the bank's overall **Outstanding** performance in New Mexico. Performance in limited-scope areas did not influence the Investment Test performance in New Mexico.

SERVICE TEST

WFB's Service Test performance in New Mexico is rated **High Satisfactory**. Based on full-scope reviews, performance in the Albuquerque MSA and Greater New Mexico Non-Metropolitan AA is good.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services ***Accessibility of Delivery Systems***

WFB's distribution of branches in New Mexico full-scope AAs is excellent.

In the Albuquerque MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the MSA.

The percentage distribution of branches in low- and moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Greater New Mexico Non-Metropolitan AA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the AA.

WFB has no branches in low-income geographies in the AA. However, because the percentage of the population residing in these geographies was less than five percent of the AA population, our conclusion put more weight on performance in moderate-income geographies.

The percentage distribution of branches in moderate-income geographies is reasonably near the percentage of the population residing in these geographies and is good.

However, when considering three branches in middle- and upper-income branch locations that are in close proximity to moderate-income geographies, accessibility improves in moderate-income geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in New Mexico full-scope AAs did not affect the branch distribution in a negative or positive way.

WFB's record of opening and closing branch offices in the Albuquerque MSA did not affect the branch distribution in a negative or positive way. During the evaluation

period, WFB closed one branch throughout the assessment area resulting in a net loss of one branch in middle- income geography.

WFB did not open or close any branches in the Greater New Mexico Non-Metropolitan AA during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences certain portions of New Mexico full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences portions of the Albuquerque MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 71 percent of branches located in those geographies maintained Saturday hours, compared to 85 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Greater New Mexico Non-Metropolitan AA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 86 percent of branches located in those geographies maintained Saturday hours, compared to 52 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in New Mexico full-scope AAs.

In the Albuquerque MSA, WFB is a leader in providing CD services. WFB employees provided a total of 1,528 hours of CD Services. These hours represented 418 CD service activities that benefited 48 different organizations and amounted to almost 10 hours of CD service per branch per year.

In the Greater New Mexico Non-Metropolitan AA, WFB provided a limited level of CD services. WFB employees provided a total of 55 hours of CD services. These hours represented 34 CD service activities that benefited 17 different organizations and amounted to less than a half hour of CD service per branch per year. We considered the limited opportunities for CD Services in our evaluation of the AA.

Highlights of WFB's CD Services that benefited the New Mexico include the following:

- A WFB employee is an active participant on the board of directors of nonprofit organization with a mission to develop vibrant, prosperous neighborhoods through

the creation and stewardship of permanently affordable housing and sustainable economic opportunities.

- A WFB employee is an active participant on the Albuquerque Affordable Housing Committee. The employee advises the City on policies and activities related to affordable housing.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Farmington and Las Cruces MSAs is stronger than the bank's overall **High Satisfactory** performance in New Mexico. Performance under the Service Test in the Santa Fe MSA is weaker than the bank's overall **High Satisfactory** performance in New Mexico. Performance in limited-scope areas did not influence the Service Test performance in New Mexico.

Refer to Tables 1 - 15 in the New Mexico section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of New York Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope New York AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope New York AA.
- The distribution of WFB's borrowers reflect good penetration among borrowers of different income levels and businesses of different sizes within its full-scope New York AA..
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope New York AA.
- WFB's delivery systems are reasonably accessible to essentially all portions of its full-scope New York AA.

Description of Institution's Operations in the State of New York

Of the bank's 54 state and multistate rating areas, New York ranks 40th and accounts for 0.2 percent of total bank deposits, or \$1.9 billion as of June 30, 2012. WFB has three defined AAs in New York, which include five of the sixty-two total counties in the state. Within the state, WFB operates 21 branch offices. WFB is the 19th largest banking institution in New York with 0.9 percent of the deposit market share. Primary competitors include Manufacturers and Traders Trust Company and JP Morgan Chase Bank, NA with deposit market shares of 11.6 percent and 10.7 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of New York

Of WFB's three AAs in New York, the Nassau-Suffolk MD was selected for a full-scope review. This AA accounts for 46 percent of the bank's state deposits and is the most significant AA in the state.

LENDING TEST

WFB's Lending Test performance in New York is rated **Outstanding**. Based on a full-scope review, performance in the Nassau-Suffolk MD is excellent.

Conclusions for Areas Receiving Full-Scope Reviews Lending Activity

The level of lending activity in the New York full-scope AA is excellent. The level of lending activity in Nassau-Suffolk MD is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and a good level of activity for small loans to farms in relation to WFB's deposit market share. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the number of farm lenders in the AA.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the New York full-scope AA is adequate. In the Nassau-Suffolk MD, the overall geographic distribution of loans is adequate. The distribution is excellent for small loans to farms, good for home purchase loans, and adequate for home improvement and home refinance loans and small loans to businesses.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the New York full-scope AA is good. In the Nassau-Suffolk MD, the overall distribution of loans by borrower income is good. We initially concluded that the distribution was excellent for small loans to farms, good for home purchase and home improvement loans and small loans to businesses and adequate for refinance loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to moderately severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of refinance loans is considered good.

CD Lending

The volume and nature of the bank's CD Lending had a significantly positive effect on performance in the New York full-scope AA.

WFB's CD loans had a significantly positive effect on performance in the Nassau-Suffolk MD. WFB originated \$14.9 million in CD loans equal to 14.8 percent of

allocated Tier 1 Capital. Fifty percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA. The dollar volume of loans was considered highly responsive to identified community needs.

Highlights of WFB's CD Lending that benefited the New York full-scope AA include the following:

- In June 2012, WFB provided a \$9.7 million loan for constructing a hotel located in a moderate-income area of Central Islip, New York. The construction of the hotel is phase one in a three-phase project to revitalize and stabilize the neighborhood and will bring an estimated 30 jobs to the surrounding community.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Kingston and Poughkeepsie-Newburgh-Middletown MSAs is weaker than the bank's overall **Outstanding** performance in New York. Performance in these limited-scope assessment areas did not influence the Lending Test performance in New York.

INVESTMENT TEST

WFB's Investment Test performance in New York is rated **Outstanding**. Based on a full-scope review, performance in the Nassau-Suffolk MD is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's grant and investment volume in the Nassau-Suffolk MD is excellent. During the evaluation period, WFB made 40 grants and investments in the AA totaling \$9 million or 8.9 percent of allocated Tier 1 Capital. In addition, one prior period investment of \$8.9 million or 8.8 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments were responsive to the need for affordable housing primarily through the purchase of Fannie Mae mortgage-backed securities.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Poughkeepsie-Newburgh-Middletown MSA is not inconsistent with the bank's overall **Outstanding** performance in New York. Performance under the Investment Test in the Kingston MSA is weaker than the bank's

overall **Outstanding** performance in New York. Performance in limited-scope areas did not influence the Investment Test performance in New York.

SERVICE TEST

WFB's Service Test performance in New York is rated **Low Satisfactory**. Based on a full-scope review, performance in the Nassau-Suffolk MD is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the New York full-scope AA is adequate.

In the Nassau-Suffolk MD, WFB's distribution of branches is adequate. Delivery systems are reasonably accessible to essentially all portions of the MD.

WFB had no branches in low-income geographies. Because less than five percent of the population resides in these geographies, our conclusions relied more heavily on performance in moderate-income geographies.

The percentage distribution of branches in moderate-income geographies is well below the percentage of the population residing in these geographies and is poor.

However, when considering one branch in a middle-income branch location that is in close proximity to a moderate-income geography, accessibility improves in moderate-income geographies and is adequate.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in the New York full-scope AA did not affect the branch distribution in a negative or positive way.

WFB's record of opening and closing branch offices in the Nassau-Suffolk MD, did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB opened two and closed two branches throughout the assessment area resulting in a net gain of zero branches in middle- and upper-income geographies.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences portions of the New York full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Nassau-Suffolk MD, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours, compared to 92 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a poor level of CD services in the New York full-scope AA.

In the Nassau-Suffolk MD, WFB provided a limited level of CD services. WFB employees provided a total of 38 hours of CD services. These hours represented 13 CD service activities that benefited three different organizations but amounted to less than one hour of CD service per branch per year.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Kingston and Poughkeepsie-Newburgh-Middletown MSAs is weaker than the bank's overall **Low Satisfactory** performance in New York. Performance in limited-scope areas did not influence the Service Test performance in New York.

Refer to Tables 1 - 15 in the New York section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of North Dakota Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include the following:

- WFB's lending activities reflect excellent responsiveness to the credit needs of its full-scope North Dakota AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope North Dakota AAs.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope North Dakota AAs..
- WFB's CD lending has a positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope North Dakota AAs.
- WFB's delivery systems are accessible to limited portions of its full-scope North Dakota AAs.
- To the extent changes have been made, WFB's opening and closing of branches has not adversely affected the accessibility of it delivery systems within its full-scope North Dakota AAs..

Description of Institution's Operations in the State of North Dakota

Of the bank's 54 state and multistate rating areas, North Dakota ranks 42nd and accounts for 0.2 percent of total bank deposits, or \$1.3 billion as of June 30, 2012. WFB has 14 of the 53 total counties in the state. Within the state, WFB operates 15 branch offices. WFB is the largest banking institution in North Dakota with 9.2 percent of the deposit market share. Primary competitors include American Banking Center, and US Bank, NA with deposit market shares of 5.6 percent and 5.4 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of North Dakota

Of WFB's eight AAs in North Dakota, the Bismarck MSA and Minot Non-Metropolitan AA were selected for full-scope review. These AAs accounts for 61.2 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

WFB's Lending Test performance in North Dakota is rated **High Satisfactory**. Based on full-scope reviews, performance in the Minot Non-Metropolitan AA is excellent and in the Bismarck MSA is good.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity

The level of lending activity in North Dakota full-scope AAs is excellent.

The level of lending activity in the Bismarck MSA is excellent and is supported by an excellent level of activity for home purchase and home refinance loans and small loans to businesses, a good level of activity for small loans to farms, and an adequate level of activity for home improvement loans in relation to WFB's deposit market share.

The level of lending activity in the Minot Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in North Dakota full-scope AAs is good.

In the Bismarck MSA, the overall geographic distribution of loans is adequate. The distribution is poor for home purchase loans, adequate for home refinance loans and small loans to farms, good for home improvement loans, and excellent for small loans to businesses.

When we assessed performance in moderate-income geographies relative to the level of demand for the product as evidenced by industry wide applications in low- and moderate-income geographies in the AA, we determined that distribution of home refinance loans improved. The conclusion for home refinance loans and Bismarck geographic distribution remained the same. However, it improved the overall Bismarck

geographic distribution and improved the overall geographic distribution for North Dakota.

In the Minot Non-Metropolitan AA, the overall geographic distribution of loans is good. The distribution is excellent for home purchase loans and small loans to businesses and farms and good for home improvement and home refinance loans.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in North Dakota full-scope AAs is good.

In the Bismarck MSA, the overall distribution of loans by borrower income is good. The distribution is good for home purchase loans and small loans to businesses and farms and adequate for home improvement and home refinance loans.

In the Minot Non-Metropolitan AA, the overall distribution of loans by borrower income is adequate. The distribution is good for home purchase loans and small loans to businesses, adequate for home improvement and home refinance loans, and poor for small loans to farms.

CD Lending

The volume and nature of the bank's CD lending had a positive effect on performance in North Dakota full-scope AAs.

WFB did not originate or purchase any CD loans in the Bismarck MSA during the evaluation period.

WFB's CD loans had a significantly positive effect on performance in the Minot Non-Metropolitan AA. WFB originated \$4.7 million in CD loans equal to 16.4 percent of allocated Tier 1 Capital.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Bowman County, Dickinson, Jamestown, Northeastern North Dakota, and Trail County Non-Metropolitan AAs is not inconsistent with the bank's overall **High Satisfactory** performance in North Dakota. Performance under the Lending Test in Wahpeton Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in North Dakota. Performance in these limited-scope assessment areas did not influence the Lending Test performance in North Dakota.

INVESTMENT TEST

WFB's Investment Test performance in North Dakota is rated **Outstanding**. Based on full-scope reviews, performance is excellent in the Bismarck MSA and Minot Non-Metropolitan AA.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's grant and investment volume in the Bismarck MSA is excellent. During the evaluation period, WFB made 14 grants and investments in the AA totaling \$2.8 million or 4.4 percent of allocated Tier 1 Capital. In addition, six prior period grants and investments totaling \$3.8 or 5.3 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated an adequate level of responsiveness to the need for affordable housing primarily through investments in Fannie Mae mortgage-backed securities.

WFB's grant and investment volume in the Minot Non-Metropolitan AA is excellent. During the evaluation period, WFB made four grants and investments in the AA totaling \$2.2 million or 7.6 percent of allocated Tier 1 Capital. In addition, five prior period grants and investments totaling \$609,000 or 0.9 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated a good level of responsiveness to the need for affordable housing identified in the AA.

Highlights of WFB's grants and investments that benefited the North Dakota full-scope AAs include the following:

- In February 2012, WFB invested \$2.2 million in the Minot Place Townhomes located in Minot, North Dakota. This investment was part of a \$15 million investment in a low-income housing tax credit fund.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Jamestown Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance in North Dakota. Performance under the Investment Test in the Bowman County, Dickinson, Northeastern North Dakota, Trail County, and Wahpeton Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance in North Dakota.

Performance in limited-scope areas did not influence the Investment Test performance in North Dakota.

SERVICE TEST

WFB's Service Test performance in North Dakota is rated **Low Satisfactory**. Based on full-scope reviews, performance is poor in the Bismarck MSA and good in the Minot Non-Metropolitan.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in North Dakota full-scope AAs is poor.

In the Bismarck MSA, WFB's distribution of branches is very poor. Delivery systems are inaccessible to significant portions of the MSA.

WFB has no branches in low-income geographies in the AA. However, because less than five percent of the MSA population resides in these geographies, our conclusions were weighted on performance in moderate-income geographies. Distribution of branches in moderate-income geographies is very poor. There are no branches in moderate-income geographies.

In the Minot Non-Metropolitan AA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the AA.

WFB has no branches in low-income geographies in the AA. However, because less than five percent of the MSA population resides in these geographies, our conclusions were weighted on performance in moderate-income geographies. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in North Dakota full-scope AAs did not affect the branch distribution in a negative or positive way.

WFB did not open or close any branches in the Bismarck MSA and Minot Non-Metropolitan AA during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours vary in a way that inconveniences portions of North Dakota full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB does not have branches in low- or moderate-income geographies in the Bismarck MSA. Nearly 12,000 persons live in low- and moderate-income geographies in the MSA. WFB's branch operating hours are poor and vary in a way that inconveniences portions of the

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Minot Non-Metropolitan AA, particularly low- and moderate-income geographies and individuals. Fifty percent of branches located in low- and moderate-income geographies, maintained Saturday hours, compared to 50 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an excellent level of CD services in North Dakota full-scope AAs.

In the Bismarck MSA, WFB is a leader in providing CD services. WFB employees provided a total of 278 hours of CD services. These hours represented 33 CD service activities that benefited 10 different organizations and amounted to slightly more than 16 hours of CD service per branch per year.

In the Minot Non-Metropolitan AA, WFB provides an adequate level of CD services. WFB employees provided a total of 19 hours of CD services. These hours represented 10 different CD service activities that benefited three different organizations and amounted to just over one hour of CD service per branch per year. We considered the limited opportunities for CD services in our evaluation.

Highlights of WFB's CD services that benefited North Dakota include the following:

- A WFB employee provides financial expertise and reviews housing applications for a nonprofit organization with the mission of providing affordable housing and development opportunities to revitalize communities and improve the standard of living and quality of life for North Dakotans.
- A WFB employee provides financial expertise to the board of directors of a local economic development association with a small business focus.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in Bowman County, Dickinson, Jamestown, Northeastern Trail County, and Wahpeton Non-Metropolitan AAs is stronger than the bank's overall **Low Satisfactory** performance in North Dakota. Performance in limited-scope areas did not influence the Service Test performance in North Dakota.

Refer to Tables 1 - 15 in the North Dakota section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Ohio Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Low Satisfactory
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Ohio AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Ohio AA.
- The distribution of WFB's borrowers reflects excellent penetration among borrowers of different income levels and businesses of different sizes within its full-scope Ohio AA.
- WFB has an adequate level of qualified CD investments and grants within its full-scope Ohio AA.
- WFB's delivery systems are reasonably accessible to essentially all portions of its full-scope Ohio AA.

Description of Institution's Operations in the State of Ohio

Of the bank's 54 state and multistate rating areas, Ohio ranks fifty-third and accounts for 0.01 percent of total bank deposits, or \$70 million as of June 30, 2012. WFB has two defined AAs in Ohio, which include six of the 88 counties in Ohio. Within the state, WFB operates two branch offices. WFB is the 176th largest banking institution in Ohio with 0.03 percent of the deposit market share. However, in Van Wert County where WFB has its only full service branch in Ohio, WFB is the fourth largest bank with 14.13 of the deposit market share.

Primary competitors in Van Wert County include Van Wert Federal Savings Bank and First Federal Savings and Loan Association of Van Wert with deposit market shares of 21.2 percent and 20.5 percent, respectively. In the Cleveland-Elyria MSA, WFB operates a private banking office that is licensed as a branch and therefore included in the bank's performance evaluation. The branch does not accept deposits from the public and consequently has no Tier 1 Capital allocated to it.

We considered performance context factors in our evaluation of CD investments and geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

LENDING TEST

WFB's Lending Test performance in Ohio is rated **High Satisfactory**. Based on a full-scope review, performance in the Van Wert Non-Metropolitan AA is good.

Conclusions for Areas Receiving Full-Scope Reviews **Lending Activity**

The level of lending activity in the Ohio full-scope AA is excellent. The level of lending activity in Van Wert Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase loans, home refinance loans, and small loans to businesses and farms in relation to WFB's deposit market share. However, the level of activity was poor for home improvement loans in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Ohio full-scope AA is good.

In the Van Wert Non-Metropolitan AA, the overall geographic distribution of loans is good. The distribution was excellent for home purchase loans, good for home improvement loans and small loans to businesses, poor for home refinance loans, and very poor for small loans to farms.

When we assessed lending in low- and/or moderate-income geographies relative to severe economic conditions affecting the AA and credit demand as indicated by HMDA applications,, we determined that distribution of home refinance loans improved. Although the conclusion for home refinance loans remained the same, it improved the overall Van Wert Non-Metropolitan AA geographic distribution and improved the overall geographic distribution for Ohio.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Ohio full-scope AA is excellent. In the Van Wert Non-Metropolitan AA, the overall distribution of loans by borrower income is excellent. The distribution is excellent for home purchase loans and small loans to businesses, good for home improvement and home refinance loans, and poor for small loans to farms.

When we assessed lending in low- and/or moderate-income geographies relative to severe economic conditions affecting the AA and credit demand as indicated by HMDA applications,, we determined that distribution of home refinance loans improved. Although the conclusion for home refinance loans remained the same, it improved the

overall Van Wert Non-Metropolitan AA borrower distribution and improved the overall borrower distribution for Ohio.

CD Lending

WFB did not originate any CD loans in the Ohio full-scope AA or statewide.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Cleveland-Elyria-Mentor MSA was not inconsistent with the bank's overall **High Satisfactory** performance in Ohio. Performance in the limited-scope assessment area did not influence the Lending Test performance in Ohio.

INVESTMENT TEST

WFB's Investment Test performance in Ohio is rated **Low Satisfactory**. Based on a full-scope review, performance in the Van Wert Non-Metropolitan AA is very poor.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's grant and investment volume in the Van Wert Non-Metropolitan AA is adequate.

During the evaluation period, WFB made two grants in the AA totaling \$1,400 or 0.02 percent of allocated Tier 1 Capital. In addition to the investments and grants made in the AA, WFB has one ongoing qualified investment that originated in a prior period. The investment totals \$2.6 million or 33 percent of allocated Tier 1 Capital and provides continuing benefit to the entire state including the AA.

We considered the limited opportunities for investment in the Van Wert Non-Metropolitan AA in our assessment of investment test performance.

Highlights of WFB's grants and investments that benefited the Ohio full-scope AA include:

- In December 2007, WFB invested \$5 million in the Ohio Equity Fund for Housing XVII, sponsored by the Ohio Capital Corporation for Housing. This organization provides funding for affordable housing projects located throughout the state of Ohio. WFB's investment was used to help provide for construction or rehabilitation of over 2,000 units of affordable housing for low- and moderate-income residents.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Cleveland-Elyria-Mentor MSA was not inconsistent with the bank's overall **Low Satisfactory** performance in Ohio.

SERVICE TEST

WFB's Service Test performance in Ohio is rated **Low Satisfactory**. Based on a full-scope review, performance in the Van Wert Non-Metropolitan AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Ohio full-scope AA is adequate.

In the Van Wert Non-Metropolitan AA, WFB's distribution of branches is adequate. Delivery systems are reasonably accessible to essentially all portions of the AA. WFB has only one branch in the AA, which is located in a middle-income geography. The AA has no low-income geographies and the moderate-income geographies comprise 12.4 percent of the area's population. An important contextual issue is the geographic size of Van Wert County. The branch is located in the city of Van Wert, which is centrally located within the county. This branch is within two miles of the AA's only moderate-income geography.

Changes in Branch Location

There were no branch openings or closings in the Ohio full-scope AA.

Reasonableness of Business Hours and Services

WFB's branch hours and services do not vary in a way that inconveniences portions of the Ohio full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours do not vary in a way that inconveniences portions of the Van Wert Non-Metropolitan AA. See the discussion under the Accessibility of Delivery Systems section for contextual information regarding the location of WFB's branch.

CD Services

WFB provided a limited level of CD services in the Ohio full-scope AA.

In the Van Wert Non-Metropolitan AA, WFB provides a limited level of CD services. WFB employees provided a total of one hour of CD services. This amounted to less than a half hour of CD service per year during the evaluation period. We considered the limited CD opportunities in the AA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in Cleveland-Elyria-Mentor MSA was weaker than the bank's overall **Low Satisfactory** performance in Ohio. Performance in limited-scope areas influenced the Service Test performance in Ohio.

Refer to Tables 1 - 15 in the Ohio section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Oregon Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Oregon AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Oregon AAs.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Oregon AAs.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Oregon AAs.
- WFB's delivery systems are reasonably accessible to essentially all portions of its full-scope Oregon AAs.

Description of Institution's Operations in the State of Oregon

Of the bank's 54 state and multistate rating areas, Oregon ranks 32nd and accounts for 0.40 percent of total bank deposits, or \$3.4 billion as of June 30, 2012. WFB has nine defined AAs in Oregon, which include 23 out of 36 total counties in the state. Within the state, WFB operates 60 branches. WFB is the second largest banking institution in Oregon with 13.7 percent of the deposit market share. Primary competitors include US Bank, NA and Umpqua Bank, with deposit market shares of 15.5 percent and 13.5 percent, respectively.

CD lending and investment opportunities state-wide in Oregon were constrained by the downturn in the economy. The nonprofit organizations that are the developers on most CD projects throughout the state suffered significant financial hardship when anticipated revenue from federal, state, and local entities was cut back as a result of falling tax revenues. Without the money to cover basic expenses and predevelopment costs, these organizations were unable to create viable lending and investment opportunities at prerecession levels. Although most states were faced with budget shortfalls, the situation was particularly severe in Oregon.

In addition, we considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Oregon

Of WFB's nine AAs in Oregon, the Eugene-Springfield and Salem MSAs and Southwestern Oregon Non-Metropolitan AA were selected for full-scope review. These AAs account for 53.0 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

WFB's Lending Test performance in Oregon is rated **Outstanding**. Based on full-scope reviews, performance in the Eugene-Springfield and Salem MSAs and the Southwestern Oregon Non-Metropolitan AA is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity

The level of lending activity in Oregon full-scope AAs is excellent.

The level of lending activity in Eugene-Springfield MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and a good level of activity for small loans to farms in relation to WFB's deposit market share.

The level of lending activity in Salem MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share.

The level of lending activity in Southwestern Oregon Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Oregon full-scope AAs is good.

In the Eugene-Springfield MSA, the overall geographic distribution of loans is good. The distribution is excellent for home purchase loans and small loans to businesses,

good for home refinance loans, poor for home improvement loans, and very poor for small loans to farms.

In the Salem MSA, the overall geographic distribution of loans is good. The distribution is excellent for home purchase loans, good for home improvement and home refinance loans and small loans to businesses, and very poor for small loans to farms.

In the Southwestern Oregon Non-Metropolitan AA, the overall geographic distribution of loans is excellent. The distribution is excellent for home purchase and home improvement loans and small loans to businesses and farms and good for home refinance loans.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Oregon full-scope AAs is good.

In the Eugene-Springfield MSA, the overall distribution of loans by borrower income is good. We initially concluded that the distribution was excellent for small loans to businesses, good for home purchase and home improvement loans and small loans to farms, and adequate for home refinance loans.

However, when we assessed lending to low- and/or moderate-income borrowers relative to severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved for home purchase and refinance loans. Although our conclusion remained the same for home purchase loans, distribution of refinance loans is now considered good.

In the Salem MSA, the overall distribution of loans by borrower income is good. The distribution is excellent for small loans to businesses, good for home purchase and home improvement loans and small loans to farms, and adequate for home refinance loans.

When we assessed lending to low- and/or moderate-income borrowers relative to severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved for home purchase and refinance loans. However, our conclusion remained the same for home purchase loans and refinance loans.

In the Southwestern Oregon Non-Metropolitan AA, the overall distribution of loans by borrower income is good. The distribution was excellent for small loans to businesses, good for home purchase loans and small loans to farms, and adequate for home improvement and home refinance loans.

When we assessed lending to low- and/or moderate-income borrowers relative to moderately severe economic conditions affecting the AA, credit demand as indicated by HMDA applications, and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved for home purchase and refinance loans. Although our conclusion remained the same for home purchase and refinance loans, overall borrower distribution in the AA improved.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in Oregon full-scope AAs. In addition, when we considered performance context factors that limited opportunities for CD lending, we determined the level of CD lending was sufficient to have a significantly positive effect on lending performance overall.

WFB's CD loans had a significantly positive effect on performance in the Eugene-Springfield MSA. WFB originated \$7.8 million in CD loans equal to 10.3 percent of allocated Tier 1 Capital. Eighty percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

WFB's CD loans had a positive effect on performance in the Salem MSA. WFB originated \$4.3 million in CD loans equal to 5.2 percent of allocated Tier 1 Capital.

WFB's CD loans had a significantly positive effect on performance in the Southwestern Oregon Non-Metropolitan AA. WFB originated \$12 million in CD loans equal to 27.9 percent of allocated Tier 1 Capital. Seventy-one percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Oregon full-scope AAs include the following:

- In June 2011, WFB provided a \$6.4 million loan for the construction of a 56-unit LIHTC affordable housing development in Eugene, Oregon. This limited partnership is an affiliate of a nonprofit Community Housing Development Organization whose mission is to improve the quality of life for people living on limited incomes. They are currently the leader in providing affordable housing options for low-income Oregonians.
- In November 2009, WFB provided a \$5 million loan for the purpose of funding the construction of a 36-unit LIHTC affordable housing complex located in a moderate-income census tract in Klamath Falls, Oregon. This limited liability company is an

affiliate of an organization that specializes in affordable housing consulting and development.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Bend and Medford MSAs and Coastal Oregon and Eastern Oregon Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance in Oregon. Performance under the Lending Test in Corvallis MSA and the Northern Oregon Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance in Oregon. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Oregon.

INVESTMENT TEST

WFB's Investment Test performance in Oregon is rated **Outstanding**, performance in the Eugene-Springfield and Salem MSA and Southwestern Oregon Non-Metropolitan AA is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's grant and investment volume in the Eugene-Springfield MSA is excellent. During the evaluation period, WFB made 23 grants and investments in the AA totaling \$8.7 million or 11.5 percent of allocated Tier 1 Capital. In addition, four prior period grants and investments totaling \$1.4 million or 1.8 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated an excellent level of responsiveness to the need for affordable housing identified in the AA.

WFB's grant and investment volume in the Salem MSA is excellent. During the evaluation period, WFB made 16 grants and investments in the AA totaling \$15.4 million or 18.6 percent of allocated Tier 1 Capital. In addition, five prior period grants and investments totaling \$2.5 million or 3.0 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated an excellent level of responsiveness to the need for affordable housing and neighborhood revitalization identified in the AA.

WFB's grant and investment volume in the Southwestern Oregon Non-Metropolitan AA is excellent. During the evaluation period, WFB made nine grants and investments in

the AA totaling \$15.9 million or 36.9 percent of allocated Tier 1 Capital. In addition, 10 prior period grants and investments totaling \$4.9 million or 11.4 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

WFB's grants and investments demonstrated an excellent level of responsiveness to the need for affordable housing and neighborhood revitalization and stabilization identified in the AA.

Highlights of WFB's grants and investments that benefited Oregon include the following:

- In April 2012, WFB invested \$250,000 through an EQ2 in Saint Vincent De Paul of Lane County, a nonprofit multifamily developer located in Eugene, Oregon. The funds were used for predevelopment working capital associated with the acquisition, rehabilitation, and new construction of rental apartments for low- and moderate-income families, elderly, and physically/developmentally disabled persons in Lane County, Oregon.
- In February 2009, WFB invested \$200,000 through a NMTC in the Farmworker Housing Development Corporation. WFB's investment was used for general predevelopment of affordable housing projects.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Medford MSA and Eastern Oregon and Northern Oregon Non-Metropolitan AAs is not inconsistent with the bank's overall **Outstanding** performance in Oregon. Performance under the Investment Test in Bend and Corvallis MSAs and the Coastal Oregon Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance in Oregon. Performance in limited-scope areas did not influence the Investment Test performance in Oregon.

SERVICE TEST

WFB's Service Test performance in Oregon is rated **High Satisfactory**. Based on full-scope reviews, performance in the Eugene-Springfield and Salem MSAs is good and in the Southwestern Oregon Non-Metropolitan AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Oregon full-scope AAs is excellent.

In the Eugene-Springfield MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the MSA.

WFB has no branches in low-income geographies in the AA. However, because less than five percent of the MSA population resides in these geographies, our conclusions were weighted on performance in moderate-income geographies. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Salem MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the MSA.

WFB has no branches in low-income geographies in the AA. However, because less than five percent of the MSA population resides in these geographies, our conclusions were weighted on performance in moderate-income geographies. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

When giving consideration to one branch location that is in close proximity to a moderate-income geography, accessibility improves in moderate-income geographies.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Southwestern Oregon Non-Metropolitan AA, WFB's distribution of branches is good. Delivery systems are accessible to essentially all portions of the AA.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

There were no branches in moderate-income geographies and distribution was very poor. However, when giving consideration to one branch location that is in close

proximity to a moderate-income geography, accessibility improves in moderate-income geographies and is poor.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in Oregon full-scope AAs did not affect the branch distribution in a negative or positive way

WFB did not open or close any branches in the Eugene-Springfield MSA and Southwestern Oregon Non-Metropolitan AA during the evaluation period.

WFB's record of opening and closing branches in the Salem MSA did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB closed one branch throughout the assessment area resulting in a net loss of one branch in a middle-income geography.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences certain portions of full-scope AAs in Oregon, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Eugene-Springfield MSA, particularly low- and moderate-income geographies and individuals in low- and moderate-income geographies. One hundred percent of branches located in those geographies maintained Saturday hours, compared to 100 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Salem MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours, compared to 100 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portion of Eugene-Springfield MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours, compared to 80 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a very poor level of CD services in Oregon full-scope AAs.

In the Eugene-Springfield MSA, WFB provided few CD services. WFB employees provided a total of 16 hours of CD services. These hours represented four CD services activities that benefited three different organizations, but amounted to less than a half hour of CD services per branch per year.

In the Salem MSA, WFB provided few CD services. WFB employees provided a total of 27 hours of CD services. These hours represented eight different CD service activities that benefited six different organizations, but amounted to less than a half hour of CD services per branch per year.

In the Southwestern Oregon Non-Metropolitan AA, WFB provided few CD services. WFB employees provided a total of two hours of CD services. These hours represented one CD service activity that benefited one organization.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Bend and Medford MSAs and the Eastern Oregon and Northern Oregon Non-Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance in Oregon. Performance under the Service Test in Coastal Oregon Non-Metropolitan AA and Corvallis MSA is weaker than the bank's overall **High Satisfactory** performance in Oregon. Performance in limited-scope areas did not influence the Service Test performance in Oregon.

Refer to Tables 1 - 15 in the Oregon section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of South Carolina Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope South Carolina AAs.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope South Carolina AAs.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope South Carolina AAs.
- WFB's CD lending has a neutral effect on Lending Test performance.
- WFB has a good level of qualified CD investments and grants in its full-scope South Carolina AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope South Carolina AAs.
- WFB provided a limited level of CD services in its full-scope South Carolina AAs.
- WFB's business hours do not vary in a way that inconveniences portions of its full-scope South Carolina AAs.

Description of Institution's Operations in the State of South Carolina

Of the bank's 54 state and multistate rating areas, South Carolina ranks 18th and accounts for 1.4 percent of total bank deposits, or \$11.5 billion as of June 30, 2012. WFB has 12 defined AAs in South Carolina, which includes 37 out of 46 counties and MSAs in the state. Within the state, WFB operates 132 branches. WFB is the largest banking institution in South Carolina with 18.1 percent of the deposit market share. Primary competitors include Bank of America, and Branch Banking and Trust Company, with deposit market shares of 13.5 percent and 10.0 percent, respectively.

Because WFB's branches in South Carolina have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services. We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of South Carolina

Of WFB's 12 AAs in South Carolina, the Charleston-North Charleston-Summerville, Columbia, and Greenville-Mauldin-Easley MSAs were selected for full-scope review. These AAs account for 69.5 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in South Carolina is rated **High Satisfactory**. Based on full-scope reviews, performance in the Charleston-North Charleston-Summerville and Greenville-Mauldin-Easley MSAs is adequate and in the Columbia MSA is good.

Lending Activity

The level of lending activity in South Carolina full-scope AAs is excellent.

The level of lending activity in the Charleston-North Charleston-Summerville MSA is excellent, and is supported by an excellent level of activity for home purchase and home refinance loans and small loans to farms, a good level of activity for small loans to businesses, and an adequate level of activity for home improvement loans in relation to WFB's deposit market share percentage or ranking. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

The level of lending activity in the Columbia MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans, and an adequate level of activity for small loans to businesses and farms in relation to WFB's deposit market share percentage or ranking.

The level of lending activity in Greenville-Mauldin-Easley MSA is excellent and is supported by an excellent level of activity for home purchase and home refinance loans and small loans to farms, a good level of activity for small loans to businesses, and an adequate level of activity for home improvement loans in relation to WFB's deposit market share percentage or ranking. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in South Carolina full-scope AAs is adequate.

In the Charleston-North Charleston-Summerville MSA, the overall geographic distribution of loans is adequate. We initially concluded that the distribution was poor for home purchase, home improvement, and refinance loans, excellent for small loans to farms, and good for small loans to businesses.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of refinance loans is adequate.

In the Columbia MSA, the overall geographic distribution of loans is adequate. We initially concluded that the distribution was poor for home purchase and refinance loans, excellent for small loans to farms, and good for home improvement and small loans to businesses.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications in the AA, performance improved and distribution of home purchase loans was adequate.

In the Greenville-Mauldin-Easley MSA, the overall geographic distribution of loans is adequate. We initially concluded that the distribution was adequate for home purchase and home improvement loans, excellent for small loans to businesses and small loans to farms, and poor for refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA and credit demand as indicated by HMDA applications, performance improved and distribution of home purchase loans was good. In addition, the overall geographic distribution of loans in the Greenville-Mauldin-Easley MSA was revised and is now adequate.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in South Carolina full-scope AAs is good.

In the Charleston-North Charleston-Summerville MSA, the overall distribution of loans by borrower income is good. The distribution is good for home purchase, home improvement, and small loans to businesses, excellent for small loans to farms, and adequate for refinance loans.

In the Columbia MSA, the overall distribution of loans by borrower income is good. The distribution is good for home improvement, refinance, and small loans to businesses, and excellent for home purchase and small loans to farms.

In the Greenville-Mauldin-Easley MSA, the overall distribution of loans by borrower income is good. The distribution is good for home purchase, home improvement, and small loans to businesses, excellent for small loans to farms, and adequate for refinance loans.

CD Lending

The volume and nature of the bank's CD lending had a neutral effect on performance in South Carolina full scope-AAs.

WFB's CD loans had a neutral effect on performance in the Charleston-North Charleston-Summerville MSA. During the evaluation period, WFB originated \$6.0 million in CD loans equal to 2.5 percent of allocated Tier 1 Capital. Thirty-three percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

WFB's CD loans had a neutral effect on performance in the Columbia MSA. During the evaluation period, WFB originated \$1.5 million in CD loans equal to 0.32 percent of allocated Tier 1 Capital. One hundred percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

WFB's CD loans had a neutral effect on performance in the Greenville-Mauldin-Easley MSA. During the evaluation period, WFB originated \$7.5 million in CD loans equal to 3.8 percent of allocated Tier 1 Capital.

Highlights of WFB's CD lending that benefited South Carolina full-scope AAs include the following:

- WFB, through the renewal of a revolving line of credit, provided the working capital needed by an affordable housing organization to fund their goal of providing financing for the production and preservation of affordable housing.
- Support was provided to an economic development organization, through the bank's renewal of a line of credit, which provides financing to small businesses throughout South Carolina

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Anderson, Florence, and Spartanburg MSAs and Oconee County, Northwestern South Carolina, and Southern South Carolina Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in South Carolina. Performance under the Lending Test in the Myrtle Beach-North Myrtle Beach-Conway and Sumter MSAs and Northeastern South Carolina Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in South Carolina. Performance in these limited-scope assessment areas did not influence the Lending Test performance in South Carolina.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in South Carolina is rated **High Satisfactory**. Based on full-scope reviews, performance in the Greenville-Mauldin-Easley MSA is excellent and in the Charleston-North Charleston-Summerville and Columbia MSAs is adequate.

WFB's grant and investment volume in the Charleston-North Charleston-Summerville MSA is adequate. During the evaluation period, WFB made 57 grants and investments in the AA totaling \$5.1 million or 2.2 percent of allocated Tier 1 Capital. In addition, four prior period grants and investments totaling \$3.3 million or 1.4 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. Our conclusions considered the shortened evaluation period for this AA.

WFB's grants and investments demonstrated an adequate level of responsiveness to the need identified in the AA for affordable housing.

WFB's grant and investment volume in the Columbia MSA is adequate. During the evaluation period, WFB made 52 grants and investments in the AA totaling \$9.8 million or 2.1 percent of allocated Tier 1 Capital. In addition, four prior period grants and investments totaling \$6.1 million or 1.3 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments demonstrated an adequate level of responsiveness to the needs identified in the AA for affordable housing and economic development. Affordable housing needs were met primarily through investments in mortgage-backed securities.

WFB's grant and investment volume in the Greenville-Mauldin-Easley MSA is excellent. During the evaluation period, WFB made 34 current period investments and grants in the AA totaling \$2.9 million or 1.5 percent of allocated Tier 1 Capital. In addition, eight prior period grants and investments totaling \$17.8 million or 9.1 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments demonstrated an adequate level of responsiveness to the need identified in the AA for affordable housing.

Highlights of WFB's grants and investments that benefited South Carolina full-scope AAs include the following:

- WFB provided investment funds to an affordable housing organization to help finance the organization's loan pool, which is used to provide financing for affordable housing developments through the assessment area.
- Though an investment, WFB provided funds to an affordable housing organization that were used to fund the predevelopment expenses associated with rental housing developments offered to families earning less than 80 percent of the assessment area's median income.
- WFB invested in an affordable housing organization's multi-family housing project that helped in the creation or preservation of approximately 3,000 affordable housing units in the Columbia MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Spartanburg MSA and Northeastern and Southern South Carolina Non-Metropolitan AA is stronger than the bank's overall **High Satisfactory** performance in South Carolina. Performance under the Investment Test in Anderson, Florence, Myrtle Beach-North Myrtle Beach-Conway, and Sumter MSAs and Northwestern South Carolina and Oconee County Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in South Carolina. Performance in limited-scope areas did not influence the Investment Test performance in South Carolina.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in South Carolina is rated **High Satisfactory**. Based on full-scope reviews, performance in the Charleston-North Charleston-Summerville, Columbia, and Greenville-Mauldin-Easley MSA is good.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in South Carolina full-scope AAs is excellent. In the Charleston-North Charleston-Summerville MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the institution's assessment area.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is near to the percentage of the population residing in these geographies. However, when considering three moderate-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in moderate-income geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Columbia MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the institution's assessment area.

WFB has no branches in low-income geographies in the AA. However, because less than five percent of the MSA population resides in these geographies, our conclusions were weighted on performance in moderate-income geographies. The percentage distribution of branches in moderate-income geographies is near to the percentage of the population residing in these geographies and is good. WFB did not have branches in low-income census tracts, and these census tracts represented less than five percent of the total population in the assessment area, therefore our evaluation was weighted toward performance in the moderate-income census tracts. However, when considering six moderate-income branch locations that are in close proximity to moderate-income geographies, accessibility improves in moderate-income geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Greenville-Mauldin-Easley MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the institution's assessment area.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies is near to the percentage of the population residing in these geographies and is good. However, when considering one low-income and three moderate-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in moderate-income geographies and is excellent.

WFB's ATM network offers a good alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in South Carolina full-scope AAs did not affect the branch distribution in a negative or positive way. WFB did not open or close any branches in the Charleston-North Charleston-Summerville, Columbia, or Greenville-Mauldin-Easley MSAs during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services do not vary in a way that inconveniences portions of South Carolina full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Charleston-North Charleston-Summerville MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 50 percent of branches located in those geographies maintained Saturday hours, compared to 28 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Columbia MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 33 percent of

branches located in those geographies maintained Saturday hours, compared to 50 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Greenville-Mauldin-Easley MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 50 percent of branches located in those geographies maintained Saturday hours, compared to 39 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a poor level of CD services in South Carolina full-scope AAs. In the Charleston-North Charleston-Summerville MSA, WFB provides a poor level of CD services. WFB employees provided a total of 95 hours of CD services. These hours represented 29 CD service activities that benefited 21 different organizations and amounted to less slightly less than one and a half hours of CD service per branch per year. Three services were considered highly responsive to identified community needs.

In the Columbia MSA, WFB provides an adequate level of CD services. WFB employees provided a total of 178 hours of CD services. These hours represented 60 CD service activities that benefited 22 different organizations and amounted to slightly less than two and a half hours of CD service per branch per year.

In the Greenville-Mauldin-Easley MSA, WFB provides few CD services. WFB employees provided a total of 22 hours of CD services. These hours represented 12 CD services activities that benefited nine different organizations, but amounted to less than a half hour of CD services per branch per year.

Highlights of WFB's CD services that benefited South Carolina include the following:

- A WFB employee serves on the board of a community services organization that raises and pools capital from public and private investments to create a revolving loan fund that finances critically needed CD projects in the Charleston-North Charleston-Summerville MSA.
- As a board member and treasurer, a WFB employee provides financial assistance to an affordable housing organization that works to create and preserve quality, affordable housing in the Columbia MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Myrtle Beach-North Myrtle Beach-Conway MSA and Northwestern South Carolina and Oconee County AAs is not inconsistent with the bank's overall **High Satisfactory** performance in South Carolina. Performance

under the Service Test in the Anderson, Florence, Spartanburg, and Sumter MSAs and Northeastern South Carolina Non-Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance in South Carolina. Performance under the Service Test in the Southern South Carolina Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in South Carolina. Performance in limited-scope areas did not influence the Service Test performance in South Carolina.

Refer to Tables 1 - 15 in the South Carolina section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of South Dakota Rating

CRA rating for the state: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope South Dakota AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope South Dakota AAs.
- The distribution of WFB's borrowers reflect good penetration among borrowers of different income levels and businesses of different sizes within its full-scope South Dakota AAs.
- WFB's CD lending has a neutral effect on Lending Test performance.
- WFB has good level of qualified CD investments and grants within its full-scope South Dakota AAs.
- WFB's delivery systems are readily accessible to all portions of its full-scope South Dakota AAs.
- WFB's branch hours do not vary in a way that inconveniences portions of its full-scope South Dakota AAs, particularly low- and moderate-income geographies and individuals.

Description of Institution's Operations in the State of South Dakota

Of the bank's 54 state and multistate rating areas, South Dakota ranks third and accounts for 8.8 percent of total bank deposits, or \$74.4 billion as of June 30, 2012. WFB has seven defined AAs in South Dakota, which include 37 of the 66 counties in the state.

Within the state, WFB operates 47 branch offices. WFB is the second largest banking institution in South Dakota with 23.6 percent of the deposit market share. Citibank, NA has the largest deposit market share with 70.4 percent of deposits reported in the state. However, both Citibank and WFB are headquartered in South Dakota, and a significant amount of their deposits do not originate from within the state. It is estimated that 96 percent of the deposits attributed to WFB in South Dakota do not originate from the state.

We have taken the significant level of unaffiliated deposits into consideration when assessing the performance of WFB within South Dakota and in assessing the contribution of the state rating to the overall bank rating. Without the unaffiliated

deposits, we estimate that South Dakota would be the twenty-eighth largest of WFB's 54 rating areas. Primary competitors with actual banking operations include Great Western Bank and Dakota Bank with deposit market shares of 0.5 percent and 0.4 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of South Dakota

Of WFB's seven AAs in South Dakota, the Sioux Falls MSA and Greater South Dakota Non-Metropolitan AA were selected for full-scope review. These AAs accounts for 80.3 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in South Dakota is rated **High Satisfactory**. Based on full-scope reviews, performance in the Sioux Falls MSA and Greater South Dakota Non-Metropolitan AA is good.

Lending Activity

The level of lending activity in South Dakota full-scope AAs is excellent. The level of lending activity in Greater South Dakota Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase loans, home refinance loans, and small loans to businesses and farms and a good level of activity for home improvement loans in relation to WFB's deposit market share.

The level of lending activity in the Sioux Falls MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in South Dakota full-scope AAs is good.

In the Greater South Dakota Non-Metropolitan AA, the overall geographic distribution of loans is good. We initially concluded that the distribution was adequate for home

purchase and home improvement loans and small loans to businesses and farms and poor for refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of refinance loans should be considered good.

In the Sioux Falls MSA, the overall geographic distribution of loans is good. We initially concluded that the distribution was poor for home purchase, home improvement and home refinance loans and excellent for small loans to businesses and farms.

However, when we assessed lending in low- and/or moderate-income geographies relative to the credit demand as indicated by HMDA applications and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase and home refinance loans is considered adequate.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in South Dakota full-scope AAs is good.

In the Greater South Dakota Non-Metropolitan AA, the overall distribution of loans by borrower income is adequate. The distribution is good for home purchase loans, adequate for home improvement loans, and poor for home refinance loans.

In the Sioux Falls MSA, the overall distribution of loans by borrower income is good. The distribution is excellent for home purchase loans, good for home improvement loans, and adequate for home refinance loans.

CD Lending

The volume and nature of the bank's CD lending had a neutral effect on performance in South Dakota full-scope AAs.

WFB's \$4.3 million in CD loans had a neutral effect on performance in the Greater South Dakota Non-Metropolitan AA. Seventeen percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

WFB's \$7.5 million in CD loans had a neutral effect on performance in the Sioux Falls MSA. Seventy percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited South Dakota full-scope AAs include the following:

- In November 2012, WFB provided a \$2.8 million loan for the purpose of acquiring and rehabilitating a 50-unit senior LIHTC affordable housing complex located in Watertown, South Dakota. This limited liability company is acquiring and rehabilitating a 50-unit senior affordable housing complex in Watertown, South Dakota. The complex is currently encumbered by a Section 8 HAP contract and the sponsor is seeking LIHTC financing.
- In September 2009, WFB provided a \$2.5 million loan for the purpose of providing construction financing for a 64-unit LIHTC affordable housing development located in Sioux Falls, South Dakota. This limited partnership is an affiliate of an organization that is the most experienced developer of LIHTC housing in the state.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Mitchell, Western South Dakota, and Yankton-Vermillion Non-Metropolitan AAs is not inconsistent with the bank's overall **High Satisfactory** performance in South Dakota. Performance under the Lending Test in the Rapid City MSA and Fall River County Non-Metropolitan AAs is weaker than with the bank's overall **High Satisfactory** performance in South Dakota. Performance in these limited-scope assessment areas did not influence the Lending Test performance in South Dakota.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in South Dakota is rated **High Satisfactory**. Based on full-scope reviews, performance in the Greater South Dakota Non-Metropolitan AA is excellent and in the Sioux Falls MSA is adequate.

WFB's grant and investment volume in the Greater South Dakota Non-Metropolitan AA is excellent. During the evaluation period, WFB made 25 grants and investments in the AA totaling \$8.4 million or 6.2 percent of allocated Tier 1 Capital. In addition, five prior period grants and investments totaling \$2.5 million or 1.5 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments demonstrated a good level of responsiveness to the need identified in the AA for affordable housing.

WFB's grant and investment volume in the Sioux Falls MSA is adequate. During the evaluation period, WFB made 45 grants and investments in the AA totaling \$6.2 million or 0.08 percent of allocated Tier 1 Capital. In addition, four prior period grants and investments totaling \$1.5 million or 0.02 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating.

Stating the level of investments as a percent of Tier 1 Capital allocated to the AA is somewhat misleading in the Sioux Falls MSA because Tier 1 Capital is allocated as a percentage of FDIC deposits associated with the AA. Because Sioux Falls is the headquarters for WFB, a significant volume of deposits are a result of corporate accounting and do not reflect consumer and commercial accounts in the Sioux Falls AA. Our assessment of investment performance considered the level of grants and investments relative to the WFB's operations serving the banking needs of the Sioux Falls MSA.

Highlights of WFB's grants and investments that benefited South Dakota full-scope AAs include the following:

- In July 2010, WFB invested \$250,000 in Northeast South Dakota Economic Corporation. The investment was used to provide loan capital for funding first mortgages and home rehabilitation loans. Northeast South Dakota Economic Corporation is a non-profit organization and CD Financial Institution based in Sisseton, South Dakota.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Yankton-Vermillion Non-Metropolitan AA is stronger than the bank's overall **High Satisfactory** performance in South Dakota. Performance under the Investment Test in the Rapid City MSA and Fall River County, Mitchell, and Western South Dakota Non-Metropolitan AAs is weaker than the bank's overall **High Satisfactory** performance in South Dakota. Performance in limited-scope areas did not influence the Investment Test performance in South Dakota.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in South Dakota is rated **High Satisfactory**. Based on full-scope reviews, performance in the Greater South Dakota Non-Metropolitan AA and the Sioux Falls MSA is good.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in South Dakota full-scope AAs is excellent.

In the Greater South Dakota Non-Metropolitan AA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the AA.

WFB has no branches in low-income geographies in the AA. However, because less than five percent of the MSA population resides in these geographies, our conclusions were weighted on performance in moderate-income geographies. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

In the Sioux Falls MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the AA.

WFB has no branches in low-income geographies in the AA. However, because less than five percent of the MSA population resides in these geographies, our conclusions were weighted on performance in moderate-income geographies. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the Sioux Falls MSA.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in South Dakota full-scope AAs has not adversely affected the accessibility of its delivery systems.

WFB's record of opening and closing branch offices in the Greater South Dakota Non-Metropolitan AA is good. WFB has not adversely affected the accessibility of its delivery systems. During the evaluation period, WFB closed three branches throughout the assessment area resulting in a net loss of one branch in moderate-income geographies and two branches in middle-income geographies. However, distribution remained excellent after the branch closings.

WFB did not open or close any branches in the Sioux Falls MSA during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences portions of South Dakota full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are poor and vary in a way that inconveniences portions of the Greater South Dakota Non-Metropolitan AA, particularly moderate-income geographies. No branches located in moderate-income geographies maintained Saturday hours, compared to 50 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Sioux Falls MSA, particularly low- and moderate-income geographies or individuals. Fifty percent of branches located in moderate-income geographies maintained Saturday hours, compared to 63 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an excellent level of CD services in South Dakota full-scope AAs.

In the Greater South Dakota Non-Metropolitan AA, WFB is a leader in providing CD services. WFB employees provided a total of 364 hours of CD services. These hours represented 26 CD service activities that benefited 15 different organizations and amounted to almost five hours of CD services per branch per year.

In the Sioux Falls MSA, WFB is a leader in providing CD services. WFB employees provided a total of 2,617 hours of CD services. These hours represented 694 different CD service activities that benefited 42 different organizations and amounted to almost 44 hours of CD service per branch per store.

Highlights of WFB's CD services that benefited the South Dakota full-scope AAs include the following:

- A WFB employee provides financial counseling to clients of an ecumenical non-profit organization that was founded by local clergy that saw a need to supplement the welfare programs of State and local entities. The purpose of the program is to fill in the gaps left by the public welfare systems. It serves about 4,000 people per year with three main services, the first being financial assistance, the second being information and referral and the third linking the faith community to those in need.
- WFB employees provide financial education classes to many CD qualified organizations throughout South Dakota.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Fall River County, Mitchell, and Yankton-Vermillion Non-Metropolitan AAs is not inconsistent with the bank's overall **High Satisfactory** performance in South Dakota. Performance under the Service Test in the Rapid City MSA is stronger than the bank's overall **High Satisfactory** performance in South Dakota. Performance under the Service Test in the Western South Dakota Non-Metropolitan AA is weaker than the bank's overall **High Satisfactory** performance in South Dakota. Performance in limited-scope areas did not influence the Service Test performance in South Dakota.

Refer to Tables 1 - 15 in the South Dakota section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Tennessee Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its Tennessee AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its Tennessee AA.
- The distribution of WFB's borrowers reflect good penetration among borrowers of different income levels and businesses of different sizes within its Tennessee AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its Tennessee AA.
- WFB's delivery systems are reasonably accessible to essentially all portions of its Tennessee AA.

Description of Institution's Operations in the State of Tennessee

Of the bank's 54 state and multistate rating areas, Tennessee ranks 45 and accounts for 0.1 percent of total bank deposits, or \$882 million as of June 30, 2012. WFB has one defined AA in Tennessee, which includes 16 out of 95 total counties in the state. An additional three counties are part of WFB's Memphis AA. Performance for the multistate is evaluated and discussed in the section specific to the Multistate. Within the state, WFB operates 11 branch offices. WFB is the 15th largest banking institution in Tennessee with 0.9 percent of the deposit market share. Primary competitors include Regions Bank, and Sun Trust Bank, with deposit market shares of 14.3 percent and 9.8 percent, respectively.

Because WFB's branches in Tennessee have only been part of WFB since the merger of Wachovia's operations into WFB on March 20, 2010, the performance evaluation period for these AAs is shorter than the evaluation period for rating areas and AAs that were part of WFB prior to the last CRA performance evaluation. We considered the shorter evaluation period in our assessment of CD lending, investments and services.

Scope of Evaluation in the State of Tennessee

The Nashville-Davidson-Murfreesboro-Franklin MSA was selected for full-scope review. The AA accounts for 100 percent of the bank's state deposits and is the only AA in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Tennessee is rated **Outstanding**. Based on a full-scope review, performance in the Nashville-Davidson-Murfreesboro-Franklin MSA is excellent.

Lending Activity

The level of lending activity in the Tennessee full-scope AA is excellent. The level of lending activity in Nashville-Davidson-Murfreesboro-Franklin MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, refinance, and small loans to business and farms in relation to WFB's deposit market share.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Tennessee full-scope AA is adequate. In the Nashville-Davidson-Murfreesboro-Franklin MSA, the overall geographic distribution of loans is adequate. The distribution is adequate for home purchase loans, excellent for small loans to farms and small loans to businesses, and poor for home improvement and refinance loans

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Tennessee full-scope AA is good. In the Nashville-Davidson-Murfreesboro-Franklin MSA, the overall distribution of loans by borrower income is good. The distribution is good for home purchase, home improvement and refinance loans, and excellent for small loans to businesses and small loans to farms.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in the Tennessee full-scope AA.

WFB originated \$34.7 million in CD loans equal to 34.9 percent of allocated Tier 1 Capital. WFB's CD loans had a significantly positive effect on Lending Test performance in the Nashville-Davidson-Murfreesboro-Franklin MSA. Thirty-three percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Tennessee full-scope AA include the following:

- WFB provided a line of credit that was used by an affordable housing organization for the funding and renovation of acquired residential properties in the assessment area.
- The bank provided a loan to an affordable housing organization that was used to fund the construction of a 120-unit LIHTC affordable housing complex restricted to low- and moderate-income households.

Conclusions for Areas Receiving Limited-Scope Review

There were no limited-scope assessment areas in Tennessee. The rating assigned is based on the full-scope Nashville-Davidson-Murfreesboro-Franklin MSA.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Tennessee is rated **Outstanding**. Based on a full-scope review, performance in the Nashville-Davidson-Murfreesboro-Franklin MSA is excellent.

WFB's grant and investment volume in the Nashville-Davidson-Murfreesboro-Franklin MSA is excellent. During the evaluation period, WFB made 34 grants and investments in the AA totaling \$5.9 million or 6.0 percent of allocated Tier 1 Capital. In addition, one prior period investment totaling \$189,000 or 0.2 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. Our conclusions considered the shortened evaluation period for this AA.

WFB's grants and investments demonstrated an adequate level of responsiveness to the need for affordable housing primarily through investments in Fannie Mae mortgage backed securities.

Conclusions for Areas Receiving Limited-Scope Review

There were no limited-scope assessment areas in Tennessee. The rating assigned is based on the Nashville-Davidson-Murfreesboro-Franklin MSA.

SERVICE TEST

WFB's Service Test performance in Tennessee is rated **Low Satisfactory**. Based on a full-scope review, performance in the Nashville-Davidson-Murfreesboro-Franklin is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Tennessee full-scope AA is adequate.

In the Nashville-Davidson-Murfreesboro-Franklin, WFB's distribution of branches is adequate. Delivery systems are reasonably accessible to essentially all portions of the bank's assessment area.

The percentage distribution of branches in low- and moderate-income geographies is significantly below the percentage of the population residing in these geographies and is very poor and poor respectively. However, when considering two branch locations that are in close proximity to low-income geographies, accessibility improves in low-income geographies and is adequate.

Changes in Branch Location

There were no branch openings or closings in the Tennessee full-scope AA during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services are tailored to the convenience and needs of the Tennessee full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are excellent and are tailored to the convenience and needs of the Nashville-Davidson-Murfreesboro-Franklin MSA, particularly moderate-income geographies and individuals. Although there were no branches in low-income census tracts, one hundred percent of branches located in moderate-income geographies maintained Saturday hours, compared to 40 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a poor level of CD services in the Tennessee full-scope AA.

In the Nashville-Davidson-Murfreesboro-Franklin, WFB provides a limited level of CD services. WFB employees provided a total of 40 hours of CD services. These hours represented 14 CD service activities that benefited seven different organizations, but amounted to slightly less than one and a half hours of CD service per branch per year.

Highlights of WFB's CD services that benefited the Tennessee full-scope AA include the following:

- A WFB employee serves on the finance committee of a CD organization that works to deliver solutions to the economic challenges that are affecting the lives of the people in the assessment area.

Conclusions for Areas Receiving Limited-Scope Review

There were no limited-scope assessment areas in Tennessee. The rating assigned is based on the Nashville-Davidson-Murfreesboro-Franklin MSA.

Refer to Tables 1 - 15 in the Tennessee section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Utah Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	Outstanding

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Utah AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Utah AA.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Utah AA.
- WFB's CD lending had a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Utah AA.
- WFB's delivery systems are readily accessible to all portions of its full-scope Utah AA.
- WFB's opening and closing of branches has not adversely affected the accessibility of its delivery systems within its full-scope Utah AA.

Description of Institution's Operations in the State of Utah

Of the bank's 54 state and multistate rating areas, Utah ranks 19th and accounts for 1.1 percent of total bank deposits, or \$9.37 billion as of June 30, 2012. WFB has six defined AAs in Utah, which includes 23 out of 29 total counties in the state. Within the state, WFB operates 117 branches. Of the banks with significant retail operations in the state of Utah, WFB is the third largest banking institution with 2.8 percent of the deposit market share. Primary competitors include Zions First National Bank, and JP Morgan Chase Bank, with deposit market shares of 3.3 percent and 3.1 percent, respectively.

Scope of Evaluation in the State of Utah

Of WFB's six AAs in Utah, the Salt Lake City MSA was selected for full-scope review. This AA accounts for 64.8 percent of the bank's state deposits and is the most significant AA in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Utah is rated **Outstanding**. Based on a full-scope review, performance in the Salt Lake City MSA is excellent.

Lending Activity

The level of lending activity in the Utah full-scope AA is excellent. The level of lending activity in the Salt Lake City MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share percentage and ranking.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Utah full-scope AA is excellent. The distribution is excellent for home purchase and small loans to businesses, and good for home improvement, refinance, and small loans to farms.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Utah full-scope AA is good. The distribution is excellent for small loans to businesses and good for home purchase, home improvement, refinance, and small loans to farms.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in the Utah full-scope AA. WFB's CD lending had a significantly positive effect on Lending Test performance in the Salt Lake City MSA. WFB originated \$144.4 million in CD loans equal to 21.1 percent of allocated Tier 1 Capital. Thirteen percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Utah full-scope AA include the following:

- The bank provided construction financing to an affordable housing organization, which was used to build an 83-unit LIHTC development in a moderate-income census tract in the assessment area

- A line of credit, used to fund capital expenditures, was extended to a non-profit community services organization that provides primary medical and dental care to low-income and uninsured patients in the assessment area.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Brigham City Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance in Utah. Performance under the Lending Test in the Ogden-Clearfield, Provo-Orem, and St. George MSAs, and Greater Utah Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance in Utah. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Utah.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Utah is rated **Outstanding**. Based on a full-scope review, performance in the Salt Lake City MSA is excellent.

WFB's grant and investment volume in the Salt Lake City MSA is excellent. During the evaluation period, WFB made 103 grants and investments in the AA totaling \$24.7 million or 3.6 percent of allocated Tier 1 Capital. In addition, 24 prior period grants and investments totaling \$17.9 million or 2.6 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments demonstrated an adequate level of responsiveness to the needs identified in the AA for affordable housing, community services, and revitalization/stabilization.

Highlights of WFB's grants and investments that benefited the Utah full-scope AA include the following:

- WFB provided a grant to an affordable housing organization that purchased foreclosed homes in revitalization areas of the Salt Lake MSA, rehabilitates them, and then resells them at or below market value to income-eligible families.
- The bank provided a grant to an affordable housing organization, which creates opportunities through housing, residential leadership, youth and economic development.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Ogden-Clearfield MSA and Brigham City and Greater Utah Non-Metropolitan AAs is not inconsistent with the bank's overall **Outstanding** performance in Utah. Performance under the Investment Test in Provo-Orem and St. George MSAs is weaker than the bank's overall **Outstanding** performance in Utah. Performance in limited-scope areas did not influence the Investment Test performance in Utah.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in Utah is rated **Outstanding**. Based on a full-scope review, performance in the Salt Lake City MSA is excellent.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Utah full-scope AA is excellent.

In the Salt Lake City MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all geographies and individuals of different income levels.

The percentage distribution of branches in low- and moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Utah full-scope AA has not adversely affected the accessibility of its delivery systems, particularly in low-and moderate- income geographies and/or to low- and moderate- income individuals.

To the extent changes have been made, WFB's record of opening and closing branches in the Salt Lake City MSA is good. WFB has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate- income geographies and/or to low- and moderate- income individuals. During the evaluation period, WFB closed seven branches throughout the assessment area resulting in the loss of two branches in moderate-income geographies, four in middle-income geographies, and one in upper-income geographies. Although branch closings resulted in the loss of two moderate-income branches, distribution remained excellent after the closures.

Reasonableness of Business Hours and Services

WFB's branch hours do not vary in a way that inconveniences portions of the Utah full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences portions of the Salt Lake City MSA, particularly low- and moderate-income geographies and individuals. Ninety-three percent of branches located in low- and moderate-income geographies maintained Saturday hours, compared to 97 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an excellent level of CD services in the Utah full-scope AA.

In the Salt Lake City MSA, WFB is a leader in providing CD services. WFB employees provided a total of 764 hours of CD services. These hours represented 162 CD service activities that benefited 34 different organizations and amounted to more than four hours of CD service per branch per year.

Highlights of WFB's CD services that benefited the Utah full-scope AA include the following:

- A WFB employee reviews applications for affordable funding projects or organizations, in their role as a committee member on a revitalization/stabilization organization that serves persons of low and moderate incomes in the assessment area.
- A WFB employee serves as chairperson on the board of an affordable housing organization that provides housing to very low-income individuals and families in the assessment area.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Ogden-Clearfield MSA and Greater Utah Non-Metropolitan AA and is not inconsistent with the bank's overall **Outstanding** performance in Utah. Performance under the Service Test in the Provo-Orem and St. George MSAs and Brigham City Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance in Utah. Performance in limited-scope areas did not influence the Service Test performance in Utah.

Refer to Tables 1 - 15 in the Utah section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Washington Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Washington AA.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Washington AA.
- The distribution of WFB's borrowers reflect good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Washington AA.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants in its full-scope Washington AA.
- WFB's delivery systems are accessible to all portions of its full-scope Washington AA.
- To the extent changes have been made, WFB's record of opening and closing branch within its full-scope Washington AA did not affect the branch distribution in a negative or positive way.

Description of Institution's Operations in the State of Washington

Of the bank's 54 state and multistate rating areas, Washington ranks 17th and accounts for 1.4 percent of total bank deposits, or \$12.0 billion as of June 30, 2012. WFB has 14 defined AAs in Washington, which include 20 out of 39 total counties in the state. Within the state, WFB operates 142 branches. WFB is the second largest banking institution in Washington with 11.0 percent of the deposit market share. Primary competitors include Bank of America and U.S. Bank, with deposit market shares of 21.7 percent and 10.5 percent, respectively.

Scope of Evaluation in the State of Washington

Of WFB's 14 AAs in Washington, the Seattle-Bellevue-Everett MD was selected for full-scope review. This AA accounts for 71.5 percent of the bank's state deposits and is the most significant AA in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Washington is rated **Outstanding**. Based on a full-scope review, performance in the Seattle-Bellevue-Everett MD is excellent.

Lending Activity

The level of lending activity in the Washington full-scope AA is excellent. The level of lending activity in the Seattle-Bellevue-Everett MD is excellent and is supported by an excellent level of activity for home purchase, home improvement, refinance, small loans to businesses, and small loans to farms in relation to WFB's deposit market share percentage and ranking.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Washington full-scope AA is good. In the Seattle-Bellevue-Everett MD, the overall geographic distribution of loans is good. The distribution is good for home refinance loans and small loans to businesses, excellent for home purchase loans, and adequate for home improvement loans and small loans to farms.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Washington full-scope AA is good. In the Seattle-Bellevue-Everett MD, the overall distribution of loans by borrower income is good. The distribution is good for home purchase, home improvement, and small loans to farms, excellent for small loans to businesses, and adequate for refinance loans.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in the Washington full-scope AA. WFB's CD loans had a significantly positive effect on performance in the Seattle-Bellevue-Everett MD. WFB originated \$134.4 million in CD loans equal to 13.9 percent of allocated Tier 1 Capital. Seventeen percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Washington full-scope AA include the following:

- WFB provided \$16.1 million in loans to an affordable housing organization that were used to fund the construction of two affordable housing complexes located in moderate-income census tracts in the Seattle-Bellevue-Everett MD.
- The bank provided a \$2.4 million capital expenditure line of credit to provide working capital to a community services organization, which provides medical and dental care to low-income and uninsured patients within the Seattle-Bellevue-Everett MD.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Bellingham, Bremerton-Silverdale, Mount Vernon-Anacortes, and Spokane MSAs is not inconsistent with the bank's overall **Outstanding** performance in Washington. Performance under the Lending Test in the Kennewick-Pasco-Richland, Olympia, Wenatchee-East Wenatchee, and Yakima MSAs and Centralia, Ellensburg, Okanogan County, and Olympic-Islands Non-Metropolitan AAs, and Tacoma MD is weaker than the bank's overall **Outstanding** performance in Washington. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Washington.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Washington is rated **Outstanding**. Based on a full-scope review, performance in the Seattle-Bellevue-Everett MD is excellent.

WFB's grant and investment volume in the Seattle-Bellevue-Everett MD is excellent. During the evaluation period, WFB made 161 grants and investments in the AA totaling \$45.7 million or 4.7 percent of allocated Tier 1 Capital. In addition, 35 prior period grants and investments totaling \$32.6 million or 3.4 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments demonstrated an adequate level of responsiveness to the needs identified in the AA for community services, affordable housing and revitalization/stabilization.

Highlights of WFB's grants and investments that benefited the Seattle-Bellevue-Everett MD include the following:

- WFB invested in a community services organization's new market tax credit project. The funds were used for the financing of a new medical and dental facility in a highly-distressed area with the Seattle-Bellevue-Everett MD.

- The bank provided funds, via an investment, that were used as part of an overall financing package for the acquisition/rehab costs associated with an affordable housing organization's real estate owned program.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Kennewick-Pasco-Richland, Spokane, and Wenatchee-East Wenatchee MSAs and Centralia Non-Metropolitan AA is not inconsistent with the bank's overall **Outstanding** performance in Washington. Performance under the Investment Test in Bellingham, Bremerton-Silverdale, Mount Vernon-Anacortes, Olympia, and Yakima MSAs, Ellensburg, Okanogan County, and Olympic-Islands Non-Metropolitan AAs, and Tacoma MD is weaker than the bank's overall **Outstanding** performance in Washington. Performance in limited-scope areas did not influence the Investment Test performance in Washington.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in Washington is rated **High Satisfactory**. Based on full-scope reviews, performance in the Seattle-Bellevue-Everett MD is good.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Washington full-scope AA is excellent.

In the Seattle-Bellevue-Everett MD, WFB's distribution of branches is excellent. Delivery systems are readily accessible to geographies and individuals of different income levels.

The percentage distribution of branches in low-income geographies exceeds the percentage of the population residing in these geographies and is excellent. The percentage distribution of branches in moderate-income geographies approximates the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an excellent alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in the Washington full-scope AA did not affect the branch distribution in a negative or positive way.

To the extent changes have been made, WFB's record of opening and closing branch offices in the Seattle-Bellevue-Everett MD, did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB closed one branch throughout the assessment area resulting in a net loss of one branch in a middle-income geography.

Reasonableness of Business Hours and Services

WFB's branch hours and services do not vary in a way that inconveniences portions of the Washington full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are adequate and do not vary in a way that inconveniences portions of the Seattle-Bellevue-Everett MD, particularly low- and moderate-income geographies and individuals. Eighty-eight percent of branches located in low- and moderate-income geographies maintained Saturday hours, compared to 93 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided a good level of CD services in the Washington full-scope AA.

In the Seattle-Bellevue-Everett MD, WFB provides a relatively high level of CD services. WFB employees provided a total of 1,059 hours of CD services. These hours represented 288 CD service activities that benefited 29 different organizations and amounted to slightly more than three hours per branch per year.

Highlights of WFB's CD services that benefited the Washington full-scope AA include the following:

- A WFB employee serves on the Board and Finance Committee of a community services organization that provides learning opportunities for the developmentally disabled children of low-income families within the assessment area.
- As a board member, a WFB employee provides financial expertise to an affordable housing organization that provides home ownership opportunities for low-income families in the assessment areas.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in Bremerton-Silverdale, Mount Vernon-Anacortes, Olympia, and Spokane MSAs, Tacoma MD, and Centralia, Okanogan County, and Olympic-Islands Non-Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance in Washington. Performance under the Service Test in Bellingham, Kennewick-Pasco-Richland, Wenatchee-East Wenatchee, and Yakima MSAs and Ellensburg Non-Metropolitan Assessment Area is weaker than the bank's overall **High Satisfactory** performance in Washington. Performance in limited-scope areas did not influence the Service Test performance in Washington.

Refer to Tables 1 - 15 in the Washington section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Wisconsin Rating

CRA rating for the state:	Outstanding
The Lending Test is rated:	Outstanding
The Investment Test is rated:	Outstanding
The Service Test is rated:	Outstanding

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Wisconsin AAs.
- The geographic distribution of WFB's loans reflects good penetration throughout its full-scope Wisconsin AAs.
- The distribution of WFB's borrowers reflects good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Wisconsin AAs.
- WFB's CD lending has a significantly positive effect on Lending Test performance.
- WFB has an excellent level of qualified CD investments and grants within its full-scope Wisconsin AAs.
- WFB's delivery systems are readily accessible to essentially all portions of its full-scope Wisconsin AAs.
- WFB's branch hours and services do not vary in a way that inconveniences certain portions its full-scope Wisconsin AAs, particularly low- and moderate-income geographies and individuals.

Description of Institution's Operations in the State of Wisconsin

Of the bank's 54 state and multistate rating areas, Wisconsin ranks 30th and accounts for 0.5 percent of total bank deposits, or \$3.9 billion as of June 30, 2012. WFB has 15 defined AAs in Wisconsin, which includes 25 out of 72 total counties in the state. Within the state, WFB operates 55 branches. WFB is the fifth largest banking institution in Wisconsin with 3.0 percent of the deposit market share. Primary competitors include U.S. Bank, NA, and BMO Harris Bank NA, with deposit market shares of 20.2 percent and 15.9 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Wisconsin

Of WFB's 15 AAs in Wisconsin, the Green Bay, La Crosse, and Milwaukee-Waukesha-West Allis MSAs were selected for full-scope review. These AAs account for 58.0 percent of the bank's state deposits and are the most significant AAs in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Wisconsin full-scope AAs is rated **Outstanding**. Based on full-scope reviews, performance in the Green Bay and Milwaukee-Waukesha-West Allis MSAs is excellent, and the La Crosse MSA is good.

Lending Activity

The level of lending activity in Wisconsin full-scope AAs is excellent.

The level of lending activity in the Green Bay MSA is excellent and is supported by an excellent level of activity for home purchase, refinance, small loans to businesses and small loans to farm, and a good level of activity for home improvement in relation to WFB's deposit market share percentage and ranking.

The level of lending activity in the La Crosse MSA is good and is supported by an excellent level of activity for small loans to businesses and small loans to farms, a good level of activity for home purchase and refinance, and a very poor level of activity for home improvement in relation to WFB's deposit market share percentage and ranking. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

The level of lending activity in the Milwaukee-Waukesha-West Allis MSA is excellent and is supported by an excellent level of activity for home purchase, home improvement, refinance, small loans to businesses and farms in relation to WFB's deposit market share percentage or ranking. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in Wisconsin full-scope AAs is good

In the Green Bay MSA, the overall geographic distribution of loans is good. The distribution is good for home purchase and refinance, and excellent for home improvement, small loans to businesses, and small loans to farms.

In the La Crosse MSA, the overall geographic distribution of loans is good. We initially concluded that the distribution was adequate for home purchase, excellent for home improvement, small loans to businesses, and small loans to farms, and poor for refinance loans. Our evaluation of small loans to farms considered the small number of loans made by WFB relative to the limited number of farm lenders in the AA.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA, performance improved and distribution of home purchase loans was good.

In the Milwaukee-Waukesha-West Allis MSA, the overall geographic distribution of loans is good. We initially concluded that distribution was adequate for home purchase and small loans to businesses, excellent for small loans to farms, and poor for home improvement and refinance loans.

However, when we assessed lending in low- and/or moderate-income geographies relative to moderately severe economic conditions affecting the AA, credit demand as indicated by HMDA applications, and WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase and home refinance loans is good.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in Wisconsin full-scope AAs is good.

In the Green Bay MSA, the overall distribution of loans by borrower income is good. The distribution is good for home improvement loans, excellent for home purchase and small loans to businesses, and adequate for refinance and small loans to farms.

In the La Cross MSA, the overall distribution of loans by borrower income is adequate. The distribution is good for home purchase, home improvement, and small loans to businesses, excellent for small loans to farms, and poor for refinance loans.

In the Milwaukee-Waukesha-West Allis MSA, the overall distribution of loans by borrower income is good. The distribution is good for home purchase loans, excellent for small loans to businesses and small loans to farms, and adequate for home improvement and refinance loans.

CD Lending

The volume and nature of the bank's CD lending had a significantly positive effect on performance in Wisconsin full-scope AAs.

WFB's CD lending had a significantly positive effect on lending performance in the Green Bay MSA. WFB originated \$6.7 million in CD loans equal to 15.3 percent of allocated Tier 1 Capital.

WFB's CD loans had a neutral effect on performance in the La Crosse MSA. WFB originated \$200,000 in CD loans equal to 0.6 percent of allocated Tier 1 Capital. One hundred percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA. One Hundred percent of the loans were considered highly responsive to identified community needs.

WFB's CD loans had a significantly positive effect on performance in the Milwaukee-Waukesha-West Allis MSA. WFB originated \$19.5 million in CD loans equal to 11.1 percent of allocated Tier 1 Capital. Thirty-three percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a somewhat positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Green Bay, La Crosse and Milwaukee-Waukesha-West Allis MSAs include the following:

- In August 2010, WFB provided a \$5.0 million loan to finance the construction of a 36-bed specialty care facility located in Green Bay, Wisconsin. This non-profit organization believes that their tenants are full partners in the development of their plans for independence with assistance living. The majority of the residents are low- and moderate-income.
- WFB renewed a \$200,000 dollar line of credit used to fund working capital for a non-profit community services organization in the La Crosse MSA.
- The bank provided a \$6.8 million dollar loan to an affordable housing organization, which was used to provide financing for the construction of a 55-unit LIHTC affordable housing development in the Milwaukee-Waukesha-West Allis MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Appleton, Eau Claire, Fond du Lac, Madison, Oshkosh-Neenah, Racine, and Wausau MSAs is not inconsistent with the bank's overall **Outstanding** performance in Wisconsin. Performance under the Lending Test in the Sheboygan MSA and Baraboo, Manitowoc, Marinette, and Northern

Wisconsin Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance in Wisconsin. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Wisconsin.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Investment Test performance in Wisconsin is rated **Outstanding**. Based on full-scope reviews, performance in the Green Bay, La Crosse, and Milwaukee-Waukesha-West Allis MSAs is excellent.

WFB's grant and investment volume in the Green Bay MSA is excellent. During the evaluation period, WFB made nine grants and investments in the AA totaling \$9.1 million or 20.5 percent of allocated Tier 1 Capital. In addition, two prior period grants and investments totaling \$488,000 or 1.1 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments demonstrated an adequate level of responsiveness to the need identified in the AA for affordable housing.

WFB's grant and investment volume in the La Crosse MSA is excellent. During the evaluation period, WFB made nine grants and investments in the AA totaling \$4.3 million or 12.2 percent of allocated Tier 1 Capital. In addition, one prior period grant/investment totaling \$45,000 or 0.1 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. This prior period grant/investment adds support for the assigned rating. WFB's grants and investments were responsive to the need for affordable housing within the assessment area.

WFB's grant and investment volume in the Milwaukee-Waukesha-West Allis MSA is excellent. During the evaluation period, WFB made 88 grants and investments in the AA totaling \$20.7 million or 11.7 percent of allocated Tier 1 Capital. In addition, 22 prior period grants and investments totaling \$28.9 million or 16.4 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments demonstrated an adequate level of responsiveness to the needs identified in the AA for affordable housing and revitalization/stabilization.

Highlights of WFB's grants and investments that benefited the Wisconsin full-scope AAs include the following:

- WFB provided a grant to a local affordable housing organization that is being used to rehabilitate foreclosed or distressed housing for their resale to LMI individuals in the Milwaukee-Waukesha-West Allis MSA.

- WFB invested in a LIHTC fund whose purpose was to invest in 70 unit affordable housing project located in the Green Bay MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in the Fond du Lac, Madison, Oshkosh-Neenah, and Wausau MSAs and Manitowoc and Marinette Non-Metropolitan AAs is not inconsistent with the bank's overall **Outstanding** performance in Wisconsin. Performance under the Investment Test in the Appleton, Eau Clair, Racine, and Sheboygan MSAs and Baraboo and Northern Wisconsin Non-Metropolitan AA is weaker than the bank's overall **Outstanding** performance in Wisconsin. Performance in limited-scope areas did not influence the Investment Test performance in Wisconsin.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Service Test performance in Wisconsin is rated **Outstanding**. Based on full-scope reviews, performance is excellent in the Green Bay and Milwaukee-Waukesha-West Allis MSAs and good in the La Crosse MSA.

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in Wisconsin full-scope AAs is excellent.

In the Green Bay MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to geographies and individuals of different income levels.

WFB has no branches in low-income geographies in the AA. However, because less than five percent of the MSA population resides in these geographies, our conclusions were weighted on performance in moderate-income geographies. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the La Crosse MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to geographies and individuals of different income levels.

The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent. WFB did not have branches in low-income census tracts, but these census tracts represented less than five percent of the total population in the assessment area, therefore our evaluation was weighted toward performance in the moderate-income census tract.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

In the Milwaukee-Waukesha-West Allis MSA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to geographies and individuals of different income levels.

The percentage distribution of branches in low- income geographies is below the percentage of population residing in these geographies and is adequate. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent. However, when giving consideration to two middle- and upper-income branch locations that are in close proximity to low- and moderate-income geographies, accessibility improves in low- income geographies and is good.

WFB's ATM network offers an adequate alternative delivery system to low- and moderate-income geographies and individuals through full-service ATMs in the assessment area.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branch offices in Wisconsin full-scope AAs did not affect the branch distribution in a negative or positive way.

To the extent changes have been made, WFB's record of opening and closing branches in the La Crosse MSA did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB closed one branch throughout the assessment area, resulting in a loss of one branch in a middle-income geography during the evaluation period.

There were no branch openings or closings in the Green Bay and Milwaukee-Waukesha-West Allis assessment areas during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services do not vary in a way that inconveniences certain portions of Wisconsin full-scope AAs, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Green Bay MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours, compared to 75 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the La Crosse MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours, compared to 100 percent of branches located in middle- and upper-income geographies.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Milwaukee-Waukesha-West Allis MSA, particularly low- and moderate-income geographies and individuals. In low- and moderate-income geographies, 100 percent of branches located in those geographies maintained Saturday hours, compared to 78 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an excellent level of CD services in Wisconsin full-scope AAs.

In the Green Bay MSA, WFB is a leader in providing CD services. WFB employees provided a total of 148 hours of CD services. These hours represented ten CD service activities that benefited three different organizations and amounted to almost five hours of CD services per branch per year.

In the La Crosse MSA, WFB provides a relatively high level of CD services. WFB employees provided a total of 27 hours of CD services. These hours represented two CD service activities that benefited two different organizations and amounted to slightly more than three hours of service per branch per year.

In the Milwaukee-Waukesha-West Allis MSA, WFB is a leader in providing CD services. WFB employees provided a total of 899 hours of CD services. These hours represented 208 CD service activities that benefited 24 different organizations and amounted to more than 16 hours of CD service per branch per year.

Highlights of WFB's CD services that benefited Wisconsin full-scope AAs include the following:

- A WFB employee serves as a board member at an economic development organization that focuses on the revitalization of the city of La Crosse, in the La Crosse MSA.
- A WFB employee provides financial literacy training to a community services organization in the Milwaukee-Waukesha-West Allis MSA.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Appleton and Eau Claire MSAs is not inconsistent with the bank's overall **Outstanding** performance in Wisconsin. Performance under the Service Test in Fond du Lac, Madison, Oshkosh-Neenah, Racine, Sheboygan, and Wausau MSAs and Baraboo, Manitowoc, Marinette, and Northern Wisconsin Non-Metropolitan AAs is weaker than the bank's overall **Outstanding** performance in Wisconsin. Performance in limited-scope areas did not influence the Service Test performance in Wisconsin.

Refer to Tables 1 - 15 in the Wisconsin section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.

State of Wyoming Rating

CRA rating for the state:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	High Satisfactory

The major factors that support this rating include the following:

- WFB's lending levels reflect excellent responsiveness to the credit needs of its full-scope Wyoming AA.
- The geographic distribution of WFB's loans reflects adequate penetration throughout its full-scope Wyoming AA.
- The distribution of WFB's borrowers reflect good penetration among borrowers of different income levels and businesses of different sizes within its full-scope Wyoming AA.
- WFB's CD lending had a neutral effect on Lending Test performance.
- WFB has a good level of qualified CD investments and grants within its full-scope Wyoming AA.
- WFB's delivery systems are readily accessible to all portions of its full-scope Wyoming AA.
- WFB provided an adequate level of CD services within its full-scope Wyoming AA.

Description of Institution's Operations in the State of Wyoming

Of the bank's 54 state and multistate rating areas, Wyoming ranks 38th and accounts for 0.3 percent of total bank deposits, or \$2.09 billion as of June 30, 2012. WFB has four defined AAs in Wyoming, which include 14 out of 23 total counties in the state. Within the state, WFB operates 28 branches. WFB is the second largest banking institution in Wyoming with 16.1 percent of the deposit market share. Primary competitors include First Interstate bank, and Bank of the West, with deposit market shares of 16.7 percent and 6.8 percent, respectively.

We considered performance context factors in our evaluation of geographic and borrower distribution of loans. Please refer to the specific performance criteria for more details.

Scope of Evaluation in the State of Wyoming

Of WFB's four AAs in Wyoming, the Western Wyoming Non-Metropolitan AA was selected for full-scope review. This AA accounts for 57 percent of the bank's state deposits and is the most significant AA in the state.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

WFB's Lending Test performance in Wyoming is rated **High Satisfactory**. Based on a full-scope review, performance in the Western Wyoming Non-Metropolitan AA is good.

Lending Activity

The level of lending activity in the Wyoming full-scope AA is excellent. The level of lending activity in Western Wyoming Non-Metropolitan AA is excellent and is supported by an excellent level of activity for home purchase, home improvement, and home refinance loans and small loans to businesses and farms in relation to WFB's deposit market share percentage or rank.

Distribution of Loans by Income Level of Geography

Geographic distribution of loans in the Wyoming full-scope AA is adequate. We initially concluded that distribution was poor for home purchase and refinance, excellent for small loans to business, good for small loans to farms and adequate for home improvement.

When we assessed lending in moderate-income geographies relative to the credit demand as indicated by HMDA applications in the AA, performance improved. Although conclusions for home purchase and refinance loans remained poor, the overall geographic distribution of loans in the Western Wyoming Non-Metropolitan AA improved.

Distribution of Loans by Income Level of the Borrower

Distribution of loans by borrower income in the Wyoming full-scope AA is good. We initially concluded that distribution was adequate for home purchase, home improvement, refinance, and small loans to farms, and good for small loans to businesses.

However, when we assessed lending to low- and/or moderate-income borrowers relative to WFB's ranking and number of loans originated relative to all other lenders in the AA, performance improved and distribution of home purchase loans is considered good.

CD Lending

The volume and nature of the bank's CD lending had a neutral effect on performance in the Wyoming full-scope AA. WFB's CD loans had a neutral effect on performance in the Western Wyoming Non-Metropolitan AA. WFB originated \$2.87 million in CD loans equal to 2.1 percent of allocated Tier 1 Capital. Ninety-one percent of WFB's CD loans were considered particularly complex and/or responsive to the needs of the AA and had a significantly positive effect on our assessment of CD lending performance in the AA.

Highlights of WFB's CD lending that benefited the Wyoming full-scope AA include the following:

- WFB provided construction financing to an affordable housing organization for the rehabilitation of a LIHTC apartment complex in the Western Wyoming Non-Metropolitan AA.
- The bank provided a line of credit that funded the working capital of a community service organization, which provides screening, assessment, and programming needs for children in the Western Non-Metropolitan Assessment Area.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Lending Test in the Casper and Cheyenne MSA and the Eastern Wyoming Non-Metropolitan AA is not inconsistent with the bank's overall **High Satisfactory** performance in Wyoming. Performance in these limited-scope assessment areas did not influence the Lending Test performance in Wyoming.

INVESTMENT TEST

WFB's Investment Test performance in Wyoming is rated **High Satisfactory**. Based on a full-scope review, performance in the Western Wyoming Non-Metropolitan AA is good.

Conclusions for Areas Receiving Full-Scope Reviews

WFB's grant and investment volume in the Western Wyoming Non-Metropolitan AA is good. During the evaluation period, WFB made eleven grants and investments in the AA totaling \$6.9 million or 4.4 percent of allocated Tier 1 Capital. In addition, four prior period grants and investments totaling \$781,000 or 0.6 percent of allocated Tier 1 Capital remained outstanding as of year-end 2012. These prior period grants and investments add support for the assigned rating. WFB's grants and investments demonstrated an adequate level of responsiveness to the needs identified in the AA for economic development and affordable housing.

Highlights of WFB's grants and investments that benefited the Wyoming full-scope AA include the following:

- WFB and an affordable housing organization formed a limited partnership to invest equity capital in new apartment buildings that qualify for LIHTCs in the Western Wyoming Non-Metropolitan AA.
- WFB invested funds with an economic development organization in the Western Wyoming Non-Metropolitan AA, which will be used to help create jobs for low- and moderate-income people and support the expansion of minority-owned businesses.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Investment Test in Casper MSA and Eastern Wyoming Non-Metropolitan AA is stronger than the bank's overall **High Satisfactory** performance in Wyoming. Performance under the Investment Test in the Cheyenne MSA is weaker than the bank's overall **High Satisfactory** performance in Wyoming. Performance in limited-scope areas did not influence the Investment Test performance in Wyoming.

SERVICE TEST

WFB's Service Test performance in Wyoming is rated **High Satisfactory**. Based on a full-scope review, performance in the Western Wyoming Non-Metropolitan AA is good.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Accessibility of Delivery Systems

WFB's distribution of branches in the Wyoming full-scope AA is excellent.

In the Western Wyoming Non-Metropolitan AA, WFB's distribution of branches is excellent. Delivery systems are readily accessible to all portions of the institution's assessment area.

WFB has no branches in low-income geographies in the AA. However, because less than five percent of the MSA population resides in these geographies, our conclusions were weighted toward performance in moderate-income geographies. The percentage distribution of branches in moderate-income geographies exceeds the percentage of the population residing in these geographies and is excellent.

Changes in Branch Location

To the extent changes have been made, WFB's record of opening and closing branches in the Wyoming full-scope AA did not affect the branch distribution in a negative or positive way.

To the extent changes have been made, WFB's record of opening and closing branches in the Western Wyoming Non-Metropolitan AA, did not affect the branch distribution in a negative or positive way. During the evaluation period, WFB opened one and closed four branches throughout the assessment area resulting in a net loss of three branches in the middle-income geographies during the evaluation period.

Reasonableness of Business Hours and Services

WFB's branch hours and services do not vary in a way that inconveniences certain portions of the Wyoming full-scope AA, particularly low- and moderate-income geographies and individuals.

WFB's branch operating hours are good and do not vary in a way that inconveniences certain portions of the Western Wyoming Non-Metropolitan AA, particularly low- and moderate-income geographies and individuals. One hundred percent of branches located in moderate-income geographies maintained Saturday hours compared to 85 percent of branches located in middle- and upper-income geographies.

CD Services

WFB provided an adequate level of CD services in the Wyoming full-scope AA.

In the Western Wyoming Non-Metropolitan AA, WFB provides an adequate level of CD services. WFB employees provided a total of 69 hours of CD services. These hours represented 26 CD service activities that benefited six different organizations and amounted to slightly more than one hour of CD service per branch per year. We considered the limited opportunities for CD services in our assessment of performance.

Highlights of WFB's CD services that benefited the Wyoming full-scope AA include the following:

- A WFB employee serves as treasurer and board member to an economic development organization in the Western Wyoming Non-Metropolitan AA.
- A WFB employee serves as treasurer and board member for a Western Wyoming Non-Metropolitan AA community services organization.

Conclusions for Areas Receiving Limited-Scope Review

Performance under the Service Test in the Casper and Cheyenne MSAs and Eastern Wyoming Non-Metropolitan AAs is stronger than the bank's overall **High Satisfactory** performance in Wyoming. Performance in limited-scope areas did not influence the Service Test performance in Wyoming.

Refer to Tables 1 - 15 in the Wyoming section of Appendix D and the Lending Activity Table in Appendix E for the facts and data that support the Lending, Investment, and Service Test conclusions.