

PUBLIC DISCLOSURE

October 6, 2003

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Tri Counties Bank
Certificate Number 21943**

**63 Constitution Drive
Chico, California 95973**

**Federal Deposit Insurance Corporation
25 Ecker Street, Suite 2300
San Francisco, California 94105**

NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

I.	General Information.....	1
II.	Institution Rating	
	a. Overall Rating.....	2
	b. Lending, Investment, and Service Test Table	4
	c. Description of Institution.....	5
	d. Description of Assessment Areas	7
	e. Conclusions with Respect to Performance Tests	11
III.	Assessment Areas	
	a. Metropolitan Area (AAs reviewed using examination procedures)	
	i. Description of Operations	22
	ii. Conclusions with Respect to Performance Tests	22
	b. Metropolitan Area (AAs reviewed without examination procedures)	
	i. Description of Operations	25
	ii. Conclusions with Respect to Performance Tests	25
V.	Appendix	
	a. Scope of Examination.....	28
	b. Summary of State and Multistate Metropolitan Area Ratings	28
	c. General Definitions.....	29
	d. Investment Definitions	32
	e. Standard PE Language	34
	f. Performance Evaluation Core Tables	36

GENERAL INFORMATION

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

*This document is an evaluation of the Community Reinvestment Act (CRA) performance of **Tri Counties Bank** prepared by the **Federal Deposit Insurance Corporation**, the institution's supervisory agency, as of **October 6, 2003**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 345.*

INSTITUTION RATING

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

Summary of Tri Counties Bank's CRA Performance

The institution's overall CRA performance reflects a good effort by the directorate, management, and personnel to fully meet the requirements of the Community Reinvestment Act. Additionally these efforts confirm an ongoing commitment to meeting the credit needs of the institution's various communities, including neighborhoods designated as low- and moderate-income (LMI). This is based on the following findings:

Lending

- A substantial majority of loans (93.5 percent by number) were extended inside the assessment areas.
- The geographic distribution of loans reflects adequate penetration throughout the assessment areas. No conspicuous gaps in the geographic distribution were noted other than the lack of mortgage lending in low-income tracts.
- The distribution of borrowers reflects excellent penetration among businesses with gross annual revenues of \$1 million or less, as well as adequate penetration among low- and moderate-income mortgage borrowers.
- The institution made an acceptable level of community development loans.
- The institution makes significant use of flexible lending products and practices to serve assessment area credit needs.
- The institution has a good record of serving the credit needs of the most economically disadvantaged areas of its assessment areas.

Investments

- The bank maintains an inadequate level of qualified community development investments and grants that exhibits very limited responsiveness to community economic development needs.
- The bank rarely uses innovative and/or complex investments to support community development initiatives.

Services

- The retail and community development services reflect very good responsiveness to the needs of the community.
- The branch locations, banking hours, and alternative delivery systems are tailored to the needs of its customer base and are accessible to all portions of its assessment areas, including low- and moderate-income geographies and individuals.
- The bank's record of opening and closing branches has improved the accessibility of its delivery systems to LMI geographies or individuals.
- The bank offers a wide range of commercial and retail lending and deposit products at each of its branch offices that do not vary in a way that inconveniences LMI geographies or individuals.
- The bank provides a good level of community development services that complement its commercial and retail lending and deposit products offered at each of its branch offices.

LENDING, INVESTMENT, AND SERVICE TEST TABLE:

The following table indicates the performance level of the institution with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	Tri Counties Bank		
	PERFORMANCE TESTS		
	Lending Test	Investment Test	Service Test
Outstanding			
High Satisfactory			X
Low Satisfactory	X		
Needs to Improve		X	
Substantial Noncompliance			

DESCRIPTION OF INSTITUTION:

Tri Counties Bank (TCB) is a state-chartered independent commercial bank headquartered in Chico, California and is owned by a one-bank holding company, TriCo Bancshares. Established in 1975, TCB characterizes itself as a full-service community lender, which seeks to meet all the financial needs of its communities, offering a full range of loan, deposit, and non-deposit products. The bank operates a network of 43 branch offices (9 of which are located within supermarkets) and 53 automated teller machines (ATMs) across nineteen assessment areas in northern and central California. Fifty of the bank's ATM machines are located at branch offices with the remaining three ATMs located at a local shopping mall and a university student union. Six branch offices (14 percent) are located in moderate-income census tracts, 29 branches (67 percent) in middle-income tracts, and 8 branches (19 percent) in upper-income tracts.

Data analysis indicates that TCB is primarily a commercial and mortgage lender. The bank's primary customer base consists of small- and medium-sized commercial enterprises and consumers. The bank provides its customers with a full range of personal and business banking products, such as commercial loans, asset-based financing, inventory loans, agribusiness loans, Small Business Administration Programs, construction loans, lease financing, real estate loans, and consumer loans. Residential real estate loans are offered to customers, both for the bank's portfolio and for sale on the secondary market. TCB also offers its customers a variety of demand and savings deposit products. These products and services are provided through the bank's branch network and other alternative delivery systems such as Internet Access, ATM network, bank by mail, bank by phone, and night depositories. The hours of operation and availability of products and services are tailored to the convenience and needs of bank customers.

The Consolidated Report of Condition and Income, as of June 30, 2003, reflects approximately \$1.4 billion in total assets. Total loans approximate \$852 million or 63 percent of total assets. The bank's net loan-to-deposit ratio according to the report is 72 percent. The ratio reflects a good responsiveness to assessment area credit needs. Approximately 50 percent of total loans are commercial, including construction, commercial real estate, multi-family, and commercial/industrial. Residential mortgage loans are the second largest category at approximately 29 percent of loans. Agricultural loans, including farmland, and consumer loans represent much less significant parts of the bank's portfolio, at 11 percent and 8 percent respectively. Table A illustrates the composition of the bank's loan portfolio as of June 30, 2003.

Table A - Loan Distribution as of 06/30/2003		
Loan Type	Dollar Amount (000s)	Percent of Total Loans (%)
Construction and Land Development	58,098	6.82
Secured by Farmland	48,340	5.67
1-4 Family Residential	246,753	28.95
Multi-Family (5 or more) Residential	27,451	3.22
Commercial	251,440	29.50
Total Real Estate Loans	632,082	74.16
Commercial and Industrial	86,755	10.18
Agricultural	47,521	5.58
Consumer	69,910	8.20
Other	16,022	1.88
Less: Unearned Income	0	0.00
Total Loans	852,290	100

Source: Report of Condition

The bank operates in a highly competitive environment. There are numerous banks and other financial institutions, mostly of much smaller size, headquartered within the bank's nineteen assessment areas. In addition, many large banks headquartered outside the assessment areas operate branches within the areas. One other bank is similarly situated with respect to asset size and retail branch activity. That bank is headquartered in north-central California and operates branches within Tri Counties Bank's assessment areas.

TCB has no legal or financial impediments that would prevent it from helping to meet the credit needs of its assessment area. Please refer to the appendices for definitions of terms used in this evaluation.

DESCRIPTION OF ASSESSMENT AREAS

Tri Counties Bank operates a network of 43 full service branches, including the main office, within nineteen assessment areas. TCB's nineteen assessment areas used in this analysis comprise census tracts contained within portions of ten Metropolitan Statistical Areas (MSAs): Bakersfield (Kern County), Chico-Paradise (Butte County), Fresno (Fresno and Madera Counties), Merced (Merced County), Modesto (Stanislaus County), Oakland (Contra Costa County), Redding (Shasta County), Sacramento (Sacramento County), Visalia-Tulare-Porterville (Tulare County), and Yuba City (Yuba and Sutter Counties). In addition, the bank has assessment areas in all or portions of eight counties in non-MSA areas: Del Norte, Glenn, Lake, Lassen, Mendocino, Nevada, Siskiyou, and Tehama counties. These assessment areas are both economically and demographically diverse and encompass a mix of agricultural and major metropolitan geographies extending from the northern California border through the Central Valley to Bakersfield on the south. These assessment areas comply with the technical requirements of the regulation and do not arbitrarily exclude LMI neighborhoods.

The bank's aggregate assessment area contains 578 census tracts (27 low-, 126 moderate-, 268 middle-, 148 upper-income, and 9 uncategorized tracts). Low-income census tracts account for approximately 5 percent while moderate-income census tracts account for approximately 22 percent of the total number of tracts within the assessment area. The total population of the assessment area from the 1990 U.S. Census is 2,899,141. There are 1,047,459 households in the assessment area. Low-income households account for approximately 23 percent while moderate-income households account for approximately 17 percent of the total number of households in the assessment area. It should be noted that 13 percent of the assessment area households are categorized as living below poverty level. Historically, individuals living at or below an area poverty level would not qualify for traditional bank loan products.

The population of the aggregate assessment area is projected at 3,360,724 for 2000, a 16 percent increase. The distribution of households by income level is only slightly changed for 2000, with 21 percent low-income and 17 percent moderate-income. Additional demographic and housing information from the 1990 Census is shown in Table B.

Table B - Demographic & Economic Characteristics of the Assessment Areas	
Aggregate Assessment Area Population	2,899,141
Population in Assessment Areas:	
Bakersfield MSA	338,188
Chico-Paradise MSA	182,120
Fresno MSA	623,791
Merced MSA	32,309
Modesto MSA	271,646
Oakland MSA	396,825
Redding MSA	147,036
Sacramento MSA	448,717
Visalia-Tulare-Porterville MSA	92,260
Yuba City MSA	122,643
Non-MSA	243,606
<u>Statewide non-MSA Median Family Income:</u>	
1990 Median Family Income	\$29,946
2001 Estimated Median Family Income(*)	\$38,600
2002 Estimated Median Family Income(*)	\$39,200
<u>Chico-Paradise MSA Median Family Income:</u>	
1990 Median Family Income	\$28,314
2001 Estimated Median Family Income(*)	\$38,500
2002 Estimated Median Family Income(*)	\$39,200
<u>Redding MSA Median Family Income:</u>	
1990 Median Family Income	\$30,333
2001 Estimated Median Family Income(*)	\$38,800
2002 Estimated Median Family Income(*)	\$39,000
<u>Percentage of Total Housing Units:</u>	
1-4 Family Residential	75.6
Multi-Family	12.9
Mobile Home or Trailer	7.4
Other	0.8
Owner-Occupied Housing Units	55.2
Occupied Rental Housing Units	38.6
Vacant Housing Units	6.2

Source: 1990 US Census; * This figure is based on estimates from the Department of Housing and Urban Development (HUD).

The bank's aggregate assessment area has over 174 thousand licensed small businesses. The percentage of businesses located in low- and moderate-income census tracts) is lower than the number of businesses located in middle- and upper-income census tracts. However, commercial lending opportunities appear to be available in all geographies of the assessment area. Table C depicts the breakdown of small businesses by census tract income level.

Table C– Small Businesses by Geography			
Census Tract Type	% of Tracts	Number of Small Businesses	% of Businesses
Low-Income	4.7	8,854	5.07
Moderate-Income	21.8	37,024	21.21
Middle-Income	46.4	80,787	46.28
Upper-Income	25.6	47,789	27.38
N/A	1.5	109	0.06
Total	100	174,563	100

Source: Dun and Bradstreet, 2002

Chico-Paradise MSA Assessment Area

The Chico-Paradise MSA consists of Butte County, containing 37 census tracts, with 8 moderate-, 22 middle-, and 7 upper-income tracts. Household income information shows 23 percent of households are low-income, including 17 percent below poverty level, and 17 percent of households are moderate-income.

Census data for 2000 indicate a population of 203,171, an increase of 12 percent. Low-income households have increased to 24 percent, with 18 percent below poverty level, while moderate-income households decreased to 16 percent.

Businesses in Butte County are concentrated in services (37 percent) and retail trade (17 percent). Major employers include California State University-Chico, hospitals, and a marina. Unemployment in Butte County has been 1 to 3 percent higher than the unemployment rate for the State of California during the period from 2000 through the second quarter of 2003. However, total employment growth for Butte County has been positive over the same time period, indicating the Chico-Paradise MSA has escaped the job losses seen in larger metropolitan areas of California. Housing permits have shown a steady increase during the past three years, demonstrating a relatively stable economy.

Redding MSA Assessment Area

The Redding MSA consists of Shasta County, containing 29 census tracts, with 4 moderate-, 19 middle-, 4 upper-income, and 2 uncategorized tracts. Household income information shows 24 percent of households are low-income, including 12 percent at or below poverty level, and 17 percent of households are moderate-income.

Census data for 2000 indicate a population of 163,256, an increase of 11 percent. Low-income households have stayed at 24 percent, with an increase to 14 percent below poverty level, while moderate-income households maintained at 17 percent.

Businesses in Shasta County are concentrated in services (37 percent) and retail trade (17 percent). Major employers include hospitals, government offices, and two colleges. Unemployment in Shasta County has been 1 to 3 percent higher than the unemployment rate for the State of California during the period from 2000 through the second quarter of 2003. However, total employment growth for Shasta County has been positive over the same time period, indicating the Redding MSA has escaped the job losses seen in larger metropolitan areas of California. Housing permits have generally shown a significant increase during the past three years, demonstrating a moderately growing economy.

Community Contacts

Two community contacts were conducted in the Chico-Paradise and Redding MSA assessment areas. In addition, two community contacts recently conducted within two of the other assessment areas were reviewed. The first contact, an economic development organization, indicated that there is a need for small business loans for entrepreneurs, especially Small Business Administration loans, a need which is being met by lenders in the community. TCB has developed a “low-documentation/easy qualifier” micro business loan program to meet this identified credit need. Specific details concerning this program are contained in the Lending Test section of this evaluation, under “Innovative or Flexible Loan Programs.” The contact was unaware of any community development investment opportunities available for financial institution participation.

The second contact, a community services organization, also indicated a need for very small business loans, as well as for Individual Development Accounts, financial literacy training, and access to banking services for recent immigrants who are not fluent in English. The contact indicated that financial institutions in the area have provided financing for affordable housing projects, as well as low-down-payment home loan programs. TCB has adopted the FDIC *Money Smart* financial literacy program at one of its branches that serves many low- and moderate-income households located on an Indian reservation.

Other contacts in the Merced MSA and Siskiyou County non-MSA areas indicated weak economies in those areas with little growth. Agriculture and natural resources have been the primary sources of employment, and the jobs in those sectors are usually low-paying. Needs in the areas include financing and venture capital for small businesses and affordable housing for rent or purchase. One of the contacts is a non-profit community development corporation working to stimulate economic development by assisting small businesses that do not qualify for convention bank financing; the other is a business advocacy group that provides assistance and information to businesses regarding utilization of incentives available in a local Enterprise Zone.

See Table 17 in Appendix F for additional demographic information.¹

¹ The FFIEC has adopted a standard set of data tables, sequentially numbered 1-17, for use in every Large Bank CRA Public Evaluation. Any tables not included in this PE were excluded because the institution did not originate or purchase any loans in significant numbers in the relevant category during the period under review or did not elect to report consumer loan data, and/or were combined due to similar performance by loan type.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS:

Scope of Evaluation

Full scope, on-site, large bank CRA evaluation procedures were used to determine the bank's performance ratings. The evaluation was conducted at the bank's main office in Chico, California. The evaluation relied on records and reports provided by the bank, publicly available loan and financial information, demographic information, and information gathered as part of the examination process, including community contacts. Prior public evaluations of Tri Counties Bank reflect a satisfactory record of CRA performance in the bank's communities, including those geographies designated as low- and moderate-income (LMI).

This evaluation covers the period from the previous evaluation dated August 21, 2000 to October 6, 2003. Given the bank's lending concentrations, small business loans and residential mortgage loans are the basis of the lending test evaluation. As noted in Description of the Institution, agricultural loans and consumer loans represent much less significant portions of the loan portfolio and thus are not considered in this evaluation. Loans reported pursuant to Community Reinvestment Act (CRA) and Home Mortgage Disclosure Act (HMDA) data collection requirements for 2001 and 2002 were analyzed in the performance evaluation. CRA loans evaluated were small business loans; although small business loans secured by real estate were reported for 2001, they represent a small percentage of CRA lending, and the bank chose not to report them in 2002. HMDA loans include loans for purchase, refinancing, home improvement, and multi-family purposes. Community Development Loans and flexible or innovative lending programs were evaluated for the same two-year period. Qualified investments and services were considered for the entire evaluation period.

Data on the level of the bank's performance contained in this Public Evaluation is presented for the bank on an aggregate basis, and also based on two MSA assessment areas, Chico-Paradise and Redding, reviewed on-site using full scope Large Bank CRA evaluation procedures. Approximately 58 percent by number of the bank's total reported lending activities occurred in these two MSA assessment areas, along with 55 percent of deposits. They contain 17 (40 percent) of the bank's branches. Each of the other assessment areas represents 10 percent or less of the bank's lending activities and deposits.

Within the Chico-Paradise MSA, TCB ranks ninth among HMDA lenders by number of loans, with a 3 percent market share. In the Redding MSA, TCB ranks eleventh with a 2 percent market share. For CRA small business lending, TCB ranks eighth in both Chico-Paradise and Redding MSAs. However, six of the lenders with a greater number of small business loans have average loan sizes of \$2 to 8 thousand, indicating they are primarily credit card lenders. In dollar volume, TCB ranks first in the Chico-Paradise MSA and third in the Redding MSA for small business lending.

The bank's performance in the Chico-Paradise and Redding MSA assessment areas is weighted most heavily in this evaluation, given that these areas contain a significant percentage of the bank's offices, lending, investment, and service activity. The other assessment areas were

reviewed on-site using limited scope procedures. Data on the other MSA and non-MSA assessment areas was evaluated and conforms to the bank's performance in the Chico-Paradise and Redding MSAs.

Note: The analyses presented in the Lending Test tables reflect the number and corresponding percentage of loans originated by the bank and by aggregate lenders. Analyses by dollar volume of loans did not reveal significant differences. The number of loans is considered more indicative of the bank's overall performance as it represents the number of customers assisted.

Aggregate peer data (from CRA and HMDA data collection) was used in the analysis for the year 2001 for small business and HMDA loans. Aggregate peer data for 2002 is not currently available. The HMDA data presented in the body of this report reflect the total lending activity in the broad category of residential mortgage loans which includes purchase, refinance, home improvement, and multi-family loans.

LENDING TEST

TCB is rated Low Satisfactory in the Lending Test. The following seven components comprise the Lending Test. The component Borrower Profile refers to businesses of different revenue sizes or borrowers of different income levels:

- Lending Activity (Level of Lending)
- Lending within the AAs
- Geographic Distribution
- Borrower Profile
- Community Development Lending
- Innovative and Flexible Lending Practices
- Record of Serving the Credit Needs of Highly Disadvantaged Individuals and Areas

The following five performance criteria are discussed only in this overall rating section: Lending Activity, Lending within the AAs, Community Development Lending, Innovative and Flexible Lending Practices, and Record of Serving the Credit Needs of Highly Disadvantaged Individuals and Areas. Conclusions for Geographic Distribution and Borrower Profile will also be presented under the separate conclusions for the Chico-Paradise MSA and Redding MSA AAs.

The performance Lending Test criteria given the greatest weight were Borrower Profile and Geographic Distribution, followed by Community Development Loans (CDLs). CDLs are weighted somewhat less than Borrower Profile and Geographic Distribution, since CDLs augment the bank's lending program and are not a primary loan product. Less weight was given to the other lending criteria including Assessment Area Concentration, Innovative and Flexible Practices, and Responsiveness to the Highly Disadvantaged, which are secondary lending considerations. Performances for small business lending and mortgage lending are weighted equally. While business lending is a larger percentage of the bank's portfolio by dollar amount, HMDA reports indicate a larger number of mortgage loans originated, many of which are sold on the secondary market.

Lending Activity

Lending levels reflect a good responsiveness to identified assessment area credit needs. The volume of small business loans for 2001 and 2002 (approximately \$143 million) and mortgage loans (approximately \$287 million) represents a significant percentage of the bank's total loan production, with an increasing trend from 2001 to 2002. Since the prior evaluation, the bank has increased its total assets from \$960 million to \$1.361 billion (42 percent increase), its deposits from \$787 million to \$1.174 billion (49 percent increase), and its total loans from \$640 million to \$852 million (33 percent increase). While loan growth has not kept pace with deposit growth, management attributed the difference in growth rates to the recent opening of branches which have attracted deposits but have not yet had time to build loan portfolios. In addition, the bank has sold the majority of HMDA mortgage loans originated, totaling over \$280 million in sales for 2001 and 2002, so those loans are not part of the bank's balance sheet.

Lending in Assessment Areas

A substantial majority (93.5 percent) of total loans were made in the bank's combined assessment areas, with an increasing trend from 2001 to 2002. Table D depicts the level of bank lending inside its assessment areas.

Table D – Distribution of Loans Inside and Outside of the Assessment Area					
Loan Category or Type	Inside		Outside		Total
	#	%	#	%	
Home Mortgage					
2001	1,012	93.2	74	6.8	1,086
2002	1,403	96.5	51	3.5	1,454
Subtotal	2,415	95.1	125	4.9	2,540
Small Business					
2001	553	90.4	59	9.6	612
2002	1,030	91.6	95	8.4	1,125
Subtotal	1,583	91.1	154	8.9	1,737
Total	3,998	93.5	279	6.5	4,277

Source: HMDA and CRA Disclosure Statements (2001), HMDA LAR (2002), and CRA data collection (2002)

Geographic Distribution

Geographic distribution of loans is marginally adequate. TCB demonstrated adequate distribution of small business loans but poor distribution of mortgage loans.

Small Business Loans

Overall, performance is adequate. Small business loans were made in all income-level geographies, and there were no significant gaps in lending distribution. However, the bank’s performance in low-income tracts is at a much lower level than the distribution of businesses or the performance shown in aggregate lending data. In moderate-income tracts, the bank’s performance was somewhat lower than aggregate and the percentage of businesses.

Table E - Distribution of Small Business Loans by Income Category of the Census Tract								
Census Tract Income Level	2001 Aggregate Lending Data	2002 Distribution of Businesses	2001		2002		Total	
	% of #	% of #	#	%	#	%	#	%
Low	4.3	5.0	2	0.4	2	0.2	4	0.3
Moderate	18.5	21.2	77	13.9	126	12.2	203	12.8
Middle	45.2	46.3	334	60.4	622	60.4	956	60.4
Upper	32.0	27.4	140	25.3	280	27.2	420	26.5
\$0/NA	0.02	0.1	0	0.0	0	0	0	0
Total	100	100	553	100	1,030	100	1,583	100

Source: CRA Disclosure Statements (2001), CRA data collection (2002), Dun and Bradstreet, and CRA Aggregate Data

Mortgage Loans

Mortgage lending results are poor, with no loans originated in low-income tracts. This performance is mitigated somewhat by the fact that only 1.5 percent of owner-occupied housing units within the assessment areas were located within low-income tracts, representing a small number of potential borrowers. In addition, three of the nine branches serving the six assessment areas with low-income tracts have been open only since late 2002 and have not had time to originate a significant number of loans. In moderate-income tracts, the bank originated a lower percentage of loans than was originated by other lenders, according to aggregate data. As Table F shows, TCB’s performance in moderate-income tracts (5.5 percent) was less than half that of the aggregate (11.6 percent).

Table F – Distribution of HMDA Loans by Income Category of the Census Tract								
Census Tract Income Level	% of Total Owner-Occupied Housing Units	2001 Aggregate Lending Data	2001		2002		Total	
		% of #	#	%	#	%	#	%
Low	1.5	1.3	0	0.0	0	0	0	0.0
Moderate	14.9	11.6	54	5.3	78	5.6	132	5.5
Middle	52.1	49.1	632	62.5	900	64.1	1,532	63.4
Upper	31.5	38.0	326	32.2	425	30.3	751	31.1
Total	100	100	1,012	100	1,403	100	2,415	100

Source: 1990 U.S. Census, HMDA Disclosure Statements (2001), HMDA LAR (2002), and HMDA Aggregate Data

Borrower Profile

TCB demonstrated an excellent penetration among small businesses and an adequate distribution of loans to low- and moderate-income borrowers. Overall, performance is considered good.

Small Business Loans

Small business lending results show 75 percent of loans made to businesses with gross annual revenues of \$1 million or less, increasing from 2001 to 2002. This is outstanding performance compared to the 39 percent level shown in aggregate data and also exceeds the percentage of businesses in that revenue category.

Table G - Distribution of Small Business Loans by Gross Annual Revenues of Business								
Gross Annual Revenues (000s)	2001 Aggregate Data	2002 Business Distribution	2001		2002		Total	
	% of #	% of #	#	%	#	%	#	%
≤ \$1,000	39.3	72.8	370	66.9	818	79.4	1,188	75.0
> \$1,000 or NA	60.7	27.2	183	33.1	212	20.6	395	25.0
Total	100	100	553	100	1,030	100	1,583	100

Source: CRA Disclosure Statements (2001), CRA data collection (2002), Dun and Bradstreet, and CRA Aggregate Data

Mortgage Loans

Distribution of mortgage loans is acceptable. The bank's lending to low-income borrowers is slightly less than the level by other lenders. As noted previously in the description of the AAs, 13 percent of households have income below the poverty level, and these households do not typically qualify for mortgage loans. Lending to moderate-income borrowers is similar to that for low-income, at a level somewhat below the aggregate.

Table H – Distribution of HMDA Loans by Borrower Income								
Borrower Income Level	% of Total Families	2001 Aggregate Lending Data	2001		2002		Total	
		% of #	#	%	#	%	#	%
Low	21.1	3.0	18	1.8	30	2.2	48	2.0
Moderate	17.2	11.7	101	10.0	121	8.6	222	9.2
Middle	21.2	20.6	198	19.5	229	16.3	427	17.7
Upper	40.5	46.6	675	66.7	890	63.4	1,565	64.8
\$0/NA Income	0	18.1	20	2.0	133	9.5	153	6.3
Total	100	100	1,012	100	1,403	100	2,415	100

Source: 1990 U.S. Census, HMDA Disclosure Statements (2001), HMDA LAR (2002), and HMDA Aggregate Data.

Community Development Lending

The bank has a moderate level of community development lending. The majority of its community development lending has been through purchases of affordable housing loan participations from a state-wide non-profit organization that originates multifamily affordable housing loans. The loans are either in the bank's assessment areas or benefit the larger area of the State of California which includes all the bank's assessment areas. During 2001 and 2002, the bank purchased 44 loan participations totaling \$631,210. While these participations purchased do not indicate that the bank is a leader in making community development loans, they do meet an identified credit need in the assessment areas for affordable housing. In addition, the bank originated 2 community development loans in enterprise zones in 2001 and 2002 totaling \$3,265,000. These loans help to revitalize low- and moderate-income geographies.

Innovative and Flexible Lending Practices

TCB makes a substantial number of loans demonstrating innovative and flexible lending practices. These are primarily small business and agricultural loans, with a limited number of mortgage loans.

Beginning in 2001, TCB developed several Business Banking small business loan products that require limited documentation and are underwritten primarily based on the business owner's credit score. Loan amounts for Business Banking Automatic Cash Reserve (overdraft protection) are as low as \$1,000, equipment loans are as small as \$3,000, and unsecured lines start at \$10,000. These small business products help to meet the identified credit need for very small business loans for entrepreneurs.

TCB also offers business and agricultural loans backed by government guarantees through the Small Business Administration (SBA) and Farm Security Agency (FSA). These programs allow credit access for businesses and farms that may not meet the bank's normal credit requirements.

To assist students who are studying agriculture and working on a project for Future Farmers of America (FFA) or 4-H, the bank has developed a very small agricultural loan product. There is no minimum loan amount, loan fees and minimum interest requirements are waived, and the loan is unsecured.

The primary flexible residential mortgage product the bank offers is Freddie Mac's Affordable Gold 97 loan which provides for a low down payment and other flexible terms. In addition, the bank has provided flexible loan terms on a spot basis for mortgage loans originated for the bank's portfolio. Table I summarizes the loans made under these programs during 2001 and 2002.

Table I – Innovative or Flexible Lending Practices		
PROGRAM	NUMBER OF LOANS	DOLLAR VOLUME OF LOANS (000s)
Residential Programs	3	227
Commercial Loans—Business Banking	450	18,885
Commercial Loans—SBA guaranteed	10	5,723
Agricultural Loans—FSA guaranteed	39	18,744
Agricultural Loans—FFA program	30	17
Grand Total	532	43,596

Source: Bank Records

Record of Serving the Credit Needs of Highly Economically Disadvantaged

The bank exhibits a good record of serving the credit needs of very small businesses, consistent with safe and sound practices, throughout its assessment areas. As discussed in the Lending to Businesses of Different Revenue Sizes analysis, the bank significantly exceeded aggregate lending data to small businesses with gross annual revenues of \$1 million or less. In addition, service to low-income households is enhanced by the number of community development loans that help serve the low-income population by providing affordable housing.

TCB makes loans within designated Enterprise Zones in several of the bank's assessment areas. Enterprise Zones are identified economically distressed areas and provide incentives to encourage business investment and job creation. Enterprise Zone loans totaled 67 for 2001 and 2002, in the approximate amount of \$11.8 million.

Other examples of loans to serve the credit needs of highly economically disadvantaged include:

- ? a loan to the operator of a rural health clinic serving low-income patients;
- ? 3 loans to the operator of a center for treating disturbed children who are wards of the state.

INVESTMENT TEST

Tri Counties Bank needs to improve its performance relative to the overall level of qualified community development investments. Qualified investments consist of only donations and forgone dividends with the Federal Home Loan Bank of San Francisco. During the review period the bank made a total of \$98,074 in donations, and forgone dividends totaled \$56,098. Therefore, separate descriptions of qualified investments will not be found under each assessment area evaluation.

Qualified community development investments are available for financial institutions within the bank's assessment areas. According to community contacts and a review of the performance of two other institutions that operate within several of the bank's 19 assessments areas, there are opportunities for qualified community development investments other than donations. The qualified investments available include mortgage backed securities and state and municipal obligations. In addition, within the assessment areas, community development corporations are operating in which the institution could invest.

Tri Counties Bank provided grants and donations to various community organizations that have as their primary purpose community development. Examples include \$15,000 in donations to two organizations that provide for the needs of children from low- and moderate-income families. A \$1,000 donation was made to a religious organization that provides for health care, educational needs, and social services for low- and moderate-income individuals. A \$2,000 donation went to a program at a local college that provides for the educational needs of disadvantaged community college students. Finally, a total of four donations for \$6,000 were given to various senior citizen resource centers. These centers provide basic human services to low- and moderate-income senior citizens and their families. The bank has also made several in-kind donations of used computer equipment to various schools and community groups.

SERVICES TEST

Tri Counties Bank provides a good level of services within each of its Assessment Areas (AAs).

RETAIL BANKING SERVICES

Accessibility of Delivery Systems

TCB's retail services and delivery systems provide good access within each of its AAs. All branches offer commercial loans, commercial real estate loans, construction loans, consumer loans (including residential mortgage loans and home equity loans and lines), small business loans, agricultural loans, and retail deposit services.

Of the bank's 43 branches, 6 (14 percent) are located in moderate-income census tracts, 29 (67 percent) are located in middle-income census tracts, and 8 (19 percent) are located in upper-income census tracts. There are no branches in low-income census tracts; however, these tracts represent less than 5 percent of tracts in the bank's aggregate AA and contain less than 4 percent of the population in the AA. Refer to Table 15 in Appendix F for a full review of the bank's distribution of branch delivery systems, deposit share, and branch openings and closings.

Changes in Branch Locations

Changes in branch locations have improved accessibility for low- and moderate-income areas. Since the previous evaluation, the bank opened eight branches and closed one branch. The bank opened two branches in moderate-income census tracts, three branches in middle-income tracts, and three branches in upper-income tracts. The branches opened were in the Chico-Paradise MSA (4), Fresno MSA (1), Modesto MSA (1), Oakland MSA (1), and Sacramento MSA (1). The one branch closed was in an upper-income census tract in Chico. Management maintains a branch closing policy that meets regulatory requirements.

Reasonableness of Business Hours and Services in Meeting Assessment Area Needs

Services, including business hours, are tailored to the convenience and needs of the assessment area, including LMI individuals.

The majority of branches are open Monday through Friday, with extended hours on Friday. Nine branches are located in supermarkets and are opened seven days a week. One branch located on Beale Air Force Base is open Tuesday through Saturday to accommodate the needs of customers on the air base. Three branches located in very small communities are open shorter hours Monday through Friday due to the limited demand for services; these locations each have automated teller machines (ATMs) that are available 24 hours a day. The bank offers a variety of financial services for lending and deposit needs throughout its branch network.

Alternative Delivery Systems

Automated Teller Machines (ATMs)/Visa Debit Card

ATMs are located at 40 of the 43 branches. There are also three free standing ATMs. One is located at California State University-Chico in a moderate-income census tract and two are located at the Chico Mall in an upper-income census tract. All ATMs are accessible 24 hours a day. The Visa Debit Card can be used in place of cash or checks to access deposit accounts to pay for goods and services.

Telephone Voice Response System

The bank provides a toll-free 24-hour touch-tone telephone banking service for customers to obtain account balances and check recent account activities. The customer is also allowed to make transfers between accounts using this system.

Web Site

The bank maintains a transactional web site that allows customers to view account balances, transfer funds between accounts, make loan payments, and view check images. Bill payment is also available as a separate service for a monthly flat fee.

Bank by Mail

The bank provides postage paid envelopes for customers to bank by mail.

Electronic Benefits Transfer

TCB provide free electronic access to recipients of benefits from the State of California.

Community Development Services

TCB provides a good level of community development services given the resources and staffing levels of the institution. Community development activities are strongly supported by the Board and senior management.

The following are examples of community development services provided by the bank. All of the services listed below meet the definition of “community development” and involve the provision of financial services and expertise as required by the CRA regulation. Qualified services were reported in each AA. Some of the more significant community development services are detailed below categorized by AA.

Chico-Paradise MSA

An employee serves on the Board of Directors for an organization that provides housing for LMI individuals and families. The homes are financed with no cost loans.

Senior officers work closely with the Federal Home Loan Bank of San Francisco through its Affordable Housing Program to secure grants/subsidies to help create affordable housing for low- and moderate-income individuals. In addition, bank employees provide services in managing the affordable housing projects by performing construction inspections, disbursing grant funds, monitoring reports, and preparing documents.

An employee served as an instructor to teach senior citizens and young adults at a local church the benefits of proper and prudent banking and financial management.

An employee served on the Board of Directors of a local chamber of commerce that supports the needs of small business owners.

Three employees are actively involved with local schools in the Save at School Program. The program is designed to encourage and promote good savings habits for the students.

An employee is an active member of the Board of Directors for a multi-county economic development organization. This organization provides funds to small businesses with the purpose of job creation in the area.

An employee is on the Board of Directors of a Chico economic planning corporation. This organization helps bring new businesses to Chico.

An employee is on the Board of Directors of a local economic planning organization. The organization supports job creation, recruitment, and retention, as well as expansion of businesses in the area.

Redding MSA

An employee is Chairman for a local city's planning commission. The commission approves low-income housing projects.

An employee is Chairman and sits on the Advisory Board for a local community development grant program. The Advisory Board determines the allocation of funds for qualified projects.

An employee presented to a local economic development corporation the requirements of credit criteria a bank uses when determining whether to extend credit to a small business.

An employee is on the loan committee of a local county rehabilitation commission that provides housing assistance for qualified low-income individuals and families.

An employee was Chairman for a business expo and has conducted workshops and seminars for a local chamber of commerce. The purpose was to identify and address the needs of small businesses.

METROPOLITAN AREAS

(for metropolitan areas with some or all assessment areas reviewed using the examination procedures)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN CHICO-PARADISE MSA, CALIFORNIA:

TCB operates 9 branches, including the headquarters office, and 14 ATMs in the Chico-Paradise MSA. Approximately 30 percent of deposits and 34 percent of loans are generated in the area. The bank originated 529 small business loans and 859 HMDA loans during the review period in this AA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CHICO-PARADISE MSA, CALIFORNIA:

LENDING TEST

Geographic Distribution

TCB's distribution of loans by the income level of census tracts reflects marginally adequate performance. Business lending is acceptable, but geographic distribution of mortgage loans is poor. This AA contains no low-income tracts.

Business Loans

The bank's small business lending in moderate-income tracts (15.9 percent) is somewhat less than the level of lending in the aggregate data (19.2 percent), representing acceptable performance. Moderate-income tracts contain 23 percent of businesses in this AA.

Mortgage Loans

TCB's distribution of mortgage loans is poor. The bank originated only 4.3 percent of mortgage loans in moderate-income tracts, although they contain almost 15 percent of owner-occupied housing units in the assessment area. The aggregate data indicates other lenders made 11.4 percent of loans in moderate-income tracts, more than double TCB's record.

Borrower Profile

TCB demonstrated good performance in lending to businesses of different revenues and borrowers of different income levels, with outstanding performance for business loans and adequate performance on mortgage loans.

Business Loans

The bank shows an excellent penetration among small businesses, with 80 percent of loans made to businesses with gross annual revenues of \$1 million or less. This is outstanding performance compared to the 37 percent level shown in aggregate data and also exceeds the percentage of businesses in that revenue category.

Mortgage Loans

Distribution of mortgage loans is adequate. The bank's lending to low-income borrowers (0.6 percent) is less than the level by other lenders (2.4 percent). Lending to moderate-income borrowers (6.6 percent) is similarly at a level somewhat below the aggregate (8.5 percent).

INVESTMENT TEST

The bank's performance in the Chico-Paradise MSA is consistent with performance for the bank as a whole.

SERVICES TEST

The bank's performance in the Chico-Paradise MSA is consistent with performance for the bank as a whole.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN REDDING MSA, CALIFORNIA:

TCB operates 8 branches and 9 ATMs in the Redding MSA. Approximately 25 percent of deposits and 24 percent of loans are generated in the area. The bank originated 426 small business loans and 640 HMDA loans during the review period in this AA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN REDDING MSA, CALIFORNIA:

LENDING TEST

Geographic Distribution

TCB's distribution of loans by the income level of census tracts reflects marginally adequate performance. This AA contains no low-income tracts.

Business Loans

The bank's small business lending in moderate-income tracts (8.2 percent) is less than the level of lending in the aggregate data (15 percent), representing acceptable performance.

Mortgage Loans

Geographic distribution of mortgage loans is poor. TCB originated only 4.8 percent of mortgage loans in moderate-income tracts, although they contain 9.3 percent of owner-occupied housing units in the assessment area. The aggregate of other lenders indicates 9.5 percent of loans made in moderate-income tracts, approximately double TCB's record.

Borrower Profile

Performance levels are good, with an outstanding record for business loans and an acceptable record for mortgage lending.

Business Loans

TCB demonstrated an excellent penetration among small businesses, with almost 74 percent of loans made to businesses with gross annual revenues of \$1 million or less. This is outstanding performance compared to the 41 percent level shown in aggregate data.

Mortgage Loans

Distribution of mortgage loans is acceptable. The bank's lending to low-income borrowers (2.2 percent) is only slightly less than the level by other lenders (2.4 percent) and shows an increasing trend from 2001 to 2002. Lending to moderate-income borrowers (9.4 percent) is similar, at a level somewhat below the aggregate (10.2 percent).

INVESTMENT TEST

The bank's performance in the Redding MSA is consistent with performance for the bank as a whole.

SERVICES TEST

The bank's performance in the Redding MSA is consistent with performance for the bank as a whole.

METROPOLITAN AREAS

(for each metropolitan area where no assessment areas were reviewed using the examination procedures)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN BAKERSFIELD MSA, CALIFORNIA:

The bank's Bakersfield MSA AA was reviewed using limited scope examination procedures. TCB operates 1 branch in this AA. The bank originated 32 small business loans and 3 HMDA loans during the review period in this AA.

The bank's performance in the Bakersfield MSA AA is consistent with the conclusions expressed in the bank-wide analysis with respect to each performance test. Refer to the analysis in the section describing the performance of the bank as a whole. Refer to the tables in Appendix F for demographic data regarding this AA.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN FRESNO MSA, CALIFORNIA:

The bank's Fresno MSA AA was reviewed using limited scope examination procedures. TCB operates 2 branches (1 opened in November 2002) and 3 ATMs in this AA. The bank originated 25 small business loans and 18 HMDA loans during the review period in this AA.

The bank's performance in the Fresno MSA AA is consistent with the conclusions expressed in the bank-wide analysis with respect to each performance test. Refer to the analysis in the section describing the performance of the bank as a whole. Refer to the tables in Appendix F for demographic data regarding this AA.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MERCED MSA, CALIFORNIA:

The bank's Merced MSA AA was reviewed using limited scope examination procedures. TCB operates 1 branch and 1 ATM in this AA. The bank originated 24 small business loans and 39 HMDA loans during the review period in this AA.

The bank's performance in the Merced MSA AA is consistent with the conclusions expressed in the bank-wide analysis with respect to each performance test. Refer to the analysis in the section describing the performance of the bank as a whole. Refer to the tables in Appendix F for demographic data regarding this AA.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MODESTO MSA, CALIFORNIA):

The bank's Modesto MSA AA was reviewed using limited scope examination procedures. TCB operates 2 branches and 3 ATMs in this AA. The bank originated 43 small business loans and 65 HMDA loans during the review period in this AA.

The bank's performance in the Modesto MSA AA is consistent with the conclusions expressed in the bank-wide analysis with respect to each performance test. Refer to the analysis in the section describing the performance of the bank as a whole. Refer to the tables in Appendix F for demographic data regarding this AA.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN OAKLAND MSA, CALIFORNIA:

The bank's Oakland MSA AA was reviewed using limited scope examination procedures. In this AA, TCB operates 1 branch and 2 ATMs that were opened in September 2002. The bank originated 6 small business loans and 2 HMDA loans during the review period in this AA.

The bank's performance in the Oakland MSA AA is consistent with the conclusions expressed in the bank-wide analysis with respect to each performance test. Refer to the analysis in the section describing the performance of the bank as a whole. Refer to the tables in Appendix F for demographic data regarding this AA.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN SACRAMENTO MSA, CALIFORNIA:

The bank's Sacramento MSA AA was reviewed using limited scope examination procedures. TCB operates 2 branches (1 opened in December 2002) and 3 ATMs in this AA. The bank originated 28 small business loans and 7 HMDA loans during the review period in this AA.

The bank's performance in the Sacramento MSA AA is consistent with the conclusions expressed in the bank-wide analysis with respect to each performance test. Refer to the analysis in the section describing the performance of the bank as a whole. Refer to the tables in Appendix F for demographic data regarding this AA.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN VISALIA-TULARE-PORTERVILLE MSA, CALIFORNIA:

The bank's Visalia-Tulare-Porterville MSA AA was reviewed using limited scope examination procedures. TCB operates 1 branch in this AA. The bank originated 4 small business loans and 1 HMDA loan during the review period in this AA.

The bank's performance in the Visalia-Tulare-Porterville MSA AA is consistent with the conclusions expressed in the bank-wide analysis with respect to each performance test. Refer to the analysis in the section describing the performance of the bank as a whole. Refer to the tables in Appendix F for demographic data regarding this AA.

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN YUBA CITY MSA,
CALIFORNIA:**

The bank's Yuba City MSA AA was reviewed using limited scope examination procedures. TCB operates 4 branches and 4 ATMs in this AA. The bank originated 120 small business loans and 268 HMDA loans during the review period in this AA.

The bank's performance in the Yuba City MSA AA is consistent with the conclusions expressed in the bank-wide analysis with respect to each performance test. Refer to the analysis in the section describing the performance of the bank as a whole. Refer to the tables in Appendix F for demographic data regarding this AA.

APPENDIX A

SCOPE OF EXAMINATION:

Tri Counties Bank
SCOPE OF EXAMINATION: Full Scope Large Bank Performance Evaluation
TIME PERIOD REVIEWED: 2001 and 2002 for Lending; September 2000 through September 2003 for Investments and Services
PRODUCTS REVIEWED: Small business loans, home mortgage loans, and community development loans.

LIST OF AFFILIATES AND PRODUCTS REVIEWED		
AFFILIATE(S):	AFFILIATE RELATIONSHIP:	PRODUCTS REVIEWED:
N/A		

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA:	TYPE OF EXAMINATION:	BRANCHES VISITED:	OTHER INFORMATION:
Bakersfield MSA #0680	Limited Scope		
Chico-Paradise MSA #1620	Full Scope	3	
Fresno MSA (Fresno & Madera) #2840	Limited Scope		
Merced MSA #4940	Limited Scope		
Modesto MSA #5170	Limited Scope		
Oakland MSA #5775	Limited Scope		
Redding MSA #6690	Full Scope		
Sacramento MSA #6920	Limited Scope		
Visalia-Tulare-Porterville MSA #8780	Limited Scope		
Yuba City MSA #9340	Limited Scope		
Combined Non-MSA	Limited Scope		

APPENDIX B

SUMMARY OF STATE AND MULTISTATE MSA RATINGS				
STATE OR MULTISTATE MSA NAME:	LENDING TEST RATING:	INVESTMENT TEST RATING:	SERVICE TEST RATING:	OVERALL STATE RATING:
California	Low Satisfactory	Needs to Improve	High Satisfactory	Satisfactory

APPENDIX C - GENERAL DEFINITIONS

GEOGRAPHY TERMS

Block: Small areas bounded on all sides by visible features such as streets, roads, streams or rail road tracks, and invisible features like city or town boundaries or property lines. Blocks are subdivisions of census tracts or block numbering areas (BNA), and are assigned a unique three-digit number.

Block Group: Clusters of blocks within a census tract or BNA, having a four-digit number and a three-digit suffix. The four-digit number corresponds to the same number given to the census tract or BNA in which it is located.

Block Numbering Areas (BNAs): Statistical subdivisions of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. BNAs do not cross county lines.

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

Metropolitan Area (MA): One or more large population centers and adjacent communities that have a high degree of economic and social integration. Each MA must contain either a place with a minimum population of 50,000 of Census Bureau-defined urbanized area and a total MA population of at least 100,000 (75,000 in New England). An MA comprises one or more central counties and may include one or more outlying counties that have close economic and social relationships with the central county. In New England, MAs are composed of cities and towns rather than whole counties.

Metropolitan Statistical Area (MSA): One or more metropolitan areas that have economic and social ties.

Primary Metropolitan Statistical Area (PMSA): A large urbanized county or cluster of counties that demonstrate very strong internal economic and social links, in addition to close ties to other portions of the larger area. If an area qualifies as an MA and has more than one million persons, PMSAs may be defined within it.

Consolidated Metropolitan Statistical Area (CMSA): The larger area of which PMSAs are component parts.

Non-Metropolitan Area: All areas outside of metropolitan areas. The definition of non-metropolitan area is not consistent with the definition of rural areas. Urban and rural

classifications cut across the other hierarchies; for example, there is generally both urban and rural territory within both metropolitan and non-metropolitan areas.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in: places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin) but excluding the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

Rural Area: Territories, populations and housing units that are not classified as urban.

HOUSING TERMS

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).

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.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

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.

INCOME TERMS

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the bank-wide non-metropolitan median family income, if a person or geography is located outside an MSA.

Family Income: Includes the income of all members of a family that are age 15 and older.

Household Income: Includes the income of the householder and all other persons that are age 15 and older in the household, whether related to the householder or not. Because many households consist of only one person, median household income is usually less than median family income.

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.

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 and less than 80 percent in the case of a geography.

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 and less than 120 percent in the case of a geography.

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

HUD Adjusted Income Data: The U.S. Department of Housing and Urban Development (HUD) issues annual estimates which update median family income from the metropolitan and non-metropolitan areas. HUD starts with the most recent U.S. Census data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

OTHER TERMS

Home Mortgage Disclosure Loan Application Register (HMDA LAR): The HMDA LARs record all applications received for residential purchase, refinance, home improvement and temporary-to-permanent construction loans.

Small Business Loan: A loan included in “loans to small businesses” as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

APPENDIX D - INVESTMENT DEFINITIONS

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. The equity investments are subject to limits specified by the bank's regulator. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community as well as to the financial and marketing needs of the bank. A CDC may purchase, own, rehabilitate, construct, manage and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization. Any real estate ownership should generally be temporary, with ownership reverting to members or organizations in the community.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. They procure loans and investments that conventional financial institutions are unable to invest in, and they link financing to other developmental activities. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. CDFIs share a common mission and can be chartered as a credit union or bank. CDFIs can also be unregulated nonprofit institutions that gather private capital from a range of social investors for community development lending or investing. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, microenterprise funds, and community development venture capital funds. A certified CDFI must meet eligibility requirements, which include: having a primary mission of promoting community development; serving an investment area or target population; providing development services; maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means; and not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Low Income Housing Tax Credits: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended, which is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department, through the Internal Revenue Service, distributes low-income housing tax credits to housing credit agencies. The housing agencies allocate tax credits on a competitive basis. Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits or sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains in place throughout the compliance period, usually 30 years.

Qualified Investments: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development to support the following endeavors: 1) affordable housing; 2) community services targeting low- and moderate-income individuals; 3) activities that promote economic development by financing small farms and small businesses; and 4) activities that revitalize or stabilize low- and moderate-income geographies.

APPENDIX E - STANDARD PE LANGUAGE

LENDING TEST

Scope of Test

The lending test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) by considering an institution's home mortgage, small business, small farm, and community development lending. The institution's lending performance is evaluated pursuant to the following criteria: 1) the volume of lending activity; 2) the proportion of lending within the assessment area(s); 3) the dispersion of loans and the number and amount of loans in low-, moderate-, middle- and upper-income geographies in the assessment area(s); 4) the distribution of loans among borrowers of low-, moderate-, middle- and upper-income levels and businesses (including farms) of different sizes; 5) the distribution of small business and small farm loans by loan amount at origination; 6) the volume of community development lending; and 7) the use of innovative or flexible lending practices. Performance under the lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

Community Development Lending:

Performance Criteria

The institution's community development lending activities are evaluated pursuant to the following criteria: 1) the extent to which community development lending opportunities have been made available to the institution; 2) the responsiveness of the institution's community development lending; and 3) the extent of leadership the institution has demonstrated in community development lending.

Innovative and Flexible Lending Practices:

Performance Criteria

The institution's innovative and flexible lending practices are evaluated pursuant to the following criteria: 1) the degree to which the loans serve low- and moderate-income creditworthy borrowers in new ways or serve groups of creditworthy borrowers not previously served by the institution; and 2) the success of each product serving low- and moderate-income borrowers, including the number and dollar volume of loans originated during the review period.

INVESTMENT TEST

Scope of Test

The investment test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) through its use of qualified investments that benefit the assessment area(s) or a broader statewide or regional area that includes the institution's assessment area(s). Activities considered under the lending or service test may not be considered under the investment test. The institution's investment performance is evaluated pursuant to the following criteria: 1) the dollar amount of qualified investments; 2) the innovativeness or complexity of qualified investments; 3) the responsiveness of qualified investments to credit and community development needs; and 4) the degree to which the qualified investments are not routinely provided by private investors.

SERVICE TEST

Scope of Test

The service test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of the institution's systems for delivering retail banking services and the extent and innovativeness of its community development services. The institution's retail banking services are evaluated pursuant to the following criteria: 1) the distribution of the institution's branches among geographies of different income levels; 2) the record of opening and closing branches, particularly branches located in low- and moderate-income geographies or that primarily serve low- or moderate-income individuals; 3) the availability and effectiveness of alternate systems for delivering retail banking services; and 4) the range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

In addition, the institution's community development services are evaluated pursuant to the following criteria: 1) the extent of community development services offered and used; 2) the innovativeness of community development services, including whether they serve low- and moderate-income customers in new ways or serve groups of customers not previously served; 3) the degree to which they serve low- and moderate-income areas or individuals; and 4) their responsiveness to available opportunities for community development services.

APPENDIX F

Institution ID: 30000021943 **TRI COUNTIES BANK**

Table 1. Lending Volume

LENDING VOLUME												
Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002						
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
All Assessment Areas	100.00	2,415	287,238	1,583	143,146	398	54,934	46	3,896	4,442	489,214	100.00
Tri Co Bk--Chico-Paradise MSA	34.06	859	113,431	529	49,222	91	12,035	34	461	1,513	175,149	29.53
Tri Co Bk--Redding MSA	24.34	640	72,952	426	32,039	12	376	3	3,272	1,081	108,639	25.47
Limited Review:												
Tri Co Bk--Bakersfield MSA	1.08	3	333	32	8,327	11	1,496	2	17	48	10,173	0.53
Tri Co Bk--Combined Non-MSAs	22.92	513	55,775	346	29,649	159	21,507	0	0	1,018	106,931	25.38
Tri Co Bk--Fresno-Madera MSA	1.85	18	1,440	25	1,320	38	6,003	1	15	82	8,778	1.57
Tri Co Bk--Merced MSA	1.46	39	3,116	24	1,287	2	1,000	0	0	65	5,403	3.19
Tri Co Bk--Modesto MSA	2.57	65	8,326	43	3,533	5	975	1	7	114	12,841	3.77
Tri Co Bk--Sacramento MSA	0.86	7	1,069	28	4,649	0	0	3	73	38	5,791	0.44
Tri Co Bk--Visalia-Tulare-Porterville	0.25	1	56	4	303	4	385	2	21	11	765	0.17
Tri Co Bk--Yuba City MSA	10.45	268	30,456	120	12,485	76	11,157	0	0	464	54,098	9.96
Tri Co Bk--Oakland MSA	0.18	2	284	6	332	0	0	0	0	8	616	0.00

* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is From August 22, 2000 to October 06, 2003.

*** Deposit Data as of June 30, 2002. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

Institution ID: 30000021943 TRI COUNTIES BANK

Table 1. Other Products

LENDING VOLUME		Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002								
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans		Small Business Real Estate		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	# Secured**	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:														
All Assessment Areas	100.00	75	15,723	75	15,723	0	0	0	0	0	0	0	0	100.00
Tri Co Bk--Chico-Paradise MSA	33.33	25	4,429	25	4,429	0	0	0	0	0	0	0	0	29.53
Tri Co Bk--Redding MSA	18.67	14	3,303	14	3,303	0	0	0	0	0	0	0	0	25.47
Limited Review:														
Tri Co Bk--Bakersfield MSA	6.67	5	1,382	5	1,382	0	0	0	0	0	0	0	0	0.53
Tri Co Bk--Combined Non-MSAs	18.67	14	3,218	14	3,218	0	0	0	0	0	0	0	0	25.38
Tri Co Bk--Fresno-Madera MSA	4.00	3	420	3	420	0	0	0	0	0	0	0	0	1.57
Tri Co Bk--Merced MSA	1.33	1	160	1	160	0	0	0	0	0	0	0	0	3.19
Tri Co Bk--Modesto MSA	2.67	2	1,213	2	1,213	0	0	0	0	0	0	0	0	3.77
Tri Co Bk--Sacramento MSA	2.67	2	435	2	435	0	0	0	0	0	0	0	0	0.44
Tri Co Bk--Visalia-Tulare-Porterville	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.17
Tri Co Bk--Yuba City MSA	12.00	9	1,163	9	1,163	0	0	0	0	0	0	0	0	9.96
Tri Co Bk--Oakland MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00

* Loan Data as of December 31, 2002. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Optional Product Line(s) is From January 01, 2001 to December 31, 2002.

*** Deposit Data as of June 30, 2002. Rated Area refers to the state, multi-state MA, or institution, as appropriate.

Institution ID: 30000021943 TRI COUNTIES BANK

Table2a. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
All Assessment Areas	401	100.00	1.51	0.00	14.92	6.23	52.11	66.33	31.46	27.43	1.55	13.50	49.46	35.49
Tri Co Bk--Chico-Paradise MSA	126	31.42	0.00	0.00	14.88	6.35	66.68	52.38	18.44	41.27	0.00	13.75	57.49	28.76
Tri Co Bk--Redding MSA	126	31.42	0.00	0.00	9.27	5.56	75.62	70.63	15.11	23.81	0.00	12.14	64.86	23.00
Limited Review:														
Tri Co Bk--Bakersfield MSA	0	0.00	2.19	0.00	19.66	0.00	35.20	0.00	42.95	0.00	1.39	12.24	29.74	56.63
Tri Co Bk--Combined Non-MSAs	77	19.20	0.06	0.00	13.22	6.49	63.57	92.21	23.15	1.30	0.09	9.31	60.66	29.95
Tri Co Bk--Fresno-Madera MSA	3	0.75	2.05	0.00	16.61	0.00	46.92	100.00	34.42	0.00	1.50	13.54	33.85	51.10
Tri Co Bk--Merced MSA	9	2.24	0.00	0.00	21.23	0.00	60.42	100.00	18.35	0.00	0.00	6.50	77.99	15.51
Tri Co Bk--Modesto MSA	12	2.99	0.37	0.00	14.47	8.33	56.32	75.00	28.84	16.67	0.33	13.69	53.27	32.71
Tri Co Bk--Sacramento MSA	0	0.00	5.77	0.00	15.38	0.00	54.90	0.00	23.96	0.00	5.56	15.50	67.01	11.94
Tri Co Bk--Visalia-Tulare-Porterville	0	0.00	0.00	0.00	10.63	0.00	19.92	0.00	69.45	0.00	0.00	6.40	30.47	63.12
Tri Co Bk--Yuba City MSA	48	11.97	0.00	0.00	20.39	8.33	50.98	39.58	28.64	52.08	0.00	16.25	42.43	41.31
Tri Co Bk--Oakland MSA	0	0.00	0.07	0.00	11.85	0.00	47.90	0.00	40.18	0.00	0.20	15.22	51.42	33.16

* Based on 2001 Peer Mortgage Data: US and PR.

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

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

Institution ID: 30000021943 TRI COUNTIES BANK

Table 3a. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT														
Geography: CALIFORNIA														
Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002														
MA/Assessment Area:	Total Home Improvement		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	# Loans	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
All Assessment Areas	84	100.00	1.51	0.00	14.92	5.95	52.11	58.33	31.46	35.71	0.97	11.03	48.14	39.87
Tri Co Bk--Chico-Paradise MSA	20	23.81	0.00	0.00	14.88	0.00	66.68	25.00	18.44	75.00	0.00	9.50	61.25	29.25
Tri Co Bk--Redding MSA	29	34.52	0.00	0.00	9.27	3.45	75.62	86.21	15.11	10.34	0.00	6.69	71.83	21.48
Limited Review:														
Tri Co Bk--Bakersfield MSA	0	0.00	2.19	0.00	19.66	0.00	35.20	0.00	42.95	0.00	1.48	13.93	24.75	59.84
Tri Co Bk--Combined Non-MSAs	17	20.24	0.06	0.00	13.22	11.76	63.57	52.94	23.15	35.29	0.00	9.26	57.22	33.52
Tri Co Bk--Fresno-Madera MSA	3	3.57	2.05	0.00	16.61	0.00	46.92	100.00	34.42	0.00	1.05	11.92	33.37	53.67
Tri Co Bk--Merced MSA	3	3.57	0.00	0.00	21.23	0.00	60.42	100.00	18.35	0.00	0.00	7.35	69.85	22.79
Tri Co Bk--Modesto MSA	0	0.00	0.37	0.00	14.47	0.00	56.32	0.00	28.84	0.00	0.12	8.53	51.05	40.30
Tri Co Bk--Sacramento MSA	0	0.00	5.77	0.00	15.38	0.00	54.90	0.00	23.96	0.00	4.71	11.72	62.73	20.85
Tri Co Bk--Visalia-Tulare-Porterville	0	0.00	0.00	0.00	10.63	0.00	19.92	0.00	69.45	0.00	0.00	8.57	25.71	65.71
Tri Co Bk--Yuba City MSA	12	14.29	0.00	0.00	20.39	16.67	50.98	33.33	28.64	50.00	0.00	13.70	44.81	41.48
Tri Co Bk--Oakland MSA	0	0.00	0.07	0.00	11.85	0.00	47.90	0.00	40.18	0.00	0.05	11.92	47.52	40.52

* Based on 2001 Peer Mortgage Data: US and PR.

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

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

Institution ID 3000021943 TRI COUNTIES BANK

Table 4a. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE														Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002			
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*										
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp							
Full Review:																					
All Assessment Areas	1,929	100.00	1.51	0.00	14.92	5.29	52.11	63.04	31.46	31.67	1.01	10.22	48.92	39.85							
Tri Co Bk--Chico-Paradise MSA	713	36.96	0.00	0.00	14.88	4.07	66.68	52.17	18.44	43.76	0.00	9.93	56.22	33.85							
Tri Co Bk--Redding MSA	484	25.09	0.00	0.00	9.27	4.75	75.62	72.31	15.11	22.93	0.00	7.47	68.95	23.58							
Limited Review:																					
Tri Co Bk--Bakersfield MSA	3	0.16	2.19	0.00	19.66	0.00	35.20	33.33	42.95	66.67	0.89	9.49	22.33	67.29							
Tri Co Bk--Combined Non-MSAs	419	21.72	0.06	0.00	13.22	5.97	63.57	79.71	23.15	14.32	0.06	7.22	52.21	40.50							
Tri Co Bk--Fresno-Madera MSA	12	0.62	2.05	0.00	16.61	8.33	46.92	91.67	34.42	0.00	1.13	10.43	31.28	57.14							
Tri Co Bk--Merced MSA	27	1.40	0.00	0.00	21.23	0.00	60.42	96.30	18.35	3.70	0.00	6.07	77.10	16.83							
Tri Co Bk--Modesto MSA	53	2.75	0.37	0.00	14.47	5.66	56.32	81.13	28.84	13.21	0.18	9.06	53.65	37.10							
Tri Co Bk--Sacramento MSA	7	0.36	5.77	0.00	15.38	0.00	54.90	71.43	23.96	28.57	4.54	10.77	64.69	20.01							
Tri Co Bk--Visalia-Tulare-Porterville	1	0.05	0.00	0.00	10.63	0.00	19.92	0.00	69.45	100.00	0.00	7.18	26.31	66.51							
Tri Co Bk--Yuba City MSA	208	10.78	0.00	0.00	20.39	10.10	50.98	34.62	28.64	55.29	0.00	12.38	42.61	45.02							
Tri Co Bk--Oakland MSA	2	0.10	0.07	0.00	11.85	0.00	47.90	100.00	40.18	0.00	0.05	11.72	47.09	41.15							

* Based on 2001 Peer Mortgage Data: US and PR.

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

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information.

Institution ID 3000021943 TRI COUNTIES BANK

Table 5a. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY														
Geography: CALIFORNIA														
Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002														
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
All Assessment Areas	1	100.00	6.94	0.00	26.59	0.00	50.82	100.00	15.64	0.00	15.38	32.69	43.46	8.46
Tri Co Bk--Redding MSA	1	100.00	0.00	0.00	22.01	0.00	72.16	100.00	5.83	0.00	0.00	4.35	91.30	4.35
Tri Co Bk--Chico-Paradise MSA	0	0.00	0.00	0.00	21.09	0.00	48.49	0.00	30.42	0.00	0.00	28.13	46.88	25.00
Limited Review:														
Tri Co Bk--Oakland MSA	0	0.00	2.33	0.00	28.36	0.00	53.81	0.00	15.50	0.00	8.06	40.32	48.39	3.23
Tri Co Bk--Yuba City MSA	0	0.00	0.00	0.00	30.82	0.00	57.55	0.00	11.64	0.00	0.00	41.18	52.94	5.88
Tri Co Bk--Visalia-Tulare-Porterville	0	0.00	0.00	0.00	9.00	0.00	18.13	0.00	72.86	0.00	0.00	42.86	42.86	14.29
Tri Co Bk--Sacramento MSA	0	0.00	14.48	0.00	38.16	0.00	41.83	0.00	5.53	0.00	30.26	45.64	20.51	3.59
Tri Co Bk--Modesto MSA	0	0.00	0.59	0.00	11.68	0.00	60.04	0.00	27.69	0.00	0.00	15.38	76.92	7.69
Tri Co Bk--Merced MSA	0	0.00	0.00	0.00	12.20	0.00	83.99	0.00	3.81	0.00	0.00	0.00	0.00	100.00
Tri Co Bk--Fresno-Madera MSA	0	0.00	8.05	0.00	20.00	0.00	55.28	0.00	16.67	0.00	12.37	14.43	63.92	9.28
Tri Co Bk--Combined Non-MSAs	0	0.00	0.00	0.00	15.06	0.00	82.57	0.00	2.37	0.00	0.00	11.11	88.89	0.00
Tri Co Bk--Bakersfield MSA	0	0.00	3.90	0.00	23.05	0.00	44.57	0.00	28.48	0.00	7.84	33.33	35.29	23.53

* Based on 2001 Peer Mortgage Data: US and PR.

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 Census information.

Institution ID 30000021943 TRI COUNTIES BANK

Table 6a. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: CALIFORNIA		Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002			
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*								
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp					
Full Review:																			
All Assessment Areas	1,583	100.00	5.07	0.25	21.21	12.82	46.28	60.39	27.38	26.52	3.17	17.19	46.29	33.35					
Tri Co Bk--Chico-Paradise MSA	529	33.42	0.00	0.00	22.97	15.88	56.03	43.48	20.99	40.64	0.00	19.18	53.74	27.08					
Tri Co Bk--Redding MSA	426	26.91	0.00	0.00	18.01	8.22	69.88	73.24	12.11	18.54	0.00	14.96	70.81	14.23					
Limited Review:																			
Tri Co Bk--Bakersfield MSA	32	2.02	12.50	6.25	18.21	18.75	25.44	15.63	43.85	59.38	7.58	20.33	24.18	47.91					
Tri Co Bk--Combined Non-MSAs	346	21.86	0.13	0.00	13.02	12.43	66.01	79.19	20.84	8.38	0.00	13.86	60.96	25.18					
Tri Co Bk--Fresno-Madera MSA	25	1.58	5.22	0.00	21.75	0.00	41.03	88.00	31.74	12.00	3.21	19.63	41.61	35.55					
Tri Co Bk--Merced MSA	24	1.52	0.00	0.00	16.54	0.00	62.73	100.00	20.73	0.00	0.04	17.47	61.27	21.22					
Tri Co Bk--Modesto MSA	43	2.72	1.51	0.00	22.56	6.98	53.80	62.79	21.95	30.23	1.04	17.41	57.48	24.07					
Tri Co Bk--Sacramento MSA	28	1.77	11.52	7.14	37.15	39.29	37.75	17.86	13.58	35.71	5.83	21.22	43.81	29.14					
Tri Co Bk--Visalia-Tulare-Porterville	4	0.25	0.00	0.00	7.40	0.00	32.85	50.00	59.75	50.00	0.00	15.19	48.38	36.43					
Tri Co Bk--Yuba City MSA	120	7.58	0.00	0.00	25.39	17.50	52.19	40.83	22.42	41.67	0.00	19.16	48.96	31.87					
Tri Co Bk--Oakland MSA	6	0.38	3.29	0.00	9.44	0.00	49.04	100.00	38.24	0.00	2.61	10.51	45.10	41.77					

* Based on 2001 Peer Small Business Data: US and PR.

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

*** Source Data - Dun and Bradstreet (2002).

Institution ID 30000021943 TRI COUNTIES BANK

Table 8a. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families**	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
All Assessment Areas	401	100.00	21.15	1.81	17.19	11.66	21.20	22.80	40.46	63.73	4.03	16.39	26.84	52.73
Tri Co Bk--Chico-Paradise MSA	126	31.42	19.92	0.81	18.62	8.13	22.18	22.76	39.28	68.29	3.11	10.79	25.07	61.03
Tri Co Bk--Redding MSA	126	31.42	21.65	2.59	17.74	10.34	20.87	21.55	39.73	65.52	2.94	15.19	24.67	57.20
Limited Review:														
Tri Co Bk--Bakersfield MSA	0	0.00	23.05	0.00	15.82	0.00	19.80	0.00	41.34	0.00	7.41	23.44	27.42	41.73
Tri Co Bk--Combined Non-MSAs	77	19.20	19.87	0.00	18.57	13.33	21.30	22.67	40.27	64.00	2.10	8.97	21.19	67.75
Tri Co Bk--Fresno-Madera MSA	3	0.75	23.18	0.00	16.37	66.67	19.53	0.00	40.91	33.33	4.29	16.64	23.58	55.49
Tri Co Bk--Merced MSA	9	2.24	21.49	11.11	19.02	0.00	19.36	33.33	40.13	55.56	0.43	3.45	11.11	85.01
Tri Co Bk--Modesto MSA	12	2.99	20.97	0.00	16.79	25.00	21.15	25.00	41.09	50.00	1.81	10.80	29.04	58.35
Tri Co Bk--Sacramento MSA	0	0.00	24.29	0.00	19.58	0.00	22.49	0.00	33.64	0.00	6.05	22.60	30.77	40.57
Tri Co Bk--Visalia-Tulare-Porterville	0	0.00	17.99	0.00	14.24	0.00	18.10	0.00	49.67	0.00	1.87	12.91	25.20	60.02
Tri Co Bk--Yuba City MSA	48	11.97	20.32	4.17	18.62	16.67	20.11	25.00	40.94	54.17	3.00	11.60	27.72	57.68
Tri Co Bk--Oakland MSA	0	0.00	15.69	0.00	15.65	0.00	24.24	0.00	44.43	0.00	2.34	13.85	28.00	55.81

* Based on 2001 Peer Mortgage Data: US and PR.

** As a percentage of loans with borrower income information available. No information was available for 3.74% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

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

Institution ID 3000021943 TRI COUNTIES BANK

Table 9a. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002							
MA/Assessment Area:	Total Home Improvement		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	Loan% of Total**	% Families**	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
All Assessment Areas	84	100.00	21.15	10.13	17.19	5.06	21.20	11.39	40.46	73.42	5.34	11.41	22.00	61.26
Tri Co Bk--Chico-Paradise MSA	20	23.81	19.92	0.00	18.62	0.00	22.18	5.26	39.28	94.74	4.80	10.67	20.27	64.27
Tri Co Bk--Redding MSA	29	34.52	21.65	11.11	17.74	7.41	20.87	18.52	39.73	62.96	4.43	9.96	17.71	67.90
Limited Review:														
Tri Co Bk--Bakersfield MSA	0	0.00	23.05	0.00	15.82	0.00	19.80	0.00	41.34	0.00	9.31	10.53	20.65	59.51
Tri Co Bk--Combined Non-MSAs	17	20.24	19.87	25.00	18.57	6.25	21.30	6.25	40.27	62.50	4.43	6.84	17.71	71.03
Tri Co Bk--Fresno-Madera MSA	3	3.57	23.18	0.00	16.37	0.00	19.53	33.33	40.91	66.67	3.93	10.05	17.70	68.31
Tri Co Bk--Merced MSA	3	3.57	21.49	0.00	19.02	0.00	19.36	33.33	40.13	66.67	2.38	5.56	14.29	77.78
Tri Co Bk--Modesto MSA	0	0.00	20.97	0.00	16.79	0.00	21.15	0.00	41.09	0.00	4.38	8.06	21.50	66.05
Tri Co Bk--Sacramento MSA	0	0.00	24.29	0.00	19.58	0.00	22.49	0.00	33.64	0.00	8.15	18.11	27.01	46.73
Tri Co Bk--Visalia-Tulare-Porterville	0	0.00	17.99	0.00	14.24	0.00	18.10	0.00	49.67	0.00	1.51	6.03	18.09	74.37
Tri Co Bk--Yuba City MSA	12	14.29	20.32	9.09	18.62	9.09	20.11	0.00	40.94	81.82	4.94	7.00	16.87	71.19
Tri Co Bk--Oakland MSA	0	0.00	15.69	0.00	15.65	0.00	24.24	0.00	44.43	0.00	5.08	13.35	25.89	55.68

* Based on 2001 Peer Mortgage Data: US and PR.

** As a percentage of loans with borrower income information available. No information was available for 5.95% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

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

Institution ID: 30000021943 TRI COUNTIES BANK

Table 10a. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families**	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
All Assessment Areas	1,929	100.00	21.15	1.84	17.19	9.63	21.20	18.36	40.46	70.17	3.22	12.85	24.21	59.73
Tri Co Bk--Chico-Paradise MSA	713	36.96	19.92	0.60	18.62	7.06	22.18	15.62	39.28	76.73	2.43	9.23	20.94	67.40
Tri Co Bk--Redding MSA	484	25.09	21.65	1.81	17.74	10.41	20.87	20.59	39.73	67.19	2.84	9.87	20.17	67.11
Limited Review:														
Tri Co Bk--Bakersfield MSA	3	0.16	23.05	0.00	15.82	50.00	19.80	0.00	41.34	50.00	3.46	9.43	19.11	67.99
Tri Co Bk--Combined Non-MSAs	419	21.72	19.87	4.30	18.57	10.89	21.30	18.48	40.27	66.33	2.12	7.61	18.54	71.73
Tri Co Bk--Fresno-Madera MSA	12	0.62	23.18	8.33	16.37	0.00	19.53	25.00	40.91	66.67	2.75	9.04	18.11	70.11
Tri Co Bk--Merced MSA	27	1.40	21.49	0.00	19.02	28.00	19.36	16.00	40.13	56.00	0.97	5.10	19.74	74.19
Tri Co Bk--Modesto MSA	53	2.75	20.97	2.00	16.79	16.00	21.15	30.00	41.09	52.00	2.36	12.39	25.44	59.82
Tri Co Bk--Sacramento MSA	7	0.36	24.29	0.00	19.58	60.00	22.49	20.00	33.64	20.00	5.00	18.34	29.85	46.81
Tri Co Bk--Visalia-Tulare-Porterville	1	0.05	17.99	0.00	14.24	0.00	18.10	0.00	49.67	100.00	2.17	7.30	17.08	73.45
Tri Co Bk--Yuba City MSA	208	10.78	20.32	1.01	18.62	9.09	20.11	19.70	40.94	70.20	2.55	8.72	21.12	67.61
Tri Co Bk--Oakland MSA	2	0.10	15.69	0.00	15.65	0.00	24.24	0.00	44.43	100.00	3.35	15.20	26.98	54.48

* Based on 2001 Peer Mortgage Data: US and PR.

** As a percentage of loans with borrower income information available. No information was available for 6.84% of loans originated and purchased by BANK.

*** Percentage of Families is based on the 1990 Census information.

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

Institution ID: 30000021943 TRI COUNTIES BANK

Table 11a. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES									
Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
All Assessment Areas	1,583	100.00	72.82	75.05	79.34	13.33	7.33	61,844	24,280
Tri Co Bk--Chico-Paradise MSA	529	33.42	77.22	80.15	76.56	16.07	7.37	3,744	1,401
Tri Co Bk--Redding MSA	426	26.91	75.60	73.94	84.27	10.56	5.16	3,563	1,454
Limited Review:									
Tri Co Bk--Bakersfield MSA	32	2.02	74.59	18.75	50.00	18.75	31.25	6,827	2,814
Tri Co Bk--Combined Non-MSAs	346	21.86	76.45	73.12	82.37	8.67	8.96	4,449	1,680
Tri Co Bk--Fresno-Madera MSA	25	1.58	73.24	88.00	88.00	12.00	0.00	13,159	5,435
Tri Co Bk--Merced MSA	24	1.52	73.56	83.33	83.33	16.67	0.00	477	145
Tri Co Bk--Modesto MSA	43	2.72	74.27	86.05	81.40	13.95	4.65	5,025	1,879
Tri Co Bk--Sacramento MSA	28	1.77	69.60	53.57	53.57	35.71	10.71	10,661	4,062
Tri Co Bk--Visalia-Tulare-Porterville	4	0.25	72.77	50.00	75.00	25.00	0.00	2,198	986
Tri Co Bk--Yuba City MSA	120	7.58	73.97	75.00	75.83	16.67	7.50	2,171	709
Tri Co Bk--Oakland MSA	6	0.38	69.05	66.67	83.33	16.67	0.00	9,570	3,715

* Based on 2001 Peer Small Business Data: US and PR.

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

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2002).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 2.97% of small loans to businesses originated and purchased by the bank.

Institution ID: 30000021943 TRI COUNTIES BANK

Table 14. Qualified Investments
Table 14. Qualified Investments

Table 14. Qualified Investments									
Geography: CALIFORNIA Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002									
QUALIFIED INVESTMENTS IA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
All Assessment Areas	0	0	0	154	0	154	100.00	0	0
Tri Co Bk--Chico-Paradise MSA	0	0	0	154	0	154	100.00	0	0
Tri Co Bk--Redding MSA	0	0	0	0	0	0	0.00	0	0
Limited Review:									
Tri Co Bk--Bakersfield MSA	0	0	0	0	0	0	0.00	0	0
Tri Co Bk--Combined Non-MSAs	0	0	0	0	0	0	0.00	0	0
Tri Co Bk--Fresno-Madera MSA	0	0	0	0	0	0	0.00	0	0
Tri Co Bk--Merced MSA	0	0	0	0	0	0	0.00	0	0
Tri Co Bk--Modesto MSA	0	0	0	0	0	0	0.00	0	0
Tri Co Bk--Sacramento MSA	0	0	0	0	0	0	0.00	0	0
Tri Co Bk--Visalia-Tulare-Porterville MSA	0	0	0	0	0	0	0.00	0	0
Tri Co Bk--Yuba City MSA	0	0	0	0	0	0	0.00	0	0
Tri Co Bk--Oakland MSA	0	0	0	0	0	0	0.00	0	0

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

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

Institution ID: 30000021943 TRI COUNTIES BANK

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
All Assessment Areas	100.00	43	100.00	0.00	13.95	67.44	18.60	8	1	0	2	3	2	3.89	21.32	50.23	24.52
Tri Co Bk--Chico-Paradise MSA	29.53	9	21	0.00	22.22	44.44	33.33	4	1	0	2	1	0	0.00	20.01	60.51	19.48
Tri Co Bk--Redding MSA	25.47	8	19	0.00	12.50	87.50	0.00	0	0	0	0	0	0	0.00	12.71	73.35	13.94
Limited Review:																	
Tri Co Bk--Bakersfield MSA	0.53	1	2	0.00	0.00	100.00	0.00	0	0	0	0	0	0	5.57	27.77	34.30	32.37
Tri Co Bk--Combined Non-MSAs	25.38	12	28	0.00	8.33	83.33	8.33	0	0	0	0	0	0	0.06	13.70	66.81	19.43
Tri Co Bk--Fresno-Madera MSA	1.57	2	5	0.00	0.00	50.00	50.00	1	0	0	0	0	1	5.86	24.32	45.99	23.65
Tri Co Bk--Merced MSA	3.19	1	2	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	23.14	64.16	12.70
Tri Co Bk--Modesto MSA	3.77	2	5	0.00	0.00	50.00	50.00	0	0	0	0	0	0	1.09	19.41	56.09	23.34
Tri Co Bk--Sacramento MSA	0.44	2	5	0.00	50.00	50.00	0.00	1	0	0	0	1	0	11.81	22.64	50.43	15.11
Tri Co Bk--Visalia-Tulare-Porterville MSA	0.17	1	2	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	17.48	22.93	59.59
Tri Co Bk--Yuba City MSA	9.96	4	9	0.00	25.00	50.00	25.00	0	0	0	0	0	0	0.00	30.44	48.57	20.99
Tri Co Bk--Oakland MSA	0.00	1	2	0.00	0.00	100.00	0.00	1	0	0	0	1	0	0.32	17.30	48.46	33.92

Institution ID 30000021943 TRI COUNTIES BANK

Table 16. Distribution of Branch and ATM Delivery System

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM				Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2002									
MA/Assessment Area:	Deposits	Branches						ATMs						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
All Assessment Areas	100.00	43	100.00	0.00	13.95	67.44	18.60	53	100.00	0	8	34	11	3.89	21.32	50.23	24.52
Tri Co Bk--Chico-Paradise MSA	29.53	9	21	0.00	22.22	44.44	33.33	14	26.42	0	4	4	6	0.00	28.57	28.57	42.86
Tri Co Bk--Redding MSA	25.47	8	19	0.00	12.50	87.50	0.00	9	16.98	0	1	8	0	0.00	11.11	88.89	0.00
Limited Review:																	
Tri Co Bk--Bakersfield MSA	0.53	1	2	0.00	0.00	100.00	0.00	0	0.00	0	0	0	0	0.00	0.00	0.00	0.00
Tri Co Bk--Combined Non-MSAs	25.38	12	28	0.00	8.33	83.33	8.33	14	26.42	0	1	11	2	0.00	7.14	78.57	14.29
Tri Co Bk--Fresno-Madera MSA	1.57	2	5	0.00	0.00	50.00	50.00	3	5.66	0	0	2	1	0.00	0.00	66.67	33.33
Tri Co Bk--Merced MSA	3.19	1	2	0.00	0.00	100.00	0.00	1	1.89	0	0	1	0	0.00	0.00	100.00	0.00
Tri Co Bk--Modesto MSA	3.77	2	5	0.00	0.00	50.00	50.00	3	5.66	0	0	2	1	0.00	0.00	66.67	33.33
Tri Co Bk--Sacramento MSA	0.44	2	5	0.00	50.00	50.00	0.00	3	5.66	0	1	2	0	0.00	33.33	66.67	0.00
Tri Co Bk--Visalia-Tulare-Porterville MSA	0.17	1	2	0.00	0.00	0.00	100.00	0	0.00	0	0	0	0	0.00	0.00	0.00	0.00
Tri Co Bk--Yuba City MSA	9.96	4	9	0.00	25.00	50.00	25.00	4	7.55	0	1	2	1	0.00	25.00	50.00	25.00
Tri Co Bk--Oakland MSA	0.00	1	2	0.00	0.00	100.00	0.00	2	3.77	0	0	2	0	0.00	0.00	100.00	0.00

Table 17. Tri Counties Bank All Assessment Areas

Demographic Information for Full Scope Area: Tri Counties Bank All Assessment Areas						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	578	4.67	21.80	46.37	25.61	1.56
Population by Geography	2,899,141	3.89	21.32	50.23	24.52	0.04
Owner-Occupied Housing by Geography	615,641	1.51	14.92	52.11	31.46	0.00
Business by Geography	174,563	5.07	21.21	46.28	27.38	0.06
Farms by Geography	8,562	0.96	13.90	58.23	26.86	0.05
Family Distribution by Income Level	744,076	21.15	17.19	21.20	40.46	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	285,293	6.03	30.37	50.87	12.73	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		33,898 47,736 12.65%	Median Housing Value Unemployment Rate (1990 US Census)		116,376 3.76%	

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI

Table 17. Tri Co Bk--Bakersfield MSA

Demographic Information for Limited Scope Area: Tri Co Bk--Bakersfield MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	69	5.80	23.19	33.33	37.68	0.00
Population by Geography	338,188	5.57	27.77	34.30	32.37	0.00
Owner-Occupied Housing by Geography	65,769	2.19	19.66	35.20	42.95	0.00
Business by Geography	17,614	12.50	18.21	25.44	43.85	0.00
Farms by Geography	656	3.05	13.26	31.25	52.44	0.00
Family Distribution by Income Level	85,904	23.05	15.82	19.80	41.34	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	33,383	9.02	42.25	32.86	15.87	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		31,714 40,300 14.12%	Median Housing Value Unemployment Rate (1990 US Census)	82,378 5.95%		

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI

Table 17. Tri Co Bk--Chico-Paradise MSA

Demographic Information for Full Scope Area: Tri Co Bk--Chico-Paradise MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	37	0.00	21.62	59.46	18.92	0.00
Population by Geography	182,120	0.00	20.01	60.51	19.48	0.00
Owner-Occupied Housing by Geography	43,808	0.00	14.88	66.68	18.44	0.00
Business by Geography	11,679	0.00	22.97	56.03	20.99	0.00
Farms by Geography	782	0.00	9.72	53.96	36.32	0.00
Family Distribution by Income Level	46,712	19.92	18.62	22.18	39.28	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	18,002	0.00	26.69	60.30	13.01	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		28,314 39,200 16.62%	Median Housing Value Unemployment Rate (1990 US Census)	95,332 4.1%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 US Census and 2002

Table 17. Tri Co Bk--Fresno-Madera MSA

Demographic Information for Limited Scope Area: Tri Co Bk--Fresno-Madera MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	120	5.00	23.33	43.33	25.83	2.50
Population by Geography	623,791	5.86	24.32	45.99	23.65	0.18
Owner-Occupied Housing by Geography	113,487	2.05	16.61	46.92	34.42	0.00
Business by Geography	32,422	5.22	21.75	41.03	31.74	0.26
Farms by Geography	2,620	0.88	12.10	66.41	20.46	0.15
Family Distribution by Income Level	153,713	23.18	16.37	19.53	40.91	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	60,806	8.77	33.21	47.89	10.13	0.00
Median Family Income		30,012	Median Housing Value		83,168	
HUD Adjusted Median Family Income for 2002		40,300	Unemployment Rate (1990 US		6.09%	
Households Below Poverty Level		16.12%	Census)			

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI

Table 17. Tri Co Bk--Merced MSA

Demographic Information for Limited Scope Area: Tri Co Bk--Merced MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	6	0.00	16.67	66.67	16.67	0.00
Population by Geography	32,309	0.00	23.14	64.16	12.70	0.00
Owner-Occupied Housing by Geography	6,250	0.00	21.23	60.42	18.35	0.00
Business by Geography	1,524	0.00	16.54	62.73	20.73	0.00
Farms by Geography	311	0.00	23.79	64.63	11.58	0.00
Family Distribution by Income Level	8,264	21.49	19.02	19.36	40.13	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	3,348	0.00	29.81	60.60	9.59	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		28,269 39,400 15.18%	Median Housing Value Unemployment Rate (1990 US Census)	90,114 6.39%		

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI

Table 17. Tri Co Bk--Modesto MSA

Demographic Information for Limited Scope Area: Tri Co Bk--Modesto MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	53	1.89	20.75	52.83	20.75	3.77
Population by Geography	271,646	1.09	19.41	56.09	23.34	0.06
Owner-Occupied Housing by Geography	55,865	0.37	14.47	56.32	28.84	0.00
Business by Geography	13,885	1.51	22.56	53.80	21.95	0.18
Farms by Geography	882	0.68	15.31	45.12	38.89	0.00
Family Distribution by Income Level	69,353	20.97	16.79	21.15	41.09	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	26,190	1.62	27.27	56.22	14.90	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		32,923 46,500 11.85%	Median Housing Value Unemployment Rate (1990 US Census)		123,003 6.28%	

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI

Table 17. Tri Co Bk-Oakland MSA

Demographic Information for Limited Scope Area: Tri Co Bk-Oakland MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	74	1.35	20.27	43.24	35.14	0.00
Population by Geography	396,825	0.32	17.30	48.46	33.92	0.00
Owner-Occupied Housing by Geography	96,739	0.07	11.85	47.90	40.18	0.00
Business by Geography	26,752	3.29	9.44	49.04	38.24	0.00
Farms by Geography	543	1.10	11.05	48.07	39.78	0.00
Family Distribution by Income Level	106,609	15.69	15.65	24.24	44.43	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	33,404	0.50	30.98	53.55	14.97	0.00
Median Family Income		47,516	Median Housing Value	222,414		
HUD Adjusted Median Family Income for 2002		74,500	Unemployment Rate (1990 US Census)	3.84%		
Households Below Poverty Level		8.23%				

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 1990 US Census and 2002 HUD updated MFI

Table 17. Tri Co Bk—Redding MSA

Demographic Information for Full Scope Area: Tri Co Bk--Redding MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	29	0.00	13.79	65.52	13.79	6.90
Population by Geography	147,036	0.00	12.71	73.35	13.94	0.00
Owner-Occupied Housing by Geography	36,112	0.00	9.27	75.62	15.11	0.00
Business by Geography	9,812	0.00	18.01	69.88	12.11	0.00
Farms by Geography	269	0.00	9.67	76.95	13.38	0.00
Family Distribution by Income Level	40,707	21.65	17.74	20.87	39.73	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	16,036	0.00	16.41	74.10	9.50	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		30,333 39,000 12.38%	Median Housing Value Unemployment Rate (1990 US Census)	93,473 3.82%		

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI

Table 17. Tri Co Bk--Sacramento MSA

Demographic Information for Limited Scope Area: Tri Co Bk--Sacramento MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	97	14.43	26.80	41.24	17.53	0.00
Population by Geography	448,717	11.81	22.64	50.43	15.11	0.00
Owner-Occupied Housing by Geography	90,728	5.77	15.38	54.90	23.96	0.00
Business by Geography	33,425	11.52	37.15	37.75	13.58	0.00
Farms by Geography	380	7.11	24.47	55.79	12.63	0.00
Family Distribution by Income Level	109,700	24.29	19.58	22.49	33.64	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	48,121	17.09	29.93	45.28	7.70	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		38,850 57,300 9.62%	Median Housing Value Unemployment Rate (1990 US Census)	136,097 3.91%		

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI

Table 17. Tri Co Bk--Visalia-Tulare-Porterville

Demographic Information for Limited Scope Area: Tri Co Bk--Visalia-Tulare-Porterville MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	15	0.00	13.33	26.67	60.00	0.00
Population by Geography	92,260	0.00	17.48	22.93	59.59	0.00
Owner-Occupied Housing by Geography	19,198	0.00	10.63	19.92	69.45	0.00
Business by Geography	5,623	0.00	7.40	32.85	59.75	0.00
Farms by Geography	242	0.00	15.29	23.97	60.74	0.00
Family Distribution by Income Level	23,817	17.99	14.24	18.10	49.67	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	7,676	0.00	27.01	28.97	44.02	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		26,697 37,400 17.5%	Median Housing Value Unemployment Rate (1990 US Census)	73,427 6.53%		

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI

Table 17. Tri Co Bk--Yuba City MSA

Demographic Information for Limited Scope Area: Tri Co Bk--Yuba City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	26	0.00	23.08	53.85	23.08	0.00
Population by Geography	122,643	0.00	30.44	48.57	20.99	0.00
Owner-Occupied Housing by Geography	23,993	0.00	20.39	50.98	28.64	0.00
Business by Geography	5,909	0.00	25.39	52.19	22.42	0.00
Farms by Geography	653	0.00	18.22	53.14	28.64	0.00
Family Distribution by Income Level	32,286	20.32	18.62	20.11	40.94	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,573	0.00	40.14	48.21	11.65	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		27,665 39,300 14.07%	Median Housing Value Unemployment Rate (1990 US Census)	79,857 5.96%		

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI

Table 17. Tri Co Bk--Combined Non-MSAs

Demographic Information for Limited Scope Area: Tri Co Bk--Combined Non-MSA AAs						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	52	1.92	17.31	57.69	19.23	3.85
Population by Geography	243,606	0.06	13.70	66.81	19.43	0.00
Owner-Occupied Housing by Geography	63,692	0.06	13.22	63.57	23.15	0.00
Business by Geography	15,918	0.13	13.02	66.01	20.84	0.00
Farms by Geography	1,224	0.00	13.56	76.39	10.05	0.00
Family Distribution by Income Level	67,011	19.87	18.57	21.30	40.27	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	25,754	0.17	19.00	68.31	12.52	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below Poverty Level		29,946 39,200 13.01%	Median Housing Value Unemployment Rate (1990 US Census)	94,413 5.02%		

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 1990 US Census and 2002 HUD updated MFI