

PUBLIC DISCLOSURE

January 24, 2011

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Banco Popular de Puerto Rico
RSSD No. 940311

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San Juan, Puerto Rico 00918

Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: Banco Popular de Puerto Rico is rated **OUTSTANDING**.

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

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

* The lending test is weighted more heavily than the investment and service tests in determining the overall rating.

The major factors supporting the institution's rating follow:

- The overall number of home purchase, home improvement and small business loans originated or purchased by the bank and its affiliates during the examination period shows excellent responsiveness to credit needs of the bank's assessment areas. In 2009, BPPR was the primary provider of home purchase, home improvement loans and small business loans in the full scope MSAs in Puerto Rico. Performance was also strong in the number of refinance loans originated or purchased by the bank
- The overall geographic distribution of lending was good.
- Overall distribution of loans among borrowers of different income levels was good.
- BPPR's overall community development lending was outstanding. BPPR was a leader in providing community development loans.

- BPPR's level of qualified investments and grants was good.
- The bank's branch and delivery systems were readily accessible to the bank's geographies and individuals of differing income levels within the assessment areas.
- BPPR provided an excellent level of community development services through seminars and the provision of financially-related services by BPPR officers and staff who served on boards and committees of qualified community organizations.

INSTITUTION

DESCRIPTION OF INSTITUTION*

Total assets	\$23.3 billion
Net loans & leases	\$14.5 billion
Total domestic deposits	\$17.6 billion
Number of branches	179
Headquarters	San Juan, P.R.
Bank holding company	Popular Inc.

*Data as of December 31, 2009

Banco Popular de Puerto Rico (“Banco Popular” or “BPPR”) is a full-service commercial bank headquartered in San Juan, Puerto Rico. Banco Popular is primarily engaged in retail and commercial banking services, including auto and equipment leasing and financing, investment banking- and broker-dealer and insurance services through specialized subsidiaries. All products and services are offered through Banco Popular’s 179 branch network and alternative delivery channels, such as by telephone, Internet or through automated teller machines (“ATMs”). BPPR is a publicly traded, wholly-owned subsidiary of Popular Inc., a multi-regional diversified financial holding company with \$34 billion in combined total assets as of December 31, 2009.

BPPR is the leading financial institution in Puerto Rico (“P.R.”), ranking first in deposit market share, small business lending, home purchase and home improvement lending, and a leader in community development lending over the examination period. BPPR operates 172 retail branches in its Puerto Rico assessment area and seven branches in the United States Virgin Islands (“USVI”) assessment area. As of June 30, 2009, branch deposits totaled approximately \$17.6 billion, with the vast majority (95%) located in Puerto Rico.

Banco Popular has 13 assessment areas. The assessment areas include 11 Metropolitan Statistical Areas (“MSAs”) and non-MSAs in Puerto Rico and two non-MSAs in the USVI as follows:

Puerto Rico

- MSA 41980 (San Juan-Caguas-Guaynabo, P.R.)
- MSA 10380 (Aguadilla-Isabela-San Sebastian, P.R.)
- MSA 38660 (Ponce, P.R.)
- MSA 32420 (Mayaguez, P.R.)
- MSA 41900 (San German-Cabo Rojo, P.R.)
- MSA 25020 (Guayama, P.R.)
- MSA 21940 (Fajardo, P.R.)

- MSA 49500 (Yauco, P.R.)
- Non-MSA A (Municipalities of Adjuntas, Jayuya, Utuado, Las Marias, Maricao, P.R.)
- Non-MSA B (Municipalities of Coamo, Santa Isabel, Salinas, P.R.)
- Non-MSA C (Municipality of Vieques, P.R, and Culebra)

U.S. Virgin Islands

- Non-MSA island of St. Thomas
- Non-MSA island of St. Croix

Banco Popular's assessment areas are in compliance with the requirements of Section 228.41 of Regulation BB and do not arbitrarily exclude any low- or moderate-income ("LMI") geographies. There are no financial or legal factors that would prevent the bank from fulfilling its responsibilities under CRA. A map of the Puerto Rico and USVI assessment areas appears in Appendix H.

SCOPE OF EXAMINATION

Procedures

BPPR's assessment areas were evaluated using the Federal Financial Institutions Examination Council's Interagency CRA Procedures for Large Retail Institutions.

Products

Banco Popular's home purchase, refinance, home improvement, small business and other loans qualifying as community development loans were evaluated. The mortgage loans were reported under the HMDA and small business loans were reported under CRA. HMDA-related loans were reported for Puerto Rico only, as reporting requirements under HMDA are not applicable with respect to dwellings in U.S. territories, such as the USVI. Bank management supplied data for mortgage loans BPPR originated in the USVI. Examiners verified the integrity of HMDA and small business loan data.

BPPR also originates small farm and multifamily loans; however, these products were excluded from the analysis because they represented a low percentage of the number of overall loans originated or purchased, reflective of the bank's lending strategies and available lending opportunities. Multifamily loans qualifying as community development loans were considered in the evaluation of community development lending.

Affiliates

BPPR collects and reports information on various consumer-related affiliates. HMDA-related and small business activities of the following affiliates were considered during the examination:

- Popular Mortgage Inc., a mortgage origination and secondary marketing subsidiary;
- Popular Finance, Inc., an indirect financing, personal loan and secondary mortgage subsidiary. In November 2008, BPPR ceased Popular Finance, Inc.'s. loan operations and closed most of its 44 branches.
- Popular Auto Inc., an automobile and indirect financing subsidiary

Examination Period

HMDA-related and CRA small business loans originated or purchased between January 1, 2008, and December 31, 2009, were evaluated. Examiners also evaluated community development services, community development loans and qualified investments for the same period.

Lending Distribution Analysis

In evaluating the geographic distribution of HMDA-related loans, examiners analyzed the proportion of loan originations in LMI and non-LMI geographies compared with the proportion of owner-occupied housing units in those geographies. For small business loans, the analysis compared the proportion of loan originations in LMI and non-LMI geographies with the proportion of businesses in those geographies.

In order to analyze the borrower characteristics of HMDA-related loans, the proportion of originations to LMI borrowers was compared with the proportion of LMI families in the assessment areas. Income estimates from the U.S. Department of Housing and Urban Development ("HUD") were used to categorize borrower income. HUD-adjusted median family income figures for 2009 were used to categorize borrower income level for 2009 loans and 2008 HUD-adjusted median family income estimates were used to categorize 2008 loans. 2009 Dunn and Bradstreet data were used for demographic information relating to the proportion of businesses with gross annual revenues ("GAR") of less than or equal to \$1 million. The size of the small business loan was also used as a proxy to identify lending to smaller businesses.

BPPR's 2009 HMDA-related and small business loan originations were also compared to the 2009 market aggregate of all institutions reporting such loans in each full-review assessment area, except St. Thomas, USVI. Market aggregate HMDA and small business data were unavailable for the USVI.

Only loans inside the assessment areas were included in the analysis of geographic and borrower distribution. Before reaching a conclusion about the bank's overall performance regarding geographic distribution and borrower characteristics in each assessment area, examiners gave greater weight to certain loan products. In each assessment area, a product's volume compared with total retail lending volume determined the weight of a product's performance in the overall conclusion.

Deriving Overall Conclusions

Overall conclusions regarding the bank's CRA performance were based primarily on performance in Puerto Rico, which represents 96% of the bank's branches, 95% of the total deposits (as of 6/30/09) and 99% of all lending activity. Therefore, performance in the USVI was not significantly weighted in the overall CRA rating.

Within Puerto Rico, examiners conducted a full scope review of BPPR's performance in MSA 41980 (San Juan-Caguas-Guaynabo, P.R.), MSA 10380 (Aguadilla-Isabela-San Sebastian, P.R.), and MSA 38660 (Ponce, P.R.). These full review areas within Puerto Rico collectively represent 84% of the lending activity, 91% of the deposits and 80% of the branches in Puerto Rico. Within the USVI, a full scope review was conducted of the non-MSA island of St. Thomas, which represents 64% of lending, 80% of deposits and 71% of the branches in the USVI. Overall conclusions about performance in Puerto Rico were primarily influenced by the bank's performance in MSA 41980, which represents 72% of total lending, 84% of deposits, and 68% of branches in the combined Puerto Rico assessment areas.

This evaluation also included limited reviews of performance in the Puerto Rico MSAs of 32420, 41900, 25020, 21940, 49500, and, non-MSAs A, B, and C. In the USVI, the non-MSA island of St. Croix also received a limited review. Limited review areas did not materially impact the overall conclusion.

Community Contacts

In order to learn more about community credit needs, examiners conducted four interviews with community contacts during the examination. Community contacts are primarily used by examiners to obtain a balanced perspective of CRA-related issues and concerns identified by community organizations working within the institution's assessment area. The community contacts involved three groups that provide services to LMI individuals in MSA 41980 and one group that provides services and affordable housing to LMI persons for the entire island. The contacts identified the needs for economic development through small business lending, continued funding for community organizations that focus on education and employment issues, and affordable housing.

Exhibit 1 highlights additional key assessment area data for the combined Puerto Rico and the USVI assessment areas over the examination period.

EXHIBIT 1: Summary of Key Assessment Area Data			
All Assessment Areas			
	Puerto Rico	USVI	TOTALS
Total Population*	3,808,610	104,415	3,913,025
Population % of AA population	97%	3%	100%
Families	1,008,555	25,623	1,034,178
Families % of AA families	98%	2%	100%
Total Census Tracts*	823	30	853
Tracts % AA tracts	96%	4%	100%
LMI tracts	219	7	226
LMI tracts % all AA LMI tracts	97%	3%	100%
Total Owner-Occupied Units*	919,711	17,850	937,561
Units % of AA units	98%	2%	100%
Business Establishments **	23,803	2,159	25,962
Bus. est. % AA bus. est.	92%	8%	100%
Number of Branches *	172	7	179
Branches % all branches	96%	4%	100%
Branches in LMI tracts	33	1	34
LMI branches % AA LMI branches	97%	3%	100%
Branch Deposits (\$'000s) ***	17,004,500	837,500	17,842,000
Deposits % AA deposits	95%	5%	100%
Deposit Market Share (%)/ Rank in Market***	27.40%/1	49.1%/1	28.0%/1
Home Purchase Originations****	14,708	98	14,806
HP originations % AA orig.	99%	1%	100%
Refinance Originations ****	7,971	99	8,070
Refi orig. % AA orig.	99%	1%	100%
Home Improvement Originations****	13,870	216	14,086
Home Improvement orig. % AA orig.	98%	2%	100%
Small Business Originations ****	32,096	436	32,532
SB orig. % AA orig.	99%	1%	100%
Combined Loan Totals****	68,645	849	69,494
% of AA Orig.	99%	1%	100%
* Source: 2000 Census Data.			
** Source: 2009 D&B USVI			
*** Source: FDIC Summary of Deposit Data as of June 30, 2009			
**** Originations include Originations and loans purchased between Jan. 1, 2008 and December 31, 2009			

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Banco Popular's overall performance in meeting the credit needs of its assessment areas through lending activities is rated outstanding based on excellent performance in Puerto Rico and good performance in the USVI.

Lending Activity:

BPPR's responsiveness to the retail credit needs of its assessment areas was excellent, given the bank's capacity to meet assessment area credit needs and overall market conditions. This was determined by evaluating the volume of HMDA-related and small business loans originated or purchased during the examination period. This conclusion is primarily based on excellent performance in Puerto Rico. BPPR also exhibited good lending performance in USVI.

The bank originated 69,520 home purchase, refinance, home improvement, and small business loans totaling approximately \$6.3 billion during the examination period.

The table below further details the bank's lending by number of loans and dollar amounts, as well as loan type.

Summary of Lending Activity January 1, 2008 – December 31, 2009				
Loan Type	#	%	\$(000s)	%
HMDA Home Purchase	14,807	21	\$2,068,434	33
HMDA Refinancings	8,071	12	\$1,227,220	19
HMDA Home Improvement	14,090	20	\$465,012	7
Total HMDA-related	36,968	53	\$3,760,666	59
Total Small Business	32,552	47	\$2,577,874	41
TOTAL LOANS	69,520	100	\$6,338,540	100

Note: This table includes bank and affiliate loans originated in the bank's assessment area.

Assessment Area Concentration: A substantial majority of loans originated by BPPR were extended in the bank's assessment areas as detailed in the table below. BPPR uses a business model that primarily relies upon its mortgage company affiliates to provide home purchase and refinance loans to the assessment areas, while BPPR primarily originates or purchases home improvement and small business loans. The table below details the lending by BPPR within and outside the assessment area over the examination period.

Lending Inside and Outside the Assessment Area

January 1, 2008 – December 31, 2009

Loan Type	Inside				Outside			
	#	%	\$ (000s)	%	#	%	\$ (000s)	%
Home Purchase	108	99	\$23,074	95	1	1	\$1,162	5
Refinancing	113	99	\$20,144	98	1	1	\$476	2
Home Improvement	11,370	100	\$143,219	100	4	0	\$606	0
Total HMDA-related	11,591	100	\$186,437	99	6	0	\$2,244	1
Total Small Business	32,532	100	\$2,575,917	100	20	0	\$1,957	0
TOTAL LOANS	44,123	100	\$2,762,354	100	26	0	\$4,201	0

Note: This table includes only loans originated or purchased by the bank. Affiliate loans are not included. Percentages rounded to nearest whole number.

Geographic Distribution:

BPPR exhibited good overall loan penetration in LMI geographies, based on good performance in Puerto Rico and adequate performance in the USVI. The analysis considered performance context issues, such as the number of owner-occupied units in LMI geographies and the market aggregate's performance. Demand for residential mortgage products typically are tied to the availability of owner-occupied housing units. For HMDA-related loans, conclusions were based primarily on performance in moderate-income geographies, as the very low number of owner-occupied housing units make it difficult to extend HMDA-related loans in low-income geographies.

Borrower Distribution:

In both Puerto Rico and the USVI, the overall distribution of loans among borrowers of different income levels and businesses of different sizes was good. The wide disparity between housing prices and incomes makes owner-occupied housing unaffordable to most LMI families residing within BPPR's assessment areas. The bank also demonstrated excellent penetration among businesses of different sizes.

Innovative and flexible

Various innovative and flexible products served to enhance the level of lending in LMI geographies and to LMI borrowers. A number of BPPR's products were responsive to specific community needs in the bank's assessment areas, as illustrated below:

- The Credit Rehabilitation Program, provides an alternative to its customers, including low-and moderate-income customers, to manage their financial problems by addressing delinquency matters that could lead to the loss of their homes. BPPR originated 2,004 loans for \$31.2 million during the evaluation period under this program.
- A partnership with ACCION USA, a non-profit organization with extensive experience providing micro loans to support the credit needs of micro entrepreneurs, most of whom are of LMI with limited credit histories or with a very low credit scores. BPPR disbursed 134 loans for \$1.5 million during the evaluation period under this program.
- FHA and Veterans Administration ("VA")-guaranteed mortgage loans offered by Popular Mortgage, which allow for full financing of the property's appraised value. FHA loans are flexible in working with borrowers who are in bankruptcy. During the evaluation period, BPPR originated 1,324 FHA loans totaling \$162.6 million. Under the VA program, BPPR originated 178 loans totaling \$29.2 million.
- The Enhanced Portfolio Program, offered by Popular Mortgage, designed for borrowers with adverse credit histories and limited incomes. The program acts as an alternative for people who do not qualify under FHA or FNMA requirements. During the evaluation period, BPPR originated 476 Enhanced Portfolio Program loans for \$59.4 million.
- The Credit Facil program which offers a moderate interest rate loans for LMI borrowers with adverse credit histories. Furthermore, The bank also offers Facil 97, a program that requires limited funds for down payment and closing costs with financing of up to 97% of the appraised value of the home without mortgage insurance. During the evaluation period, BPPR originated 24 Credit Facil loans for \$38.8 million and 27 Facil 97 loans for \$3.3 million.
- La Llave para tu Hogar, a program offered by Popular Mortgage that provides subsidy between \$3,000 and \$40,000 that can be applied toward down-payment or closing costs for the purchase of a single family or multifamily residence. There are income limitations and maximum housing value limitations. During the evaluation period, BPPR originated 533 loans totaling \$35.3 million under this program.

Community Development Lending:

Banco Popular’s level of community development lending was excellent and highly responsive to the credit needs within its assessment areas based on excellent performance in both Puerto Rico and in the USVI. As shown in the table at the right, the bank extended 521 community development loans totaling \$775 million. Moreover, new commitments represented \$567 million of total community lending loans, or 73% of total activity.

Community Development		
Purpose	#	\$ (000s)
Affordable Housing	69	157,434
Economic Development	68	39,594
Community Services	351	325,008
Revitalize and Stabilize	33	252,805
Totals	521	774,841

INVESTMENT TEST

BPPR’s overall performance under the investment test is rated good based on good performance in Puerto Rico and in the USVI.

Banco Popular made 414 qualified investments, totaling \$194 million, of which \$83 million or 43% were new investments originated during the examination period. Investment opportunities remain limited in the USVI, and as a result, 93% of investments were made in Puerto Rico. BPPR primarily supports affordable housing initiatives, which was identified through the bank’s outreach efforts with community groups and local government agencies as an ongoing community development need.

QUALIFIED INVESTMENTS		
Designation	\$ (Millions)	% Total Activity
Affordable Housing	138	71%
Economic Development	22	12%
Community Service	16	8%
Revitalization and Stabilization	18	9%
Total	194	100%

SERVICE TEST

BPPR’s performance under the service test is rated outstanding based primarily on its readily accessible delivery systems to geographies and individuals of different income levels and overall excellent level of community development service activities in Puerto Rico. Service test performance in the US Virgin Islands was adequate.

Retail Services:

The bank's branches were readily accessible to all portions of its assessment areas. Of the bank's 179 branches located throughout its Puerto Rico assessment areas, 34 or 19% are in LMI areas. Comparatively, 25% of the assessment area population resides in LMI geographies. Alternative delivery systems enhanced the bank's performance in its assessment areas. There are no LMI geographies in the St. Thomas assessment area.

Community Development Services:

Banco Popular is a leader in providing financial services, financial education and community services throughout the assessment areas. The bank's level of performance was excellent in Puerto Rico and adequate in the US Virgin Islands.

The following community development service activities are responsive to the community service needs of the area:

Technical Assistance/Seminars:

BPPR provided 1,759 community development services, including financial education seminars, financial literacy activities, and the provision of technical assistance to non-profit organizations throughout the assessment area during the two year review period. Noteworthy activities included:

- 1,042 financial services outreach workshops conducted through the Popular Financial Education Program,
- 58 financial education sessions held through the "Teach Children to Save" program
- 127 seminars relating to effective management of personal finances and identity theft protection, through the Compromiso Popular program.
- 55 seminars related to affordable housing and homeownership offered through the Vivienda Popular program.

Board Committee Services

Forty BPPR officers and staff members serve on boards of directors or are key members of committees for many of the 55 organizations with which BPPR works. The missions of these organizations are targeted to providing community development services. Forty-two organizations are in the San Juan MSA (41980), two are in the Non-MSA on Puerto Rico, and 11 are in the U.S. Virgin Islands.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank is in compliance with the substantive provisions of the anti-discrimination laws and regulations. No evidence of discriminatory or other illegal credit practices were identified as being inconsistent with helping to meet community credit needs.

COMMONWEALTH OF PUERTO RICO

CRA RATING FOR THE COMMONWEALTH OF PUERTO RICO: OUTSTANDING

The lending test is rated: Outstanding

The investment test is rated: High Satisfactory

The service test is rated: Outstanding

Major factors supporting the rating include:

- Excellent responsiveness to assessment areas' credit needs;
- Good geographic distribution of loans in the bank's assessment areas;
- Good distribution of loans among individuals of different incomes and businesses of different sizes;
- An excellent level of community development lending;
- Readily accessible delivery systems to geographies and individuals of different income levels; and,
- A good level of qualified investments

SCOPE OF EXAMINATION

A full review of BPPR's performance in the Puerto Rico assessment areas of MSA 41980 (San Juan-Caguas-Guaynabo, P.R.), MSA 10380 (Aguadilla-Isabela-San Sebastian, P.R.), and MSA 38660 (Ponce, P.R.) was conducted. A limited review was conducted of the bank's performance in the other Puerto Rico assessment areas. The combined full-review areas make up 84% of the bank's loans, 80% of the branches and 91% of deposits in the Commonwealth. BPPR's overall CRA rating is significantly driven by the performance in the Puerto Rico assessment areas, which accounts for 95% of its total retail deposits and 99% of total HMDA-reportable and small business lending activity.

DESCRIPTION OF INSTITUTION'S OPERATIONS

BPPR maintains the largest retail bank network in Puerto Rico with 172 branches, 333 off-site ATMs, and 27% of the deposit market share, according to FDIC deposit market share information for 2009. BPPR's primary bank competitors in Puerto Rico for assessment area deposits include Firstbank of Puerto Rico, which captured 17% of deposits; Westernbank Puerto Rico, 16%; Banco Santander Puerto Rico; 8%; R-G Premier Bank of Puerto Rico, 7%; and Doral Bank; with a 6% deposit market share.

In order to derive the Commonwealth rating, full-scope assessment areas were weighted based on the proportion of loan originations and deposits in each. As a result, MSA 41980 (San Juan-Caguas-Guaynabo, P.R.) had a significant impact on assessing the overall performance of the bank, capturing 84% branch deposits and 72% of loans within Puerto Rico. The two additional full scope areas, MSA 10380 (Aguadilla-Isabela-San Sebastian, P.R.) and MSA 38660 (Ponce, P.R.) had lesser impacts on the overall rating.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PUERTO RICO

LENDING TEST

Banco Popular's overall record of meeting the credit needs of its assessment areas through its lending activities was outstanding based on excellent performance in MSA 41980 (San Juan-Caguas-Guaynabo, P.R.), and good performance in both MSA 10380 (Aguadilla-Isabella-San Sebastian, P.R.) and MSA 38660 (Ponce, P.R.).

Lending Activity:

BPPR's responsiveness to the retail credit needs of its assessment areas was excellent, given the bank's capacity to meet assessment area credit needs and overall market conditions. This was determined by evaluating the volume of HMDA-related and small business loans originated during the examination period. This conclusion is based on excellent performance in MSAs 41980 (San Juan-Caguas-Guaynabo, P.R.), 10380 (Aguadilla-Isabella-San Sebastian, P.R.), and 38660 (Ponce, P.R.). BPPR is the dominant bank in Puerto Rico in terms of market share for deposits, HMDA-related loans and small business loans.

Geographic Distribution:

The geographic distribution of HMDA-related and small business loans in Puerto Rico reflected good performance in LMI geographies. This conclusion is based on good distribution in MSA 41980 (San Juan-Caguas-Guaynabo, P.R.) and adequate performance in both MSA 10380 (Aguadilla-Isabella-San Sebastian, P.R.) and MSA 38660 (Ponce, P.R.).

The analysis considered performance context issues, such as lending opportunities reflected in the number of owner-occupied units, and the market aggregate performance. For HMDA-related loans, conclusions were based primarily on performance in moderate-income geographies, as the very low levels of owner-occupied housing units in low-income census tracts make it difficult to extend HMDA-related loans in those geographies.

Borrower Distribution:

The overall distribution of loans among borrowers of different income levels and businesses of different sizes in Puerto Rico was good. This conclusion is based on good distribution in each of the full review assessment areas.

The analysis also considered performance context issues, such as the high cost of housing for LMI persons. The median housing price for each assessment area was compared to the median family income levels in each assessment area to assess affordability for LMI borrowers.

Community Development Loans:

Banco Popular's overall level of community development lending was excellent and considered highly responsive to the credit needs within its assessment areas. This conclusion is based on excellent performance in MSA 41980 (San Juan-Caguas-Guaynabo, P.R.) and MSA 38660 (Ponce, P.R.) and good performance in MSA 10380 (Aguadilla-Isabela-San Sebastian, P.R.). During the examination period, community development lending in Puerto Rico totaled \$775 million, approximately 3% of the bank's total assets. In terms of community development loan volume, BPPR is one of the leading banks in Puerto Rico and BPPR's community development lending compared more favorably to other banks operating in the assessment area.

INVESTMENT TEST

Banco Popular's overall level of qualified investment and grant activity was high satisfactory and exhibited excellent responsiveness to the credit and community development needs of its assessment areas. BPPR's investment test rating was based on good performance in MSA 41980 (San Juan-Caguas-Guaynabo, P.R.) and 38660 (Ponce, P.R.) and adequate performance in MSA 10380 (Aguadilla-Isabela-San Sebastian, P.R.). Investments in the Puerto Rico Commonwealth totaled \$181 million. The majority of investments were activities that promoted affordable housing initiatives, representing 69% of the total investment dollars in Puerto Rico.

SERVICE TEST

BPPR's performance under the service test was outstanding in Puerto Rico based on an excellent level of retail delivery systems and community development services. The conclusions are based on excellent delivery system performance in all full review assessment areas and excellent community development service performance in MSA 41980 (San Juan-Caguas-Guaynabo) and good community development performance in MSA 10380 (Aguadilla-Isabela-San Sebastian) and MSA 38660 (Ponce).

EXHIBIT 2: Summary of Key Assessment Area Data: Puerto Rico Assessment Areas												
	MSA 41980	MSA 10380	MSA 38660	MSA 32420	MSA 41900	MSA 25020	MSA 21940	MSA 49500	Non-MSA Group A	Non-MSA Group B	Non-MSA Group C	TOTALS
Total Population*	2,509,007	312,602	264,919	115,048	136,212	83,570	78,533	118,063	89,307	90,375	10,974	3,808,610
Population % of AA population	66%	8%	7%	3%	4%	2%	2%	3%	2%	2%	0%	100%
Families	666,815	84,782	66,781	29,991	37,400	21,780	20,864	30,800	22,963	23,494	2,885	1,008,555
Families % of AA families	66%	8%	7%	3%	4%	2%	2%	3%	2%	2%	0%	100%
Total Census Tracts*	536	64	60	30	25	15	16	29	22	21	5	823
Tracts % AA tracts	65%	8%	7%	4%	3%	2%	2%	4%	3%	3%	1%	100%
LMI tracts	168	8	22	8	1	0	4	2	5	0	1	219
LMI tracts % all AA LMI tracts	77%	4%	10%	4%	0%	0%	2%	1%	2%	0%	0%	100%
Total Owner-Occupied Units*	605,085	77,868	59,826	25,589	37,223	20,152	19,622	29,134	19,837	22,187	3,188	919,711
Units % of AA units	66%	8%	7%	3%	4%	2%	2%	3%	2%	2%	0%	100%
Business Establishments **	17,963	1,390	1,364	902	576	251	373	328	252	290	114	23,803
Bus. est. % AA bus. est.	75%	6%	6%	4%	2%	1%	2%	1%	1%	1%	0%	100%
Number of Branches	117	12	9	8	4	4	4	4	5	4	1	172
Branches % all branches	68%	7%	5%	5%	2%	2%	2%	2%	3%	2%	1%	100%
Branches in LMI tracts	24	3	2	1	1	0	1	0	1	0	0	33
LMI branches % AA LMI branches	73%	9%	6%	3%	3%	0%	3%	0%	3%	0%	0%	100%
Branch Deposits (\$'000s) ***	14,205,130	638,958	562,703	406,045	262,264	182,853	174,727	198,280	164,985	127,076	81,479	17,004,500
Deposits % AA deposits	84%	4%	3%	2%	2%	1%	1%	1%	1%	1%	0%	100%
Deposit Market Share (%/ Rank in Market*)	25.7%/1	47.6%/1	30.4%/1	30.6%	36%/2	53.5%/1	47.7%/1	50.5%/1	83.9%/1	82.1%/1	100%/1	27.4%/1
Home Purchase Originations+	10,169	999	918	240	731	303	377	276	107	579	9	14,708
HP originations % AA orig.	69%	7%	6%	2%	5%	2%	3%	2%	1%	4%	0%	100%
Refinance Originations+	6,336	381	308	134	222	152	148	82	63	135	10	7,971
Refi orig. % AA orig.	79%	5%	4%	2%	3%	2%	2%	1%	1%	2%	0%	100%
Home Improvement Originations+	9,687	1,070	652	367	442	365	230	318	353	334	52	13,870
Home Improvement orig. % AA orig.	70%	8%	5%	3%	3%	3%	2%	2%	3%	2%	0%	100%
Small Business Originations+	23,467	2,696	1,349	1,123	763	530	476	598	578	354	162	32,096
SB orig. % AA orig.	73%	8%	4%	3%	2%	2%	1%	2%	2%	1%	1%	100%
Combined Loan Totals+	49,659	5,146	3,227	1,864	2,158	1,350	1,231	1,274	1,101	1,402	233	68,645
% of AA Orig.	72%	7%	5%	3%	3%	2%	2%	2%	2%	2%	0%	100%

Sources: *2000 Census Data; ** 2009 Dunn & Bradstreet; ***FDIC Summary of Deposit Data as of June 30, 2009; +Originations include originations and purchases between 01/01/08 and 12/31/09

METROPOLITAN AREA

(FULL REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MSA 41980 (SAN JUAN-CAGUAS-GUAYNABO)

MSA 41980 (San Juan-Caguas-Guaynabo, P.R.) has the greatest impact on the overall rating and comprises the largest portion of the institution's retail operations. BPPR operates 117 branch offices in this assessment area, representing 68% of the bank's total branch network in Puerto Rico. Of the bank's total lending, this assessment area contain 72% of the combined HMDA-related and small business loans by number originated during the review period.

The assessment area is highly competitive, with many multi-regional and large banking institutions operating within the MSA. The assessment area also includes the Commonwealth's capital and government offices, which attracts financial institutions to compete for deposit and lending opportunities in the area. BPPR is the market leader in MSA deposits, according to the June 30, 2009 FDIC Summary of Deposit Report. The bank ranked first out of 11 financial institutions in the San Juan assessment area with \$14.2 billion in deposits, representing a 26% market share. Primary competitors in the area include Firstbank of Puerto Rico, Westernbank Puerto Rico, R-G Premier Bank Puerto Rico, and Banco Santander Puerto Rico.

PERFORMANCE CONTEXT

Demographic Characteristics

The MSA is comprised of 41 municipalities which include: San Juan, Arecibo, Caguas, Barranquitas, Toa Baja, Canovanas, Orocovis, Loiza, Manati, Morovis, San Lorenzo, Comerio, Ciales, Vega Baja, Juncos, Naguabo, Vega Alta, Naranjito, Barceloneta, Yabucoa, Humacao, Cidra, Catano, Hatillo, Aguas Buenas, Florida, Cayey, Aibonito, Quebradillas, Bayamon, Rio Grande, Maunabo, Camuy, Carolina, Guaynabo, Gurabo, Dorado, Las Piedras, Toa Alta, Trujillo Alto, and Corozal.

According to the 2000 Census, the population of the assessment area is 2.5 million, representing 66% of Puerto Rico assessment population. There are 666,815 families living in MSA 41980 (San Juan-Caguas-Guaynabo, P.R.), representing 66% of the total number of families in Puerto Rico. A total of 30% of the assessment area families reside in LMI geographies.

Income Characteristics

The HUD-adjusted median family income (MFI) for MSA 41980 (San Juan-Caguas-Guaynabo, P.R.) was \$23,800 for 2008 and \$24,900 for 2009. According to census data, 26% of families residing in the MSA are considered low-income, 15% moderate-income, and more than 41% of families subsist below the poverty level. Low income and the high levels of poverty experienced

throughout the MSA make it difficult for families to afford homes, indicating the need for affordable housing and economic development initiatives.

Housing Characteristics

The MSA contains 928,025 housing units, of which 65% are owner-occupied, 25% are rental, and 10% are vacant. Within LMI geographies, owner-occupied units account for 28% of the total housing units in low-income geographies and 64% of the total housing units in moderate-income areas. However, despite some opportunities to offer mortgage-related products to these segments of the assessment area, affordability issues present significant challenges.

While San Juan boasts the highest HUD-adjusted median family income in Puerto Rico for 2009, the high median housing prices still make homeownership very difficult for LMI borrowers. A comparison of the median family income to the median housing value illustrates the challenges faced by local lenders. According to Census Bureau adjusted data, the median housing value for San Juan MSA in 2009 is estimated to be about thirteen times the income of a low-income family and eight times the income of a moderate-income family, making it very difficult for LMI families in this MSA to own homes.

Labor, Employment and Economic Characteristics

The economy of Puerto Rico continued to show deterioration during the 2008-2009 period. The extent of the economic contraction is manifested in the poor performance of key sectors such as the labor market, manufacturing, banking activity, tourism, construction and public finances.

A key part of the labor market is construction, which has experienced great difficulties due to the excess supply of new housing units in certain sectors and cutbacks in public investment. In 2009, the accumulated value of construction permits issued was \$1.2 billion, which reflected a decrease of 31% in comparison to the same period a year earlier. In terms of commercial activity, sales have been declining due to the apparent low consumer confidence in the face of financial uncertainty.

Unemployment remains high. In the San Juan assessment area, unemployment stood at 10.9% for 2008 and rose to 14.1% in 2009. Puerto Rico lost 82,100 jobs in 2009 and unemployment has reached levels not seen since the early 1990's with the construction and manufacturing sectors hardest hit with losses of 18,000 and 8,500 jobs, respectively. In addition, tourist activity, which depends mainly on visitors from the mainland United States, has been adversely impacted by the recession. The weak economy has resulted in fewer opportunities to originate loans during the review period.

Exhibit 3
Assessment Area Demographic Report
Assessment Area: MSA 41980 (San Juan)

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	18	3.4	15,987	2.4	12,242	76.6	172,535	25.9
Moderate-income	150	28.0	181,209	27.2	101,845	56.2	102,116	15.3
Middle-income	207	38.6	270,040	40.5	115,126	42.6	102,671	15.4
Upper-income	161	30.0	199,579	29.9	47,212	23.7	289,493	43.4
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	536	100.0	666,815	100.0	276,425	41.5	666,815	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	22,350	6,322	1.0	28.3	14,134	63.2	1,894	8.5
Moderate-income	250,829	159,979	26.4	63.8	63,999	25.5	26,851	10.7
Middle-income	368,557	245,506	40.6	66.6	87,467	23.7	35,584	9.7
Upper-income	286,289	193,278	31.9	67.5	65,052	22.7	27,959	9.8
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	928,025	605,085	100.0	65.2	230,652	24.9	92,288	9.9
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	179	1.0	146	1.0	21	0.9	12	1.3
Moderate-income	3,472	19.3	2,881	19.5	417	17.9	174	19.6
Middle-income	5,128	28.5	4,289	29.1	614	26.3	225	25.3
Upper-income	9,184	51.1	7,424	50.4	1,282	54.9	478	53.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	17,963	100.0	14,740	100.0	2,334	100.0	889	100.0
	Percentage of Total Businesses:			82.1		13.0		4.9

Small business data uses 2009 Dunn & Bradstreet Information .

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 41980 (SAN JUAN-CAGUAS-GUAYNABO)

LENDING TEST

BPPR's overall lending performance in the MSA was excellent. This conclusion is based on excellent lending activity and community development loan performance and good geographic and borrower distribution performance. Exhibit 4 contains data used to evaluate geographic and borrower distribution and Appendix C contains data used to evaluate community development lending.

Lending Activity:

Lending activity reflected excellent responsiveness to assessment area credit needs in relation to the bank's capacity and performance context issues. This assessment was based on market share comparison to peer banks and trend analyses.

Banco Popular was a leader in deposit and loan market share. BPPR ranked first in deposits (market share 26%), first in home purchase lending (market share 22%), second in refinance lending (market share 17%) and first in home improvement lending (market share 56%). In small business lending, BPPR was first overall (market share 59%).

While BPPR's overall trend in combined HMDA-related and small business lending declined for the number of loans originated and purchased and for the dollar amount of loans originated and purchased since the prior examination, the bank's performance compared favorably to the aggregate, which experienced more significant declines in loan volumes.

Peer comparisons based on the number of loans per billion dollars of deposits indicates that BPPR's lending volume is generally consistent with the performance of similarly-situated banks.

Geographic Distribution:

The geographic distribution of HMDA-related and small business loans was good based on good penetration in moderate-income census tracts and adequate penetration in low-income census tracts.

According to the 2000 Census, the MSA has 605,085 owner-occupied housing units, of which 6,322 (1%) are located in low-income geographies. Opportunities to lend increase in the moderate-income census tracts, where there are 159,979 (26%) owner-occupied housing units. Additionally, there are 17,963 small businesses, of which 3,472 (19%) are within moderate tracts, but only 179 are located in low-income census tracts.

The following table summarizes lending performance in MSA 41980 (San Juan-Caguas-Guaynabo) for loan products in low and moderate-income census tracts.

MSA 41980 (SAN JUAN-CAGUAS-GUAYNABO, P.R.)				
Product	Low-Income Census Tracts		Moderate -Income Census Tracts	
	2009 BPPR Performance	2009 Aggregate Comparison	2009 BPPR Performance	2009 Aggregate Comparison
Home Purchase	ADEQUATE	SIGNIFICANTLY BELOW	ADEQUATE	SIMILAR TO
Refinance	ADEQUATE	BELOW	ADEQUATE	SLIGHTLY BELOW
Home Improvement	GOOD	SIMILAR TO	EXCELLENT	SIMILAR TO
Small Business	ADEQUATE	BELOW	EXCELLENT	SIMILAR TO

Banco Popular made less than one percent of its HMDA loans (.7% of its home purchase, .5% of its refinance, and .9% of its home improvement loans) in low-income geographies. In 2009, BPPR's performance was significantly below the aggregate's 2% of home purchase lending, similar to the aggregate's .8% of home improvement lending, and below to the aggregate's 1% of refinance lending. Within the assessment area, 1% of the available owner-occupied housing units are located within low-income geographies.

Banco Popular made 18% of its home purchase, 13% of its refinance, and 25% of its home improvement loans in moderate-income geographies. This was similar to the aggregate's 18% of home purchase lending, slightly below the aggregate's 16% refinance lending, and similar to the aggregate's 23% of home improvement lending. Within the assessment area, 26% of the available owner-occupied housing units are located within moderate-income geographies. Home improvement lending in LMI areas overall, and refinance lending in moderate-income areas were more favorable in 2008 than 2009.

The bank originated .8% and 19% of its small business loans in low- and moderate-income geographies, respectively. This was below the aggregate's 1.3% lending in low-income tracts and similar to the aggregate's 19% in moderate-income tracts. The bank's small business lending is slightly below the MSA's 1% of businesses operating in low-income geographies and similar to the 19% of businesses operating in moderate-income geographies.

Distribution by Borrower Income and Revenue Size of the Business:

Overall distribution of loans among borrowers of different income levels and businesses of different sizes in the MSA was good. This conclusion is based primarily on adequate HMDA-lending to moderate-income borrowers, and excellent lending to small businesses. BPPR exhibited poor HMDA-lending performance to low-income borrowers, but consideration was given to the high cost of housing for LMI persons.

According to the 2000 Census, the San Juan assessment area has 666,815 families, of which 172,535 (26%) are low-income families and 102,116 (15%) are moderate-income families. In addition, the MSA has 17,963 business establishments, of which 14,740 (82%) are small businesses with gross annual revenue (GAR) of \$1 million or less.

The following table summarizes the bank's performance with respect to low and moderate-income borrowers and small businesses.

MSA 41980 (SAN JUAN-CAGUAS-GUAYNABO, P.R.)				
Product	Low-income Borrowers		Moderate-income Borrowers	
	BPPR Performance	2009 Aggregate Comparison	BPPR Performance	2009 Aggregate Comparison
Home Purchase	POOR	SIGNIFICANTLY BELOW	POOR	SIGNIFICANTLY BELOW
Refinance	POOR	SIGNIFICANTLY BELOW	POOR	SIGNIFICATNLY BELOW
Home Improvement	ADEQUATE	SIMILAR TO	EXCELLENT	SIMILAR TO
	Lending to Businesses with GAR <= \$1 million		2007 Aggregate Comparison	
Small Business	EXCELLENT		ABOVE	

Low-income Borrowers:

Banco Popular's HMDA-lending to low-income borrowers in the MSA was poor, but as noted previously, consideration was given to the affordability issues facing low-income borrowers. During the examination period, the bank made .2%, .2%, and 6% of its home purchase, refinance, and home improvement loans, respectively, to low-income borrowers. HMDA-lending to low-income borrowers was significantly below the 26% proportion of low-income families in the MSA. The bank's HMDA-lending was also below the lending performance of the aggregate for home purchase and refinance loans and similar to the aggregate for home improvement lending. The aggregate made 2%, 2%, and 6% of its home purchase, refinance, and home improvement loans, respectively, to low-income borrowers.

Moderate-income Borrowers:

HMDA-lending to moderate-income borrowers in the MSA was adequate. The bank made 2%, 3%, and 19% of its home purchase, refinance, and home improvement loans, respectively, to moderate-income borrowers. Home purchase and refinance lending was below the proportion of moderate-income families in this MSA (15%), while home improvement lending was above the proportion. The bank’s performance for home purchase and refinance lending to moderate-income borrowers was significantly below that of the aggregate, while home improvement lending was similar to the aggregate. The aggregate made 6%, 6%, and 17% of its home purchase, refinance, and home improvement loans, respectively, to moderate-income borrowers.

Small Business Lending:

BPPR provided an excellent level of lending to small business borrowers with GAR of \$1 million or less. The bank made 76% of its small business loans to such businesses, while 82% of business establishments in the MSA have GAR of \$1 million or less. The bank’s small business lending performance was above the aggregate, which made 62% of its small business loans to businesses with GAR of \$1 million or less. Also, 82% of the business loans were in amounts of \$100,000 or less, which was similar to the aggregate’s 83% of business loans in amounts of \$100,000 or less. Small business lending in the San Juan MSA also represented 45% of total lending, thus having a significant impact on the overall rating in the San Juan MSA.

Community Development Lending:

Banco Popular’s overall level of community development lending was excellent and considered highly responsive to the credit needs within the MSA 41980 assessment area.

During the examination period, community development lending in MSA 41980 totaled \$583 million or 81% of all BPPR’s community development lending activity in Puerto Rico. Within the MSA, efforts were distributed among the applicable categories of community development lending, with an emphasis, in terms of dollar amounts, on community services and revitalization and stabilization, as noted in the table to the right.

Community Development Loans (2008-2009)		
Purpose	#	\$(000s)
Affordable Housing	44	89,398
Economic Development	31	27,968
Community Services	254	293,288
Revitalize & Stabilize	16	172,531
Total	345	583,185

Examples of community development lending include the following:

- A \$12 million loan to a corporation that provides educational services to low- and moderate-income students who receive public education. The credit facility provides for educational material and support to children requiring tutoring in English, Spanish and mathematics. Contract is on an island-wide basis.

- A \$4.5 million loan to construct 82 units of low-income housing under Act 124, a program funded in part by the Commonwealth of Puerto Rico. The program is designed to stimulate the construction and sale of owner-occupied housing units to LMI families .
- A \$42 million line of credit to PR Electric Power Authority. Proceeds will be used to fund subsidies for the payment of electric power bills of LMI families.

INVESTMENT TEST

BPPR provides a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. The bank makes significant use of innovative and/or complex investments to support community development initiatives and exhibits excellent responsiveness to credit and community development needs.

Banco Popular's overall level of qualified investments in MSA 41980 was considered good. Qualified investments in MSA 41980 totaled \$22 million, or 11% of the bank's total qualified investments. This consists of \$5 million for affordable housing, \$6 million for community services, and \$11 million for economic development. The MSA benefited from the \$132 million of island-wide investments in collateralized mortgage obligations, Economic Development Bank ("EDB") certificates of indebtedness, HUD Section 108 Government Guaranteed Participation Certificates and Puerto Rico Housing and Finance Corporation securities targeting affordable housing development across Puerto Rico. Also, charitable grants and contributions were made in the MSA totaling \$7 million.

Qualified investment performance declined 21% since the prior examination. BPPR's community development investment performance was comparable to other banks operating in the assessment area. Examples of qualified investments include:

- A \$10 million bond for the city of Caguas for several capital improvement projects located in or adjacent to LMI neighborhoods. Projects include the construction of recreational facilities, rehabilitation of bridges, construction of community centers and road infrastructure improvements.
- A \$127 thousand grant to an organization that provides professional and technical support for thirteen public schools to enhance and improve the quality of education services provided. Eighty percent of children who attend public schools in Puerto Rico are from LMI families.

Exhibit 4
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: MSA 41980 San Juan-Caguas-Guaynabo, PR

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank		Aggregate			Bank		Aggregate		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	28	0.7%	0.4%	1.7%	1.2%	8	0.2%	0.1%	2.4%	4.2%
Moderate	754	17.8%	15.2%	18.1%	14.5%	95	2.2%	1.1%	6.2%	5.2%
Middle	1,697	40.2%	34.6%	39.4%	34.5%	378	8.9%	5.4%	14.3%	10.0%
Upper	1,746	41.3%	49.8%	40.8%	49.8%	2,158	51.1%	65.1%	64.1%	72.2%
Unknown	0	0.0%	0.0%	0.0%	0.0%	1,586	37.5%	28.3%	12.9%	8.4%
Total	4,225	100.0%	100.0%	100.0%	100.0%	4,225	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	21	0.5%	0.4%	1.0%	0.8%	10	0.2%	0.1%	2.2%	1.2%
Moderate	540	12.7%	10.6%	16.0%	12.6%	107	2.5%	1.2%	6.1%	3.2%
Middle	1,461	34.2%	29.5%	35.7%	30.9%	384	9.0%	5.3%	14.2%	9.0%
Upper	2,244	52.6%	59.4%	47.2%	55.7%	2,360	55.3%	56.8%	64.0%	72.9%
Unknown	0	0.0%	0.0%	0.0%	0.0%	1,405	32.9%	36.7%	13.5%	13.7%
Total	4,266	100.0%	100.0%	100.0%	100.0%	4,266	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	38	0.9%	0.3%	0.8%	0.5%	240	5.5%	0.9%	5.6%	1.2%
Moderate	1,097	25.1%	14.2%	23.0%	14.0%	814	18.6%	5.5%	16.9%	5.1%
Middle	1,866	42.7%	38.6%	42.7%	36.9%	912	20.9%	11.5%	20.6%	11.8%
Upper	1,364	31.2%	46.8%	33.5%	48.6%	2,202	50.4%	67.5%	52.2%	74.6%
Unknown	0	0.0%	0.0%	0.0%	0.0%	197	4.5%	14.7%	4.7%	7.2%
Total	4,365	100.0%	100.0%	100.0%	100.0%	4,365	100.0%	100.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	15.2%	14.8%	0	0.0%	0.0%	0.0%	0.0%
Middle	1	100.0%	100.0%	27.3%	25.9%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	57.6%	59.2%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	1	100.0%	100.0%	100.0%	100.0%
Total	1	100.0%	100.0%	100.0%	100.0%	1	100.0%	100.0%	100.0%	100.0%
HMDA Totals										
Low	87	0.7%	0.4%	1.2%	0.9%	258	2.0%	0.2%	2.8%	2.5%
Moderate	2,391	18.6%	12.9%	17.8%	13.5%	1,016	7.9%	1.6%	7.7%	4.2%
Middle	5,025	39.1%	32.7%	38.1%	32.7%	1,674	13.0%	6.0%	15.2%	9.6%
Upper	5,354	41.6%	53.9%	42.9%	52.8%	6,720	52.3%	61.5%	62.3%	72.6%
Unknown	0	0.0%	0.0%	0.0%	0.0%	3,189	24.8%	30.7%	12.0%	11.1%
Total	12,857	100.0%	100.0%	100.0%	100.0%	12,857	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
	#	Bank			Aggregate					
		%	% \$(000s)	%	% \$(000s)	%	% \$(000s)			
Low	83	0.8%	0.8%	1.3%	1.1%					
Moderate	1,949	19.0%	18.3%	18.9%	17.1%					
Middle	3,552	34.7%	31.1%	32.2%	30.2%					
Upper	4,662	45.5%	49.8%	45.2%	51.0%					
Unknown	0	0.0%	0.0%	0.0%	0.0%					
Tract Unknown	0	0.0%	0.0%	2.4%	0.6%					
Total	10,246	100.0%	100.0%	100.0%	100.0%					
By Revenue										
\$1 Million or Less	7,789	76.0%	62.2%	51.0%						
By Loan Size										
\$100,000 or less	8,380	81.8%	33.6%	82.5%	30.0%					
\$100,001-\$250,000	1,242	12.1%	27.6%	10.6%	24.7%					
\$250,001-\$1 Million	624	6.1%	38.8%	6.9%	45.3%					
Total	10,246	100.0%	100.0%	100.0%	100.0%					

Originations and Purchases

SERVICE TEST

The bank's performance under the service test in MSA 41980 is excellent, based on branch distribution and delivery systems and leadership in providing community development services.

Retail Services:

Overall, BPPR's delivery systems were readily accessible to all portions of the bank's assessment area when compared with the percentage of population residing in LMI geographies.

Of the 117 branches in the assessment area, 24 or 21% are located in LMI geographies compared with the 30% of the population that is located in LMI tracts. The branch network includes a high percentage of branches in shopping centers, which are generally accessible to LMI communities in the MSA. The accessibility of the bank's delivery systems, particularly in LMI geographies and/or LMI individuals, was generally not affected by changes in branch locations.

BPPR used multiple alternative delivery systems, such as on-line banking and telephone banking that also somewhat enhanced the distribution of banking services throughout the assessment area.

The bank maintained 246 off-site ATMs in the MSA, and 36 or 15% of them, were located in LMI geographies. The bank has also placed 28 kiosks throughout the branches, allowing customers to access the bank's web site and learn, free of charge, about available products and services.

Services are adequate and are tailored to the convenience and needs of its assessment area, particularly LMI geographies or LMI individuals. All branches provide similar products or services and extended morning, late afternoon, weekend and holiday hours were available.

Community Development Services:

The bank is a leader in providing community development services in the San Juan MSA. BPPR sponsored over 1,339 financial services-related activities through its financial education seminars, financial education literacy activities, and the provision of technical assistance to help LMI individuals and families, non-profits and small businesses throughout the MSA 41980 assessment area. The bank also sponsored ten commercial business forums in this assessment area.

Additionally, 34 BPPR staff members have been identified as serving on the boards of directors or are key members of committees of 42 organizations that are directly involved in providing financial literacy training programs for LMI individuals, providing financial management expertise, or assisting in organizing and managing fund raising events.

Examples of community development services include:

- BPPR works in a national campaign, organized by the American Bankers Association, that provides financial education to LMI students regarding budgeting and saving.
- BPPR staff participated in seminars related to homeownership and affordable housing products for LMI persons.

METROPOLITAN AREA

(FULL REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MSA 10380 (AGUADILLA-ISABELA-SAN SEBASTIAN)

Banco Popular's performance in the MSA 10380 assessment area was evaluated using full-scope examination procedures. BPPR operates 12 branches in the assessment area MSA, representing 7% of the bank's total branch network in Puerto Rico and 4% of all deposits. Additionally, the assessment area represents 8% of the total population, 8% of the total census tracts, and 8% of the total owner-occupied housing units. Of the bank's total lending in Puerto Rico, this assessment area contains 7% percent of HMDA-related and small business loans originated during the review period.

The Aguadilla assessment area is a banking market consisting mostly of large regional institutions with banking offices spread throughout Puerto Rico. As of June 30, 2009, BPPR ranked first out of nine financial institutions with \$639 million in deposits, representing a 48% deposit market share in the MSA. Other primary competitors in the area include Westernbank Puerto Rico, Banco Santander Puerto Rico, Firstbank of Puerto Rico, and Banco Bilbao Vizcaya Argentina, and R-G Premier Bank of Puerto Rico.

PERFORMANCE CONTEXT

The following demographic and economic information was obtained from publicly available sources that include the U.S. Department of Commerce's Bureau of Census (2000) and the U.S. Department of Labor.

Demographic Characteristics

MSA 10380 encompasses the northwestern portion of the island. The MSA is comprised of the following eight municipalities: Aguadilla, Lares, San Sebastian, Aguada, Anasco, Isabela, Moca, and Rincon. The MSA has 64 census tracts, of which 13% are moderate-income geographies. The MSA contains no low-income geographies. According to the 2000 Census, the population of this assessment area is 312,602 and represents 8% of the total population of Puerto Rico. Additionally, there are 84,782 families in the MSA, of which approximately 8% resides in moderate-income geographies.

Income Characteristics

According to the 2000 census data, 25% of families residing in the MSA are considered low-income and 15% are moderate-income. Of all families residing in the MSA, 54% subsist below the poverty level. The HUD-adjusted median family income for MSA 10380 was \$15,400 in 2008 and \$16,100 in 2009. Low-income and the high levels of poverty experienced throughout the MSA make it extremely difficult for families to afford homes, indicating the need for affordable housing and economic development initiatives.

Housing Characteristics

The MSA contains 118,183 housing units, of which 66% are owner-occupied, 22% are rental, and 12% are vacant. Within LMI geographies, the availability of owner-occupied units is somewhat limited with only 5,643 units located in moderate-income geographies. According to Census Bureau adjusted data, the median housing value for the Municipality of Aguadilla in 2009 is estimated to be about twelve times the income of a low-income family and eight times the income of a moderate-income family, making it very difficult for LMI families in this MSA to afford housing.

Labor, Employment and Economic Characteristics

The island of Puerto Rico continues to struggle through an island-wide recession, which began in 2006. During the examination period, unemployment levels significantly increased. According to the U.S. Department of Labor statistics, the unemployment rate for the MSA was reported at 12.4% in 2008 and increased to 16.5% in 2009. The MSA also experienced a decline in the labor force from 114,419 individuals in 2008 to 110,019 in 2009, which evidenced that the area is experiencing an even more critical financial situation as individuals cease to seek employment. The MSA has 1,686 business establishments, of which 87% had gross annual revenues (“GAR”) of less than or equal to \$1 million. Of the total businesses, 18% are located in moderate-income areas.

Additional assessment area demographics can be found in the Exhibit 5 on the following page.

Exhibit 5

Assessment Area Demographics

Assessment Area : MSA 10380

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	21,197	25.0
Moderate-income	8	12.5	6,839	8.1	4,460	65.2	12,581	14.8
Middle-income	49	76.6	69,732	82.2	38,154	54.7	14,359	16.9
Upper-income	7	10.9	8,211	9.7	3,266	39.8	36,645	43.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	64	100.0	84,782	100.0	45,880	54.1	84,782	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	10,782	5,643	7.2	52.3	3,676	34.1	1,463	13.6
Middle-income	95,783	65,085	83.6	68.0	19,117	20.0	11,581	12.1
Upper-income	11,618	7,140	9.2	61.5	3,117	26.8	1,361	11.7
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	118,183	77,868	100.0	65.9	25,910	21.9	14,405	12.2
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	240	17.3	226	18.4	7	6.2	7	14.6
Middle-income	1,055	75.9	916	74.5	99	87.6	40	83.3
Upper-income	95	6.8	87	7.1	7	6.2	1	2.1
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,390	100.0	1,229	100.0	113	100.0	48	100.0
Percentage of Total Businesses:				88.4		8.1		3.5

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 10380 (AGUADILLA-ISABELA-SAN SEBASTIAN)

LENDING TEST

BPPR's overall lending performance in MSA 10380 (Aguadilla-Isabela-San Sebastian) was good. Exhibit 6 contains data used to evaluate lending geographic and borrower distribution and Appendix C contains data used to evaluate community development lending.

Lending Activity:

Lending activity reflected excellent responsiveness to assessment area credit needs in relation to the bank's capacity and performance context issues. This assessment was based on market share activity, comparison to peer banks and trend analysis.

BPPR was a leader in both deposit and loan market share. BPPR ranked first in deposits (market share 48%), first in home purchase lending (market share 32%), first in refinance lending (market share 16%) and first in home improvement lending (market share 51%). In small business lending BPPR was also first overall (market share 62%).

BPPR's overall trend in combined HMDA and small business lending declined for the number of loans originated and purchased and the dollar amount of loans originated and purchased since the prior examination. However, BPPR's performance compared similarly to the aggregate. Also, within individual categories, BPPR's home refinance lending volume increased in number and dollar amount compared to the aggregate's decline in number and very slight increase in dollar amount for this product since the prior examination.

Geographic Distribution:

The overall geographic distribution of HMDA-related and small business loans was adequate based on adequate penetration in moderate-income census tracts, although performance varied between products. Since this MSA has no low-income census tracts, conclusions were based on performance in the eight moderate-income geographies in the assessment area. There are 77,868 owner-occupied units within the assessment area of which 5,643 (7%) are located in these moderate-income geographies. Additionally, the 2009 Dunn & Bradstreet data shows there are 1,390 small businesses, of which 240 (17%) are within moderate-income tracts. The following table summarizes lending performance by product in the MSA.

MSA 10380 (AGUADILLA-ISABELA-SAN SEBASTIAN)				
Product	Low-Income Census Tracts*		Moderate -Income Census Tracts	
	2009 BPPR Performance	2009 Aggregate Comparison	2009 BPPR Performance	2009 Aggregate Comparison
Home Purchase	NOT APPLICABLE	NOT APPLICABLE	ADEQUATE	SLIGHTLY BELOW
Refinance	NOT APPLICABLE	NOT APPLICABLE	GOOD	SIMILAR TO
Home Improvement	NOT APPLICABLE	NOT APPLICABLE	ADEQUATE	BELOW
Small Business	NOT APPLICABLE	NOT APPLICABLE	ADEQUATE	SLIGHTLY BELOW

* There are no low-income census tracts in the assessment area.

In 2009, BPPR made 5% of its home purchase, refinance and home improvement loans in moderate-income geographies. Banco Popular’s performance was slightly below the aggregate’s 6% of home purchase lending, similar to the aggregate’s 5 % of refinance lending, and below the aggregate’s 7% of home improvement lending. The demographics of the assessment area indicate that 7% of the available owner-occupied housing units are located within moderate-income geographies.

Banco Popular originated 11% of its small business loans in moderate-income geographies in 2009. This was slightly below the aggregate’s 13% in moderate-income tracts. 17% of all small businesses are located in moderate-income geographies.

Distribution by Borrower Income:

Overall distribution of loans among borrowers of different income levels and businesses of different sizes in MSA 10380 was good. This conclusion is based on adequate HMDA-lending to moderate-income borrowers, excellent lending to small businesses and poor HMDA-lending to low-income borrowers. Small business lending constituted over half of total lending and therefore was significantly weighted in arriving at the conclusion for borrower performance in this MSA. Consideration was given to the high cost of housing for LMI persons.

According to the 2000 Census, the assessment area has 84,782 families, of which 21,197 (25%) are low-income families and 12,581 (15%) are moderate-income families. In addition, according to the 2009 Dunn & Bradstreet, the MSA has 1,390 business establishments, of which 1,229 (88%) are small businesses with GAR of \$1 million or less.

The following table summarizes the bank's performance with respect to these borrowers as well as with respect to small businesses.

MSA 10380 (AGUADILLA-ISABELA-SAN SEBASTIAN, P.R.)				
Product	Low-income Borrowers		Moderate-income Borrowers	
	2009 BPPR Performance	2009 Aggregate Comparison	2009 BPPR Performance	2009 Aggregate Comparison
Home Purchase	POOR	SIGNIFICANTLY BELOW	ADEQUATE	ADEQUATE
Refinance	POOR	SIGNIFICANTLY BELOW	POOR	SIGNIFICANTLY BELOW
Home Improvement	POOR	BELOW	ADEQUATE	BELOW
	Lending to Businesses with GAR <= \$1 million		2009 Aggregate Comparison	
Small Business	EXCELLENT		ABOVE	

Low-income borrowers:

BPPR's HMDA-lending to low-income borrowers in the MSA was poor. However, the high cost of housing makes it very difficult for low-income borrowers to afford housing. During the examination period, the bank made 0.3%, 0%, and 1% of its home purchase, refinance, and home improvement loans, respectively, to low-income borrowers. HMDA-lending to low-income borrowers was significantly below the 25% proportion of low-income families in the MSA. The bank's 2009 performance for home purchase and refinance lending was significantly below the aggregate's 0.6% and 1.0% for home purchase and refinance lending, respectively, and below the aggregate's 1.8% for home improvement lending. Performance in 2008 was comparable to performance in 2009.

Moderate-income borrowers:

HMDA-lending to moderate-income borrowers in the MSA was adequate. The bank made 3%, 0%, and 6% of its home purchase, refinance, and home improvement loans, respectively, to moderate-income borrowers. The bank's HMDA-lending was below the 15% of moderate-income families in this MSA. Banco Popular's 2009 performance for home purchase lending was above the aggregate's 2% for home purchase lending, significantly below the aggregate's 2% for refinance lending, and below the aggregate's 9% for home improvement lending. Performance in 2008 was comparable to performance in 2009.

Small Business Lending:

BPPR provided an excellent level of lending to small business borrowers with GAR of \$1 million or less. The bank made 80% of its small business loans to businesses with GAR of \$1 million or less, while 88% of business establishments in the MSA have GAR of \$1 million or less. In 2009, the bank's small business lending performance was above the aggregate, which made 63% of its small business loans to businesses with GAR of \$1 million or less. Also, 87% of the bank's business loans were in amounts of \$100,000 or less, which was similar to the aggregate's 89%. Small business lending represented 54% of total lending, thus having a significant impact on the overall rating in the Aguadilla MSA. Performance in 2008 was comparable to performance in 2009.

Community Development Lending:

Banco Popular's overall level of community development lending in MSA 10380 was good. During the examination period, the bank made a relatively high level of community development loans, totaling \$17.4 million or 2% of all community development lending activity in Puerto Rico.

Within the MSA, community development lending efforts in terms of dollar amount were directed at affordable housing and economic development. Examples of community development loans included:

- A \$1.2 million loan for the construction of the Plaza del Mercado in an area of high unemployment. The loan will bring needed jobs to LMI persons in the area.
- A \$1.6 million loan for the construction of new housing units and rehabilitation of existing housing units that provide affordable housing to LMI persons.

Community Development Lending		
Purpose	#	\$('000s)
Affordable Housing	8	7,269
Community Services	30	4,664
Economic Development	4	5,505
Revitalize and Stabilize	0	0
Totals	42	17,438

EXHIBIT 6
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: MSA 10380 Aguadilla-Isabella-San Sebastian, PR

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	#	Bank %	Aggregate %	Bank %	Aggregate %	#	Bank %	Aggregate %	Bank %	Aggregate %
	%	\$(000s)	%	\$(000s)	%	%	\$(000s)	%	\$(000s)	%
Home Purchase										
Low	0	0.0%	0.0%	0.0%	0.0%	1	0.3%	0.1%	0.6%	0.9%
Moderate	21	5.4%	3.1%	6.2%	3.6%	13	3.3%	1.1%	2.3%	1.0%
Middle	334	85.2%	86.3%	79.3%	78.9%	35	8.9%	5.0%	10.3%	7.2%
Upper	37	9.4%	10.6%	14.4%	17.4%	256	65.3%	77.5%	75.6%	84.3%
Unknown	0	0.0%	0.0%	0.1%	0.0%	87	22.2%	16.3%	11.3%	6.7%
Total	392	100.0%	100.0%	100.0%	100.0%	392	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	1.0%	0.4%
Moderate	13	5.2%	4.2%	4.7%	3.9%	0	0.0%	0.0%	1.8%	0.6%
Middle	196	79.0%	80.4%	80.8%	80.4%	14	5.6%	3.5%	11.5%	6.6%
Upper	39	15.7%	15.4%	14.3%	15.3%	194	78.2%	77.6%	81.1%	87.5%
Unknown	0	0.0%	0.0%	0.3%	0.4%	40	16.1%	18.9%	4.5%	4.9%
Total	248	100.0%	100.0%	100.0%	100.0%	248	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	0.0%	0.0%	4	0.9%	0.1%	1.8%	0.2%
Moderate	20	4.7%	3.6%	6.7%	4.5%	25	5.8%	1.1%	9.0%	2.0%
Middle	359	83.9%	86.0%	84.0%	87.0%	98	22.9%	12.1%	26.6%	12.5%
Upper	49	11.4%	10.3%	9.2%	8.5%	298	69.6%	84.7%	61.1%	83.9%
Unknown	0	0.0%	0.0%	0.0%	0.0%	3	0.7%	2.0%	1.5%	1.5%
Total	428	100.0%	100.0%	100.0%	100.0%	428	100.0%	100.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
HMDA Totals										
Low	0	0.0%	0.0%	0.0%	0.0%	5	0.5%	0.1%	1.0%	0.6%
Moderate	54	5.1%	3.6%	5.7%	3.8%	38	3.6%	0.7%	3.6%	0.9%
Middle	889	83.2%	84.1%	81.0%	80.2%	147	13.8%	5.3%	14.6%	7.2%
Upper	125	11.7%	12.4%	13.2%	15.7%	748	70.0%	78.4%	74.7%	85.9%
Unknown	0	0.0%	0.0%	0.1%	0.2%	130	12.2%	15.5%	6.1%	5.4%
Total	1,068	100.0%	100.0%	100.0%	100.0%	1,068	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
	#	Bank %	Aggregate %	Bank %	Aggregate %					
		%	\$(000s)	%	\$(000s)					
Low	0	0.0%	0.0%	0.0%	0.0%					
Moderate	137	11.2%	10.9%	13.0%	11.7%					
Middle	868	70.7%	71.4%	64.4%	71.0%					
Upper	222	18.1%	17.7%	20.7%	16.9%					
Unknown	0	0.0%	0.0%	0.0%	0.0%					
Tract Unknown	0	0.0%	0.0%	1.9%	0.5%					
Total	1,227	100.0%	100.0%	100.0%	100.0%					
By Revenue										
\$1 Million or Less	987	80.4%	55.8%	63.0%	60.9%					
By Loan Size										
\$100,000 or less	1,063	86.6%	39.8%	88.5%	38.8%					
\$100,001-\$250,000	109	8.9%	24.9%	7.3%	23.1%					
\$250,001-\$1 Million	55	4.5%	35.3%	4.2%	38.0%					
Total	1,227	100.0%	100.0%	100.0%	100.0%					

Originations and Purchases

INVESTMENT TEST

Banco Popular's overall level of qualified investments in MSA 10380 was considered adequate. The MSA benefited from the \$132 million of island-wide investments in collateralized mortgage obligations, Economic Development Bank ("EDB") certificates of indebtedness, HUD Section 108 Government Guaranteed Participation Certificates and Puerto Rico Housing and Finance Corporation securities targeting affordable housing development across Puerto Rico. Community Development investments in the form of charitable grants and contributions in the MSA totaled \$105,000. Investments were overall responsive to the needs of the MSA and noted an evidenced a satisfactory level of innovativeness and complexity. Examples of community development investments include:

- A \$15 thousand grant to an organization that offers day care services, physical therapy, occupational training and psychological services to LMI children with mental and physical disabilities.
- A \$20 thousand grant to an organization that offers a mentoring program that pairs volunteers with LMI children to influence them to stay in school and avoid turning to crime as a lifestyle.

SERVICE TEST

Performance under the service test was excellent based on BPPR's excellent branch distribution and its relatively high level of community development services within the assessment area.

Retail Services:

The bank's delivery systems were readily accessible to geographies and individuals of different income levels. As of December 31, 2009, three branches, or 25% of the 12 branches in the MSA were in LMI areas, compared with the 8% of the population that resides in LMI census tracts. Alternative delivery systems such as ATMs moderately enhanced the bank's performance. Of the bank's 18 off-site ATMs, BPPR maintained one or 6% in moderate-income locations. Also, the bank had placed three kiosks in its branches, allowing customers free access the Bank's web site to learn about available products and services.

Changes in branch locations did not adversely impact the accessibility of the bank's delivery systems, particularly to LMI geographies and/or individuals. During the examination period, BPPR closed one branch in the MSA, which was not in an LMI area. No branches were opened in the MSA.

Products, services and branch hours were tailored to the convenience and needs of the assessment area, including LMI geographies and LMI individuals. Extended morning, late afternoon, weekend and holiday hours were available. All branches provide similar products and services.

Community Development Services:

The bank provides a relatively high level of community development services in the Aguadilla MSA. BPPR sponsored 65 financial services-related activities in the MSA 10380 assessment area. Included in this total are 42 financial service outreach workshops through the Popular Financial Education Program.

Examples of community development services include:

- A BPPR financial literacy program targeted to LMI persons that provides seminars and a website on promoting awareness of personal finances, identity theft protection and energy conservation.
- A BPPR homeownership program that provides training and seminars related to homeownership and affordable housing projects to individuals, professional groups, community based organizations and government agencies, and financial literacy programs targeted to LMI students to teach them the importance of savings.

METROPOLITAN AREA

(FULL REVIEW)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MSA 38660 (PONCE, P.R.)

PERFORMANCE CONTEXT

Demographic Characteristics

The MSA is Puerto Rico's second largest metropolitan area, encompassing the central southern coastal plain region of the island of Puerto Rico and includes the towns of Ponce, Juana Diaz, and Villalba. According to the 2000 census, the population of this assessment area is 264,919, representing 7% of the total population of Puerto Rico. The assessment area population declined slightly to 263,000 by 2009 according to estimates in the U.S. Census bureau's American Community Survey. Additionally, there are 66,781 families in the MSA, of which approximately 2% resides in low-income geographies and 31% resides in moderate-income geographies.

Income Characteristics

The table to the right lists HUD median family income estimates during the examination period. According to 2000 census data 26% of the families residing in the MSA are considered low-income and 15% are considered moderate-income. Fifty percent of families within the MSA live below the poverty level.

HUD MEDIAN FAMILY INCOME		
MSA	2008	2009
38660 (Ponce, PR)	\$18,500	\$19,900

Housing Characteristics

The MSA contains 91,426 housing units, of which 65% are owner-occupied, 25% are rental, and 10% vacant. Within low-income geographies, the availability of owner-occupied housing units is limited, with only 649 units located in low-income geographies. In moderate-income geographies 17,111 housing units are owner-occupied. The 2009 American Community Survey estimates the value of owner-occupied housing units to be \$56,353. While housing values are low it is still very difficult for low- and moderate-income individuals to own a residence given the high poverty rate and home values ranging from four to six times income levels for low- and moderate-income individuals respectively.

Labor, Employment and Economic Characteristics

The economy revolves around a mixed-industry manufacturing sector, retail, and tourism. Agriculture and services are also significant factors in the local economy. Ponce is home to Puerto's Rico's major seaport, Port of the Americas, which is the process of being expanded to serve as an international shipping hub. Completion is expected in 2012. The seaport is a major driver of the local economy.

AVERAGE AREA UNEMPLOYMENT		
Area	2008	2009
MSA 38660	11.9%	15.2%

According to U.S. Department of Labor statistics, the economy suffers from a high unemployment rate as indicated in the chart to the left. This trend continues to indicate a need for further economic development in the assessment area.

Detailed performance context data for this assessment area is provided in Exhibit 7 below.

EXHIBIT 7								
Assessment Area Demographics								
Assessment Area: MSA 38660								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	2	3.3	1,508	2.3	1,181	78.3	17,378	26.0
Moderate-income	20	33.3	20,700	31.0	13,395	64.7	9,879	14.8
Middle-income	20	33.3	23,734	35.5	12,008	50.6	10,495	15.7
Upper-income	17	28.3	20,839	31.2	6,607	31.7	29,029	43.5
Unknown-income	1	1.7	0	0.0	0	0.0	0	0.0
Total Assessment Area	60	100.0	66,781	100.0	33,191	49.7	66,781	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	2,241	649	1.1	29.0	1,337	59.7	255	11.4
Moderate-income	29,415	17,111	28.6	58.2	8,759	29.8	3,545	12.1
Middle-income	31,461	21,979	36.7	69.9	6,478	20.6	3,004	9.5
Upper-income	28,307	20,087	33.6	71.0	5,883	20.8	2,337	8.3
Unknown-income	2	0	0.0	0.0	0	0.0	2	100.0
Total Assessment Area	91,426	59,826	100.0	65.4	22,457	24.6	9,143	10.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	26	1.9	26	2.2	0	0.0	0	0.0
Moderate-income	400	29.3	341	29.1	47	32.4	12	24.5
Middle-income	488	35.8	401	34.3	65	44.8	22	44.9
Upper-income	450	33.0	402	34.4	33	22.8	15	30.6
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,364	100.0	1,170	100.0	145	100.0	49	100.0
	Percentage of Total Businesses:			85.8		10.6		3.6
Small Business data uses 2008 Dunn & Bradstreet Information								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 38660 (PONCE)

LENDING TEST

BPPR's overall lending performance in the MSA was good. Exhibit 8 contains data used to evaluate geographic and borrower distribution and Appendix C contains data used to evaluate community development lending.

Lending Activity:

Lending activity reflected excellent responsiveness to assessment area credit needs in relation to the bank's capacity and performance context issues. This assessment was based on market share activity, comparison to peer banks and trend analysis.

BPPR was a leader in deposit and loan market share. BPPR ranked first in deposits (market share 30%), first in home purchase lending (market share 32%), third in refinance lending (market share 14%) and first in home improvement lending (market share 57%). In small business lending, BPPR was also first overall (market share 43%). BPPR's lending compared favorably with similarly-situated banks based on the number of loans per million dollars of deposits.

BPPR's overall trend in combined HMDA-related and small business lending declined for the number and dollar amount of loans originated and purchased since the prior examination. However, BPPR's performance trends were less negative than the market aggregate. Also, within individual categories, BPPR home refinance lending volume increased in number and in dollar compared to the aggregate's decline in number and in dollar for this product since the prior examination.

Geographic Distribution:

The geographic distribution of HMDA-related and small business loans was adequate based on the adequate penetration in low-income and moderate-income tracts for HMDA-related and small business lending. Ponce's assessment area has 59,826 owner-occupied housing units, of which 649 (1%) are located in low-income areas. The low number of owner-occupied units indicates very limited lending opportunities in low-income tracts. The number of owner-occupied units substantially increases in moderate-income areas to 17,111 (29%), considerably improving lending prospects. Additionally, there are 1,364 small businesses, of which 426 (25%) are within low- and moderate income tracts. The number of businesses in low-income tracts is very small (30%) and also limits lending opportunities in this area. The following table summarizes the bank's lending performance by product throughout the Ponce MSA.

MSA 38660 (Ponce, P.R.)				
Product	Low-Income Census Tracts		Moderate -Income Census Tracts	
	2009 BPPR Performance	2009 Aggregate Comparison	2009 BPPR Performance	2009 Aggregate Comparison
Home Purchase	ADEQUATE	BELOW	POOR	BELOW
Refinance	ADEQUATE	SIGNIFICANTLY BELOW	POOR	SIGNIFICANTLY BELOW
Home Improvement	ADEQUATE	ABOVE	GOOD	SLIGHTLY ABOVE
Small Business	ADEQUATE	SLIGHTLY ABOVE	ADEQUATE	SLIGHTLY BELOW

Banco Popular made .4% of its home purchase and .3% of its home improvement loans in low-income geographies in 2009. Banco Popular's performance was below the 2009 aggregate's .7% of home purchase and above the aggregate's .2% of home improvement lending. The demographics of the assessment area indicate that 1% of the available owner-occupied housing units are located within low-income geographies with limited lending opportunities. Popular made no refinance loans in low-income census tracts in 2009 and one loan in 2008, however, in 2009 the aggregate made only 5 refinance loans in low-income census tracts.

Performance for home purchase and refinance lending was stronger in 2008 compared to 2009 due to BPPR making a few more loans in low-income tracts for these products. Performance in home improvement lending was slightly better in 2009 compared to 2008.

Banco Popular made 13% of its home purchase, 6% of its refinance, and 17% of its home improvement loans in moderate-income geographies. This 2009 performance was below the 2009 aggregate's 23% of home purchase and 15% refinance lending and slightly above the aggregate's 15% of home improvement lending. The demographics of the assessment area indicate 29% of the available owner-occupied housing units are located within moderate-income geographies.

Performance for home purchase and refinance lending was similar in 2008 compared to 2009. Performance in home improvement lending was slightly better in 2008 compared to 2009.

Banco Popular originated 1.2% and 17.1% of its small business loans in low- and moderate-income geographies, respectively, in 2009. This performance was slightly above the 2009 aggregate's 1% in low-income tracts and slightly below the aggregate's 22% lending in moderate-income tracts. The MSA's demographics indicate that 2% of all small businesses are operating in low-income geographies and 29% in moderate-income geographies. Performance was slightly better in 2009 compared to 2008 in low-income tracts and performance was similar in 2009 compared to 2008 in moderate-income tracts.

Distribution by Borrower Income and Revenue Size of the Business:

Overall distribution of loans among borrowers of different income levels and businesses of different sizes in the MSA 38660 assessment area was good. This conclusion is based on excellent lending to small businesses, good HMDA-lending to moderate-income borrowers and poor HMDA-lending to low-income borrowers. Consideration was given to the high cost of housing for LMI persons. According to the 2000 Census, the assessment area has 66,781 families, of which 17,378 (26%) are low-income families and 9,879 (15%) are moderate-income families. In addition, the MSA has 1,690 business establishments, of which 1,374 (81%) are small businesses with GAR of \$1 million or less.

The following table summarizes the bank's performance with respect to these borrowers.

MSA 38660 (PONCE, P.R.)				
Product	Low-income Borrowers		Moderate-income Borrowers	
	2009 BPPR Performance	2009 Aggregate Comparison	2009 BPPR Performance	2009 Aggregate Comparison
Home Purchase	POOR	SIGNIFICANTLY BELOW	GOOD	ABOVE
Refinance	POOR	SIGNIFICANTLY BELOW	ADEQUATE	SLIGHTLY BELOW
Home Improvement	POOR	SIGNIFICANTLY BELOW	EXCELLENT	ABOVE
	Lending to Businesses with GAR <= \$1 million		2009 Aggregate Comparison	
Small Business	EXCELLENT		ABOVE	

Low-income Borrowers:

BPPR's HMDA-lending to low-income borrowers in the MSA was poor. During the examination period, the bank made no HMDA-related loans to low-income borrowers. However, the aggregate also made very few home purchase, refinance and home improvement loans to low-income borrowers due to limited opportunities due to the high cost of housing and high poverty rate.

Moderate-income Borrowers:

HMDA-lending to moderate-income borrowers in the MSA was good. The bank made 8%, 3%, and 20% of its home purchase, refinance, and home improvement loans, respectively, to moderate-income borrowers. 15% of the families in the MSA are moderate income. The bank's 2009 performance for home purchase lending was above the aggregate's 5.5%, slightly below the aggregate's 4% for refinance lending, and above the aggregate's 16% for home improvement lending. Performance in 2008 was similar to performance in 2009 for all refinance and home improvement loans while performance for home purchase loans was weaker in 2008 compared to 2009.

Small Business Lending:

Banco Popular provided an excellent level of lending to small business borrowers with GAR of \$1 million or less in 2009. The bank made 79% of its small business loans to these businesses while 86% of business establishments in the MSA have GAR of \$1 million or less. The bank's small business lending performance was above the aggregate, which made 61% of its small business loans to businesses with GAR of \$1 million or less. Also, 86% of the bank's business loans were in amounts of \$100,000 or less, which matched the aggregate's 86% of business loans in amounts of \$100,000 or less. Small business performance for 2008 was similar to 2009 performance.

Community Development Lending:

BPPR was a leader in making community development loans in MSA 38660. Loans were responsive to community needs. A total of \$52 million or 7% of all community development lending activity in Puerto Rico was conducted in MSA 38660. BPPR compared favorably to similarly situated banks in terms of annualized community development loans to deposits within the MSA. BPNA's community development loans in MSA 38660 are noted in the below table.

Community Development Lending		
Purpose	#	\$(000s)
Affordable Housing	8	\$20,763
Economic Development	2	\$874
Community Services	33	\$11,846
Revitalize & Stabilize	5	\$18,855
Total	48	\$52,338

Within the MSA, community development lending efforts were primarily directed at affordable housing and revitalization and stabilization initiatives in terms of dollar outlays. Community contacts noted that affordable housing and revitalization efforts were particularly responsive given the disparity between housing costs and income and the lack of public funds for essential infrastructure projects. Examples of community development loans included:

- A \$4 million loan for the construction of 170 units of affordable housing under Law 124 in Juana Diaz.
- A \$9.8 million loan for the construction of a new modern brewery. The brewery will bring needed jobs to an economically distressed area that suffers from high unemployment.

A \$1.4 million line of credit to a non-profit organization that provides shelter for the homeless, alcohol and drug addiction recovery services, and services to victims of domestic violence.

INVESTMENT TEST

BPPR provides a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. The bank makes significant use of innovative and/or complex investments to support community development initiatives and exhibits excellent responsiveness to credit and community development needs.

The overall level of community development investments in the MSA was considered good. Qualified investments in MSA 38660 totaled \$18 million consisting of new investments to the municipality of Ponce for infrastructure improvements. The MSA also benefited from the \$132 million of island-wide investments in collateralized mortgage obligations, Economic Development Bank (“EDB”), bonds, HUD Section 108 Government Guaranteed Participation Certificates and Puerto Rico Housing and Finance Corporation securities targeting affordable housing development across Puerto Rico.

Community development qualified investments in the form of charitable grants and contributions in the MSA totaled \$121,000. Examples of investments and charitable grants and contributions include:

- An \$18 million bond for the city of Ponce to be used to develop an entertainment facility located in a low income neighborhood in Ponce. The development will revitalize the area and bring tourism to the town. Proceeds will be used to develop the first aquarium in Puerto Rico and for the remodeling of a sports complex.
- A \$15 thousand grant to a non-profit organization that helps low income communities in Ponce by providing education and training.

Exhibit 8
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: MSA 38660 Ponce, PR

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank		Aggregate			Bank		Aggregate		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	2	0.4%	0.2%	0.7%	0.4%	0	0.0%	0.0%	0.7%	2.5%
Moderate	63	13.4%	14.2%	22.9%	16.7%	38	8.1%	5.4%	5.5%	3.6%
Middle	211	45.0%	44.4%	34.1%	34.8%	66	14.1%	11.7%	15.1%	12.5%
Upper	193	41.2%	41.1%	42.3%	48.1%	256	54.6%	61.3%	58.2%	69.5%
Unknown	0	0.0%	0.0%	0.0%	0.0%	109	23.2%	21.6%	20.6%	12.0%
Total	469	100.0%	100.0%	100.0%	100.0%	469	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	0.4%	0.4%	0	0.0%	0.0%	0.8%	0.5%
Moderate	11	5.8%	4.6%	15.4%	12.6%	6	3.2%	1.9%	4.0%	2.5%
Middle	81	42.9%	46.7%	37.4%	40.6%	16	8.5%	5.6%	11.9%	8.4%
Upper	97	51.3%	48.7%	46.8%	46.5%	122	64.6%	68.0%	73.5%	79.8%
Unknown	0	0.0%	0.0%	0.0%	0.0%	45	23.8%	24.6%	9.8%	8.8%
Total	189	100.0%	100.0%	100.0%	100.0%	189	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	1	0.3%	0.2%	0.2%	0.1%	0	0.0%	0.0%	0.8%	0.3%
Moderate	58	17.2%	9.6%	15.4%	7.2%	67	19.9%	4.1%	16.2%	4.2%
Middle	149	44.2%	46.8%	43.2%	42.5%	76	22.6%	9.9%	21.1%	10.3%
Upper	129	38.3%	43.4%	41.2%	50.2%	173	51.3%	64.0%	57.8%	73.7%
Unknown	0	0.0%	0.0%	0.0%	0.0%	21	6.2%	22.0%	4.1%	11.6%
Total	337	100.0%	100.0%	100.0%	100.0%	337	100.0%	100.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
HMDA Totals										
Low	3	0.3%	0.2%	0.5%	0.4%	0	0.0%	0.0%	0.8%	1.5%
Moderate	132	13.3%	10.7%	18.6%	14.2%	111	11.2%	4.2%	6.7%	3.1%
Middle	441	44.3%	45.4%	37.0%	38.0%	158	15.9%	9.6%	14.8%	10.5%
Upper	419	42.1%	43.7%	43.9%	47.5%	551	55.4%	63.7%	64.3%	74.5%
Unknown	0	0.0%	0.0%	0.0%	0.0%	175	17.6%	22.5%	13.4%	10.5%
Total	995	100.0%	100.0%	100.0%	100.0%	995	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
	#	Bank			Aggregate					
		%	% \$(000s)		%	% \$(000s)				
Low	7	1.2%	0.9%		1.0%	1.5%				
Moderate	102	17.1%	18.5%		21.9%	19.0%				
Middle	271	45.5%	40.6%		37.1%	37.5%				
Upper	215	36.1%	40.0%		37.7%	41.1%				
Unknown	0	0.0%	0.0%		0.1%	0.0%				
Tract Unknown	0	0.0%	0.0%		2.3%	0.8%				
Total	595	100.0%	100.0%		100.0%	100.0%				
By Revenue										
\$1 Million or Less	472	79.3%	53.8%		60.5%	57.7%				
By Loan Size										
\$100,000 or less	513	86.2%	41.6%		86.1%	36.7%				
\$100,001-\$250,000	58	9.7%	26.5%		9.3%	25.9%				
\$250,001-\$1 Million	24	4.0%	31.9%		4.6%	37.4%				
Total	595	100.0%	100.0%		100.0%	100.0%				

Originations and Purchases

SERVICE TEST

The bank's overall performance under the service test is excellent based on readily accessible delivery systems and relatively high level of community development services.

Retail Services:

The bank's delivery systems were accessible to essentially all geographies and individuals of different income levels. As of December 31, 2009, two of the nine branches or 22% were located in LMI geographies compared with 35% of the population residing in the assessment area's LMI tracts. In addition, there were 20 off-site ATMs in the MSA 38660 assessment area, of which 4, or 20%, were located in LMI tracts.

Changes in branch locations has generally not adversely affected the accessibility of the bank's delivery systems, particularly to LMI geographies and/or LMI individuals. During the evaluation period 1 new branch was opened in a middle-income census tract. In addition, BPPR closed four branches in the MSA, 2 of which (50%) were in LMI geographies.

Products and services are tailored to the convenience and needs of its assessment area, including LMI geographies and LMI individuals. All branches provide similar products and services. In addition, extended morning, late afternoon, weekend and holiday hours were available.

Community Development Services:

The bank provides a relatively high level of community development services in the Ponce MSA. The bank conducted 80 financial services in the MSA, focused primarily on financial literacy.

Examples of community development services include:

- Popular staff participates in a national campaign organized by the American Bankers Association to provide instruction on how to effectively budget and save. Most of the beneficiaries are LMI persons.
- Popular staff provide training seminars related to homeownership and affordable housing products and programs. Most of the attendees are LMI persons.
- BPPR program that promotes awareness regarding effective management of personal finances, identity theft protection, and energy conservation. Most of the beneficiaries are LMI persons.

METROPOLITAN AND NON-METROPOLITAN AREAS

(LIMITED REVIEW)

MSA 32420 (MAYAGUEZ, PR)

MSA 41900 (SAN GERMAN-CABO ROJO, PR)

MSA 25020 (GUAYAMA, PR)

MSA 21940 (FAJARDO, PR)

MSA 49500 (YAUCO, PR)

**NON-MSA A (MUNICIPALITIES OF ADJUNTAS, JAYUYA, UTUADO, LAS
MARIAS, MARICAO, PR)**

NON-MSA B (MUNICIPALITIES OF COAMO, SANTA ISABEL, SALINAS, PR)

NON-MSA C (MUNICIPALITY OF VIEQUES, PR)

The performance and aggregate information for the assessment areas above can be found in Appendices C through F. Conclusions regarding performance in the individual limited-review assessment areas are related to the overall Commonwealth of Puerto Rico's performance. Details follow:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 32420	Consistent	Consistent	Consistent
MSA 41900	Consistent	Consistent	Consistent
MSA 25020	Consistent	Consistent	Consistent
MSA 21940	Consistent	Consistent	Consistent
MSA 49500	Consistent	Consistent	Consistent
Non-MSA A	Consistent	Consistent	Consistent
Non-MSA B	Consistent	Consistent	Consistent
Non-MSA C	Consistent	Consistent	Consistent

U.S. VIRGIN ISLANDS

CRA RATING FOR ST. THOMAS: Satisfactory

The lending test is rated: High Satisfactory

The investment test is rated: High Satisfactory

The service test is rated: Low Satisfactory

Major factors supporting the rating include:

- The lending activity reflected good responsiveness to the assessment area credit needs;
- The level of community development lending was excellent;
- The geographic distribution of loans in the bank's assessment areas was adequate;
- Distribution of loans among borrowers of different income levels and businesses of different sizes was good;
- The level of qualified investments was good; and,
- Delivery systems were reasonably accessible to essentially all portions of the assessment area.

SCOPE OF EXAMINATION

For the USVI assessment areas, a full review of the institution's performance in the non-MSA assessment area of St. Thomas, and a limited review for the non-MSA assessment area of St. Croix, were conducted.

The majority of BPPR's loans and deposits were concentrated in non-MSA St. Thomas with 80% of deposits and 64% of all loans in the USVI located in St. Thomas. As a result, this assessment area had a greater impact on the overall rating of the bank in the USVI.

DESCRIPTION OF INSTITUTION'S OPERATIONS

As of December 31, 2009, BPPR operated seven retail branches in the USVI, totaling \$838 million in deposits. These branches represent 4% of BPPR's total branch network. BPPR is one of only four banks in the assessment area. As of June 30, 2009, BPPR leads its three competitors, Firstbank of Puerto Rico, Bank of St. Croix, and Merchants Commercial Bank, in deposit market share with 57% of assessment area deposits.

PERFORMANCE CONTEXT

Demographic Characteristics

According to the 2000 Census, the population of the USVI assessment areas is approximately 104,000, which is almost evenly divided between St. Thomas and St. Croix. The population in the USVI assessment areas represents about 3% of the total population residing in BPPR's assessment areas. St. Thomas has no LMI census tracts while St. Croix has seven. During the examination period, the vast majority of families in the St. Thomas assessment area (71%) reside in middle-income census tracts.

Income Characteristics

Income levels in the USVI are generally higher than in Puerto Rico. As indicated in the table to the right, St. Thomas' median family income is also notably higher than St. Croix.

HUD MEDIAN FAMILY INCOMES		
NON-MSA	2008	2009
St. Thomas	\$39,700	\$41,500
St. Croix	\$29,800	\$39,500

According to the 2000 census data, 22% of families residing in St. Thomas and 34% of families in St. Croix are considered low-income, while both St. Thomas and St. Croix have 14% of families that are moderate-income. In addition, 29% of families in the USVI are below the poverty level. Low-income and the high levels of poverty experienced throughout USVI make it extremely difficult for families to afford homes.

Housing Characteristics

According to the 2000 census, the USVI assessment areas have 47,812 housing units, of which 35% (16,766) are owner-occupied, 44% (21,063) are renter-occupied, and 19% (8,899) are vacant. Vacant housing units in non-LMI tracts are generally vacation homes that are not occupied year-round. Many rental units are apartments that are part of private homes. About 5,000 rental units are public housing.

As reported by the USVI Bureau of Economic Research, the average home prices in the overall USVI decreased slightly from 2008 to 2009. St. Thomas experienced a 6% increase while St. Croix experienced a 7% decrease.

MEDIAN HOME SALES PRICES		
NON-MSA	2008	2009
St. Thomas	\$560,006	\$591,904
St. Croix	\$385,665	\$356,954

A comparison of the median family income to the median housing value illustrates the challenges faced by local lenders. According to housing data from the USVI Bureau of Economic Research and HUD adjusted median family income data, the median housing value for St. Thomas is estimated to be about twenty-nine times the income of a low-income family and eighteen times the income of a moderate-income family. In addition, the median housing value for St. Croix is estimated to be about twenty-three times the income of a low-income family and fourteen times the income of a moderate-income family.

Labor, Employment and Economic Characteristics

According to the USVI Bureau of Economic Research, overall unemployment rate for USVI increased from 5.8% in 2008 to 7.7% in 2009. The increase reflects the impact of a contraction in the USVI economy which is in line with the U.S. and global recession.

**AVERAGE UNEMPLOYMENT
RATES**

NON-MSA	2008	2009
St. Thomas*	4.9%	6.7%
St. Croix	6.9%	8.9%

*Unemployment rate includes St. John, which has 3% of the population of USVI.

The most severely affected sectors of the economy were in the construction, professional and business services and accommodation sectors. Construction jobs declined 26% in 2009 driven by the malaise in the housing and real estate market and the freezing of major public and private sector capital development projects. Tourism, another major industry, was also hard hit with the total number of visitors down 13% from 2008 to 2009.

Detailed performance context data for the USVI assessment areas is provided in Exhibit 9 below:

EXHIBIT 9
Combined Assessment Area Demographics Report
U.S. Virgin Islands (St. Thomas and St. Croix)

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#		
Low-income	3	10	2,798	11	1,481	20	7,264	28	
Moderate-income	4	13	3,547	14	1,537	21	3,526	14	
Middle-income	15	50	12,319	48	3,275	44	3,991	16	
Upper-income	8	27	6,959	27	1,192	16	10,842	42	
N/A	0	0	0	0	0	0	0	0	
Total Assessment Area	30	100.0	25,623	100.0	7,485	29	25,623	100.0	
	Housing Units by Tract	Owner-occupied				Rental			
		#	%	%	#	%	#		
Low-income	5,182	1,183	7	23	2,893	56	1,106	21	
Moderate-income	5,968	2,310	14	39	2,702	45	956	16	
Middle-income	22,840	8,288	49	36	10,609	46	3,943	17	
Upper-income	13,822	4,985	30	36	4,859	35	2,894	21	
Total Assessment Area	47,812	16,766	100.0	35	21,063	44	8,899	19	
	Total Businesses by Tract		Less Than or = \$1 Million		Over \$1 Million				
			#	%	#	%	#	%	#
Low-income	144	7	99	7	14	4	31	7	
Moderate-income	770	36	507	38	100	32	163	34	
Middle-income	1,225	57	747	55	193	63	285	59	
Upper-income	0	0	0	0	0	1	0	0	
Tract not reported	0	0	0	0	0	0	0	0	
Total Assessment Area	2,139	100	1,353	100	307	100	479	100	
	Percentage of Total Businesses			63		15		22	

NON-METROPOLITAN AREA

(FULL REVIEW)

NON-MSA ST. THOMAS

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

BPPR's overall lending performance in the MSA was good.

Lending Activity:

Lending activity reflected good responsiveness to assessment area credit needs in relation to the bank's capacity and performance context issues.

During the examination period, 544 loans totaling approximately \$70 million were originated in the St. Thomas assessment area. Lending activity in the USVI represents approximately 1% of the bank's total lending activity evaluated at this examination. Overall lending volume in St. Thomas decreased 12% compared with the previous examination as HMDA-related loan volume decreased from 617 loans due to the recessionary economy. Small business lending also decreased 10% compared with the previous examination.

Geographic Distribution:

There are no LMI census tracts in non-MSA St. Thomas. Geographic distribution in middle- and upper-income tracts was adequate with HMDA and small business lending sufficiently distributed among these census tracts.

Distribution by Borrower Income and Revenue Size of the Business:

Overall distribution of loans among borrowers of different income levels and businesses of different sizes in the St. Thomas assessment area was good. This conclusion is based on excellent lending to small businesses, adequate HMDA-lending to moderate-income borrowers, and poor HMDA-lending to low-income borrowers. Consideration was given to the high cost of housing for LMI persons.

According to 2000 Census, St. Thomas has 12,373 families, of which 2,758 (22%) are low-income families and 1,704 (14%) are moderate-income families. In addition, according to 2008 business demographic information provided by the bank, St. Thomas has 1,232 business establishments, of which 735 (60%) are small businesses with GAR of \$1 million or less. The following table summarizes the bank's performance with respect to these LMI borrowers and small businesses.

Exhibit 10
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: St. Thomas, USVI

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	#	%	Bank % \$(000s)	%	Aggregate % \$(000s)	#	%	Bank % \$(000s)	%	Aggregate % \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	1	6.3%	1.4%	0.0%	0.0%
Middle	4	25.0%	17.5%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	12	75.0%	82.5%	0.0%	0.0%	15	93.8%	98.6%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	16	100.0%	100.0%	0.0%	0.0%	16	100.0%	100.0%	0.0%	0.0%
Refinance										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	10	50.0%	40.1%	0.0%	0.0%	3	15.0%	11.8%	0.0%	0.0%
Upper	10	50.0%	59.9%	0.0%	0.0%	17	85.0%	88.2%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	20	100.0%	100.0%	0.0%	0.0%	20	100.0%	100.0%	0.0%	0.0%
Home Improvement										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	3	6.4%	1.1%	0.0%	0.0%
Middle	25	53.2%	53.2%	0.0%	0.0%	15	31.9%	17.2%	0.0%	0.0%
Upper	22	46.8%	46.8%	0.0%	0.0%	29	61.7%	81.7%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	47	100.0%	100.0%	0.0%	0.0%	47	100.0%	100.0%	0.0%	0.0%
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	2	100.0%	100.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	2	100.0%	100.0%	0.0%	0.0%
Total	2	100.0%	100.0%	0.0%	0.0%	2	100.0%	100.0%	0.0%	0.0%
HMDA Totals										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	4	4.7%	0.8%	0.0%	0.0%
Middle	39	45.9%	34.9%	0.0%	0.0%	18	21.2%	9.0%	0.0%	0.0%
Upper	46	54.1%	65.1%	0.0%	0.0%	61	71.8%	86.2%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	2	2.4%	4.0%	0.0%	0.0%
Total	85	100.0%	100.0%	0.0%	0.0%	85	100.0%	100.0%	0.0%	0.0%
SMALL BUSINESS										
By Tract Income										
		Bank			Aggregate					
	#	%	% \$(000s)	%	% \$(000s)	%	% \$(000s)			
Low	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Moderate	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Middle	103	68.7%	63.3%	48.1%	68.8%					
Upper	47	31.3%	36.7%	14.1%	28.5%					
Unknown	0	0.0%	0.0%	0.0%	0.0%					
Tract Unknown	0	0.0%	0.0%	37.8%	2.7%					
Total	150	100.0%	100.0%	100.0%	100.0%					
By Revenue										
\$1 Million or Less	94	62.7%	51.4%	32.6%	42.3%					
By Loan Size										
\$100,000 or less	102	68.0%	28.1%	83.0%	28.1%					
\$100,001-\$250,000	33	22.0%	32.3%	10.3%	26.3%					
\$250,001-\$1 Million	15	10.0%	39.6%	6.7%	45.6%					
Total	150	100.0%	100.0%	100.0%	100.0%					

Originations and Purchases

Low-income Borrowers:

BPPR's HMDA-lending to low-income borrowers in St. Thomas was poor, given the affordability issues presented to low-income borrowers. During the examination period, the bank did not extend any HMDA-related loans to low-income borrowers. However, it was noted that the average home sales price for St. Thomas was 24 times the income of a low-income family for 2009, also making it difficult for lenders to extend home purchase, refinance and home improvement loans to low-income borrowers in this area. There was no aggregate loan data available for comparison.

Moderate-income Borrowers:

HMDA-lending to moderate-income borrowers in St. Thomas was adequate. The bank made 1 home purchase loan, no refinance loans and 3 home improvement loans to moderate-income borrowers. However, it was noted that the average home sale price for St. Thomas was 15 times the income of a moderate-income borrower, also making it difficult for lenders to extend home purchase and home improvement loans to moderate-income borrowers. There were no aggregate loan data available for comparison.

Small Business Lending:

BPPR provided an excellent level of lending to small business borrowers with GAR of \$1 million or less. The bank made 63% of its small business loans to small businesses, which exceeded the 61% proportion of business establishments in St. Thomas having GAR of \$1 million or less. Also, 68% of the business loans were in amounts of \$100,000 or less.

Community Development Lending:

Community development lending performance in the St. Thomas assessment area was considered excellent. There were thirteen community development loans specifically targeted to the U.S. Virgin Islands, totaling \$55 million, a significant increase over the prior review, at which time total community development loans to the Virgin Islands totaled only \$13 million. Eight of these loans, totaling \$53 million, were made in St. Thomas. The following loans are highlighted.

- One loan on St Thomas was for revitalization and stabilization which included a \$23.6 million loan to rebuild the port in St. Thomas by replacing bulkheads and docks. Rebuilding the port will bring needed jobs to LMI individuals across the entire USVI.
- A \$10 million loan to the Water and Power Authority to improve the delivery of water for the inhabitants of the island. St. Thomas is made up primarily of distressed tracts, with 11 of its total 15 tracts, 73%, considered distressed due to poverty. The remaining four tracts are upper income.

- An \$8 million loan to the Virgin Islands Public Finance Authority. Proceeds to be utilized for emergency management communications equipment. The equipment is considered essential infrastructure which is a critical community development need.

INVESTMENT TEST

Banco Popular's investment test performance in St. Thomas was good.

Qualified investments in the U.S. Virgin Islands totaled \$12.9 million. On the island of St. Thomas qualified investments include \$4.5 million as the outstanding balance of a mortgage-backed security that targeted affordable housing. St. Croix had one investment for \$8.3 million for a section 8 multifamily project.

Examples of qualified investments:

- A \$4.5 million FNMA security backed by a pool of multifamily housing loans. The underlying loans collateralizing the mortgage-backed security are affordable housing loans funded by low-income housing tax credits.
- An \$8.3 million GNMA security for a Section 8 multifamily project located in St. Croix with 245 Section 8 units.

SERVICE TEST

Banco Popular's performance under the service test was adequate based on reasonably accessible delivery systems and an adequate level of community development services.

Retail Services:

Given the small geographic area of St. Thomas, BPPR's delivery systems were reasonably accessible to essentially all portions of the bank's assessment area. St. Thomas has no LMI census tracts. Of the five branches, four were located in middle-income geographies and one was located in an upper-income geography. There was one off site ATM in St. Thomas.

Changes in branch locations generally has not adversely affected the accessibility of the bank's delivery systems. During the evaluation period, no new branches were opened or closed in St. Thomas.

Services did not vary in a way that inconveniences certain portions of the assessment area. Deposit and credit services are available at all branches as well as via telephone and the Internet.

Community Development Services:

BPPR provides an adequate level of community development services in the assessment area.

The bank sponsored 19 financial service-related programs through its financial education seminars, financial education literacy activities, and technical assistance to help LMI individuals, families and non-profits throughout St. Thomas.

Additionally, six BPPR staff serve on the boards of directors or are key members of committees for 11 community development organizations. Services include the provision of financial literacy training programs for LMI individuals, providing financial management expertise, or assisting in organizing and managing fund raising events that benefit LMI individuals.

NON-METROPOLITAN AREA

(LIMITED REVIEW)

NON-MSA ST. CROIX

The performance and demographic information for the above assessment area can be found in the Appendix C, D, E and F.

Conclusions regarding performance in non-MSA St. Croix were compared with the overall USVI performance, which represents the performance in non-MSA St. Thomas. Conclusions follow:

Assessment Area	Lending Test	Investment Test	Service Test
Non-MSA St. Croix	Consistent	Consistent	Consistent

CRA APPENDIX A
SCOPE OF EXAMINATION

BANCO POPULAR DE PUERTO RICO			
TIME PERIOD REVIEWED		1/1/2008 TO 12/31/2009	
FINANCIAL INSTITUTION			PRODUCTS REVIEWED
Banco Popular de Puerto Rico, 209 Munoz Rivera Avenue San Juan, PR			<ul style="list-style-type: none"> • Home purchase • Refinancings • Home improvement • Small business • Community development
AFFILIATE(S)	AFFILIATE RELATIONSHIP		PRODUCTS REVIEWED
Popular Mortgage, Inc.	Bank subsidiary		<ul style="list-style-type: none"> • Home purchase • Refinancings
Popular Finance, Inc. ¹ Popular Auto, Inc.	Bank subsidiary		<ul style="list-style-type: none"> • Home purchase • Refinancings • Home improvement
1- Popular Finance stopped its loan operations and closed most of its branches in November 2008.			

CRA APPENDIX B

Summary of Ratings

State or MSA	Lending Test Rating	Investment Test Rating	Service Test Rating	Overall Rating
Puerto Rico	Outstanding	High Satisfactory	Outstanding	Outstanding
United States Virgin Islands	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory

CRA APPENDIX C

Community Development Loans 2008-2009										
Assessment Area	Affordable Housing		Economic Development		Community Services		Revitalize and Stabilize		Combined Totals	
	#	(\$000s)	#	(\$000s)	#	(\$000s)	#	(\$000s)	#	(\$000s)
Puerto Rico										
MSA 41980 (San Juan-Caguas-Guaynabo, PR)	44	89,398	31	27,968	254	293,288	16	172,531	345	583,185
MSA 10380 (Aquadilla-Isabela-San Sebastian, PR)	8	7,269	4	5,505	30	4,664	0	0	42	17,438
MSA 38660 (Ponce, PR)	8	20,763	2	874	33	11,846	5	18,855	48	52,338
MSA 32420 (Mayaguez, PR)	3	4,244	5	450	16	3,512	2	2,300	26	10,506
MSA 41900 (San German-Cabo Rojo, PR)	0	0	1	5	4	10,030	0	0	5	10,035
MSA 25020 (Guayama, PR)	2	8,460	9	178	1	10	0	0	12	8,648
MSA 21940 (Fajardo, PR)	1	5,500	0	0	0	0	0	0	1	5,500
MSA 49500 (Yauco, PR)	2	18,000	0	0	0	0	0	0	2	18,000
PR Non-MSA Group A	0	0	3	2,083	9	156	0	0	12	2,239
PR Non-MSA Group B	1	3,800	9	2,024	0	0	5	6,150	15	11,974
PR Non-MSA Group C	0	0	0	0	0	0	0	0	0	0
Statewide	0	0	0	0	0	0	0	0	0	0
Outside Assessment Area	0	0	0	0	0	0	0	0	0	0
Puerto Rico Totals	69	157,434	64	39,087	347	323,506	28	199,836	508	719,863
U.S. Virgin Islands										
St. Thomas	0	0	2	57	1	2	5	52,969	8	53,028
St. Croix	0	0	2	450	3	1,500	0	0	5	1,950
Statewide	0	0	0	0	0	0	0	0	0	0
Outside Assessment Area	0	0	0	0	0	0	0	0	0	0
U.S.V.I. Totals	0	0	4	507	4	1,502	5	52,969	13	54,978
Total Community Development	69	157,434	68	39,594	351	325,008	33	252,805	521	774,841
Percent Total # / \$	13.2%	20.3%	13.1%	5.1%	67.4%	41.9%	6.3%	32.6%	100.0%	100.0%

CRA APPENDIX D

Qualified Investments 2008-2009										
Assessment Area	Affordable Housing		Economic Development		Community Services		Revitalize and Stabilize		Combined Totals	
	#	(\$000s)	#	(\$000s)	#	(\$000s)	#	(\$000s)	#	(\$000s)
Puerto Rico										
MSA 41980 (San Juan-Caguas-Guaynabo, PR)	1	4,942	48	11,190	234	5,782	0	0	283	21,914
MSA 10380 (Aquadilla-Isabela-San Sebastian, PR)	0	0	1	15	7	89	0	0	8	104
MSA 38660 (Ponce, PR)	0	0	1	20	6	71	2	18,137	9	18,228
MSA 32420 (Mayaguez, PR)	0	0	4	52	6	10,001	0	0	10	10,053
MSA 41900 (San German-Cabo Rojo, PR)									0	0
MSA 25020 (Guayama, PR)	0	0	0	0	3	55	0	0	3	55
MSA 21940 (Fajardo, PR)	0	0	0	0	1	3	1	3	2	6
MSA 49500 (Yauco, PR)	0	0	0	0	2	15	0	0	2	15
PR Non-MSA Group A	0	0	1	15	3	46	0	0	4	61
PR Non-MSA Group B	0	0	1	1	0	0	0	0	1	1
PR Non-MSA Group C	0	0	0	0	5	62	0	0	5	62
Statewide	83	120,306	2	10,000	0	0	0	0	85	130,306
Outside Assessment Area									0	0
Puerto Rico Totals	84	125,248	58	21,293	267	16,124	3	18,140	412	180,805
U.S. Virgin Islands										
St. Thomas	1	4,527	0	0	0	0	0	0	1	4,527
St. Croix	1	8,338	0	0	0	0	0	0	1	8,338
Statewide	0	0	0	0	0	0	0	0	0	0
Outside Assessment Area	0	0	0	0	0	0	0	0	0	0
U.S.V.I. Totals	2	12,865	0	0	0	0	0	0	2	12,865
Total Qualified Investments	86	138,113	58	21,293	267	16,124	3	18,140	414	193,670
Percent Total # / \$	20.8%	71.3%	14.0%	11.0%	64.5%	8.3%	0.7%	9.4%	100.0%	100.0%

CRA APPENDIX E

SUMMARY OF BRANCH LOCATIONS (12/31/09)

PUERTO RICO	Total Branches	Total Branches in LMI Tracts	% of Branches in LMI Tracts	% of Population in LMI Tracts
MSA 41980	117	24	21%	30%
MSA 10380	12	3	25%	8%
MSA 38660	9	2	22%	35%
MSA 32420	8	1	13%	22%
MSA 41900	4	1	25%	1%
MSA 25020	4	0	0%	0%
MSA 21940	4	1	25%	5%
MSA 49500	4	0	0%	5%
PR Non-MSA Group A	5	1	20%	23%
PR Non-MSA Group B	4	0	0%	0%
PR Non-MSA Group C	1	0	0%	6%
Puerto Rico Totals	172	33	19%	25%
U.S. VIRGIN ISLANDS				
St. Thomas	5	0	0%	0%
St. Croix	2	1	50%	48%
U.S.V.I. Totals	7	1	14%	48%
Total Branches	179	34	19%	25%

CRA APPENDIX F
Loan Distribution Tables & Aggregate Comparisons Limited-Scope
Assessment Areas

2009 Aggregate Comparison Loan Distribution Table
Assessment Area: MSA 32420 Mayaguez, PR

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank		Aggregate			Bank		Aggregate		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	1	0.8%	0.5%	1.1%	0.6%	0	0.0%	0.0%	0.7%	0.2%
Moderate	6	5.0%	3.8%	18.0%	15.5%	7	5.8%	3.1%	10.0%	6.6%
Middle	73	60.3%	58.8%	44.3%	42.6%	10	8.3%	5.5%	12.0%	9.0%
Upper	41	33.9%	36.8%	36.5%	41.3%	85	70.2%	76.5%	65.0%	75.3%
Unknown	0	0.0%	0.0%	0.0%	0.0%	19	15.7%	14.9%	12.4%	8.9%
<i>Total</i>	<i>121</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>121</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>
Refinance										
Low	0	0.0%	0.0%	0.4%	0.2%	0	0.0%	0.0%	1.3%	0.5%
Moderate	4	5.1%	2.8%	19.2%	13.6%	3	3.8%	1.9%	4.4%	2.5%
Middle	34	43.6%	41.2%	41.4%	41.6%	5	6.4%	4.6%	12.8%	7.9%
Upper	40	51.3%	56.0%	39.1%	44.6%	56	71.8%	76.7%	73.6%	81.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	14	17.9%	16.7%	7.9%	8.0%
<i>Total</i>	<i>78</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>78</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>
Home Improvement										
Low	1	0.6%	0.1%	0.6%	0.1%	3	1.9%	0.4%	1.9%	0.3%
Moderate	20	12.5%	9.2%	15.8%	7.8%	33	20.6%	4.2%	19.0%	5.9%
Middle	77	48.1%	46.0%	43.7%	43.6%	32	20.0%	11.9%	19.0%	9.4%
Upper	62	38.8%	44.6%	39.9%	48.5%	90	56.3%	79.4%	55.6%	81.5%
Unknown	0	0.0%	0.0%	0.0%	0.0%	2	1.3%	4.0%	4.5%	2.8%
<i>Total</i>	<i>160</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>160</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	1	100.0%	100.0%	100.0%	100.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	1	100.0%	100.0%	100.0%	100.0%
<i>Total</i>	<i>1</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>1</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>
HMDA Totals										
Low	2	0.6%	0.2%	0.7%	0.3%	3	0.8%	0.1%	1.2%	0.3%
Moderate	31	8.6%	15.4%	18.0%	16.6%	43	11.9%	2.5%	9.9%	4.3%
Middle	184	51.1%	44.4%	43.0%	40.9%	47	13.1%	5.3%	14.0%	8.2%
Upper	143	39.7%	40.0%	38.3%	42.2%	231	64.2%	68.0%	66.2%	76.3%
Unknown	0	0.0%	0.0%	0.0%	0.0%	36	10.0%	24.1%	8.7%	10.8%
<i>Total</i>	<i>360</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>360</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>
SMALL BUSINESS										
By Tract Income										
		Bank				Aggregate				
	#	%	% \$(000s)	%	% \$(000s)	%	%	% \$(000s)	%	% \$(000s)
Low	9	1.7%	0.6%	1.3%	0.6%	1.3%	0.9%			
Moderate	78	15.1%	12.1%	20.0%	12.1%	20.0%	12.6%			
Middle	254	49.3%	52.3%	49.9%	52.3%	49.9%	51.1%			
Upper	174	33.8%	34.9%	27.1%	34.9%	27.1%	34.8%			
Unknown	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Tract Unknown	0	0.0%	0.0%	1.8%	0.0%	1.8%	0.6%			
<i>Total</i>	<i>515</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>			
By Revenue										
\$1 Million or Less	389	75.5%	48.3%	52.3%	48.3%	52.3%	49.8%			
By Loan Size										
\$100,000 or less	426	82.7%	34.5%	85.4%	34.5%	85.4%	31.7%			
\$100,001-\$250,000	59	11.5%	26.8%	8.7%	26.8%	8.7%	23.4%			
\$250,001-\$1 Million	30	5.8%	38.6%	5.9%	38.6%	5.9%	44.9%			
<i>Total</i>	<i>515</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>			

Appendix F (Continued)
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: MSA 41900 San German-Cabo Rojo, PR

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	#	Bank %	Aggregate % \$(000s)	Bank %	Aggregate % \$(000s)	#	Bank %	Aggregate % \$(000s)	Bank %	Aggregate % \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.1%	0.1%
Moderate	0	0.0%	0.0%	1.7%	1.0%	6	1.9%	1.0%	3.2%	2.6%
Middle	268	85.4%	84.3%	80.9%	84.0%	17	5.4%	4.4%	9.3%	7.0%
Upper	46	14.6%	15.7%	17.3%	15.0%	244	77.7%	81.6%	77.9%	84.5%
Unknown	0	0.0%	0.0%	0.0%	0.0%	47	15.0%	13.0%	9.5%	5.9%
Total	314	100.0%	100.0%	100.0%	100.0%	314	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.8%	0.4%
Moderate	0	0.0%	0.0%	2.9%	1.9%	3	2.3%	1.0%	4.9%	3.0%
Middle	114	85.7%	88.7%	76.7%	81.1%	7	5.3%	3.4%	14.1%	9.3%
Upper	19	14.3%	11.3%	20.4%	17.0%	96	72.2%	74.3%	71.9%	79.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	27	20.3%	21.2%	8.3%	8.3%
Total	133	100.0%	100.0%	100.0%	100.0%	133	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	0.0%	0.0%	5	2.6%	0.2%	5.7%	0.7%
Moderate	1	0.5%	0.3%	0.4%	0.2%	37	18.9%	4.7%	19.9%	4.2%
Middle	172	87.8%	78.9%	88.2%	85.1%	48	24.5%	8.4%	22.5%	12.4%
Upper	23	11.7%	20.8%	11.4%	14.7%	104	53.1%	82.9%	51.4%	81.3%
Unknown	0	0.0%	0.0%	0.0%	0.0%	2	1.0%	3.8%	0.4%	1.5%
Total	196	100.0%	100.0%	100.0%	100.0%	196	100.0%	100.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
HMDA Totals										
Low	0	0.0%	0.0%	0.0%	0.0%	5	0.8%	0.0%	1.6%	0.2%
Moderate	1	0.2%	0.0%	1.9%	1.4%	46	7.2%	1.3%	7.5%	2.9%
Middle	554	86.2%	85.2%	80.8%	82.7%	72	11.2%	4.5%	14.1%	8.4%
Upper	88	13.7%	14.7%	17.3%	15.9%	444	69.1%	79.3%	69.8%	81.8%
Unknown	0	0.0%	0.0%	0.0%	0.0%	76	11.8%	14.9%	7.0%	6.7%
Total	643	100.0%	100.0%	100.0%	100.0%	643	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
	#	Bank %	Aggregate % \$(000s)	Bank %	Aggregate % \$(000s)					
Low	0	0.0%	0.0%	0.0%	0.0%					
Moderate	15	4.3%	1.6%	4.0%	1.3%					
Middle	290	83.1%	88.7%	72.8%	85.6%					
Upper	44	12.6%	9.7%	20.3%	12.3%					
Unknown	0	0.0%	0.0%	0.0%	0.0%					
Tract Unknown	0	0.0%	0.0%	3.0%	0.7%					
Total	349	100.0%	100.0%	100.0%	100.0%					
By Revenue										
\$1 Million or Less	264	75.6%	42.6%	57.6%	45.9%					
By Loan Size										
\$100,000 or less	287	82.2%	34.1%	86.2%	35.1%					
\$100,001-\$250,000	43	12.3%	30.0%	9.5%	29.0%					
\$250,001-\$1 Million	19	5.4%	35.9%	4.3%	35.9%					
Total	349	100.0%	100.0%	100.0%	100.0%					

Originations and Purchases

Appendix F (Continued)
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: MSA 25020 Guayama, PR

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank		Aggregate			Bank		Aggregate		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.8%	1.7%
Moderate	0	0.0%	0.0%	0.0%	0.0%	2	1.9%	1.2%	6.0%	3.6%
Middle	77	73.3%	75.9%	82.0%	82.0%	4	3.8%	2.7%	20.9%	20.1%
Upper	28	26.7%	24.1%	18.0%	18.0%	39	37.1%	53.0%	52.3%	61.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	60	57.1%	43.1%	20.0%	13.6%
Total	105	100.0%	100.0%	100.0%	100.0%	105	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	1.3%	0.6%
Moderate	0	0.0%	0.0%	0.0%	0.0%	4	4.9%	2.3%	5.9%	3.2%
Middle	65	79.3%	78.2%	70.6%	70.6%	8	9.8%	8.2%	16.9%	12.6%
Upper	17	20.7%	21.8%	29.4%	29.4%	48	58.5%	61.1%	64.8%	71.8%
Unknown	0	0.0%	0.0%	0.0%	0.0%	22	26.8%	28.4%	11.0%	11.7%
Total	82	100.0%	100.0%	100.0%	100.0%	82	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	0.0%	0.0%	6	4.3%	2.9%	3.8%	1.6%
Moderate	0	0.0%	0.0%	0.0%	0.0%	20	14.5%	10.1%	13.2%	7.4%
Middle	111	80.4%	76.9%	78.8%	76.5%	37	26.8%	20.5%	23.1%	14.3%
Upper	27	19.6%	23.1%	21.2%	23.5%	71	51.4%	55.1%	58.0%	71.2%
Unknown	0	0.0%	0.0%	0.0%	0.0%	4	2.9%	11.4%	1.9%	5.6%
Total	138	100.0%	100.0%	100.0%	100.0%	138	100.0%	100.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
HMDA Totals										
Low	0	0.0%	0.0%	0.0%	0.0%	6	1.8%	0.4%	1.5%	1.2%
Moderate	0	0.0%	0.0%	0.0%	0.0%	26	8.0%	2.7%	7.3%	3.7%
Middle	253	77.8%	76.9%	76.8%	76.4%	49	15.1%	7.1%	19.7%	16.3%
Upper	72	22.2%	23.1%	23.2%	23.6%	158	48.6%	56.5%	58.4%	66.6%
Unknown	0	0.0%	0.0%	0.0%	0.0%	86	26.5%	33.3%	13.1%	12.2%
Total	325	100.0%	100.0%	100.0%	100.0%	325	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
	#	Bank			Aggregate					
		%	% \$(000s)	%	% \$(000s)	%	% \$(000s)			
Low	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Moderate	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Middle	191	79.3%	77.3%	78.0%	77.3%	78.0%	76.7%			
Upper	50	20.7%	22.7%	20.8%	22.7%	20.8%	22.6%			
Unknown	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Tract Unknown	0	0.0%	0.0%	1.2%	0.0%	1.2%	0.7%			
Total	241	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			
By Revenue										
\$1 Million or Less	197	81.7%	58.5%	74.4%			66.4%			
By Loan Size										
\$100,000 or less	216	89.6%	46.1%	88.3%			40.8%			
\$100,001-\$250,000	16	6.6%	22.0%	7.5%			23.0%			
\$250,001-\$1 Million	9	3.7%	31.9%	4.2%			36.2%			
Total	241	100.0%	100.0%	100.0%			100.0%			

Originations and Purchases

Appendix F (Continued)
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: MSA 21940 Fajardo, PR

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	#	Bank %	Aggregate % \$(000s)	Aggregate %	Aggregate % \$(000s)	#	Bank %	Aggregate % \$(000s)	Aggregate %	Aggregate % \$(000s)
	Home Purchase									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	1.3%	3.0%
Moderate	37	23.9%	23.8%	23.0%	23.5%	2	1.3%	0.8%	6.5%	4.9%
Middle	87	56.1%	52.1%	53.7%	48.1%	12	7.7%	4.8%	13.6%	9.3%
Upper	31	20.0%	24.2%	23.2%	28.3%	58	37.4%	49.3%	61.2%	71.6%
Unknown	0	0.0%	0.0%	0.1%	0.1%	83	53.5%	45.1%	17.4%	11.2%
Total	155	100.0%	100.0%	100.0%	100.0%	155	100.0%	100.0%	100.0%	100.0%
	Refinance									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	2.4%	2.0%
Moderate	22	22.7%	25.0%	19.6%	20.8%	1	1.0%	0.6%	7.1%	4.8%
Middle	53	54.6%	50.4%	56.4%	53.2%	7	7.2%	4.9%	15.2%	10.8%
Upper	22	22.7%	24.6%	23.9%	25.9%	49	50.5%	54.5%	58.7%	66.8%
Unknown	0	0.0%	0.0%	0.1%	0.1%	40	41.2%	40.0%	16.6%	15.6%
Total	97	100.0%	100.0%	100.0%	100.0%	97	100.0%	100.0%	100.0%	100.0%
	Home Improvement									
Low	0	0.0%	0.0%	0.0%	0.0%	2	2.1%	0.6%	4.9%	2.2%
Moderate	22	23.2%	21.1%	16.1%	13.8%	21	22.1%	6.8%	21.4%	8.9%
Middle	57	60.0%	61.9%	56.7%	54.1%	27	28.4%	17.6%	23.2%	12.5%
Upper	16	16.8%	16.9%	27.2%	32.2%	42	44.2%	61.5%	47.3%	70.6%
Unknown	0	0.0%	0.0%	0.0%	0.0%	3	3.2%	13.5%	3.1%	5.7%
Total	95	100.0%	100.0%	100.0%	100.0%	95	100.0%	100.0%	100.0%	100.0%
	Multi-Family									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
	HMDA Totals									
Low	0	0.0%	0.0%	0.0%	0.0%	2	0.6%	0.0%	2.2%	2.6%
Moderate	81	23.3%	24.1%	20.7%	22.0%	24	6.9%	1.2%	8.6%	5.0%
Middle	197	56.8%	52.2%	55.2%	50.4%	46	13.3%	5.8%	15.5%	10.0%
Upper	69	19.9%	23.8%	24.0%	27.4%	149	42.9%	52.2%	58.4%	69.6%
Unknown	0	0.0%	0.0%	0.1%	0.1%	126	36.3%	40.8%	15.2%	12.8%
Total	347	100.0%	100.0%	100.0%	100.0%	347	100.0%	100.0%	100.0%	100.0%
	SMALL BUSINESS									
	By Tract Income									
	#	Bank %	Aggregate % \$(000s)	Aggregate %	Aggregate % \$(000s)	#	Bank %	Aggregate % \$(000s)	Aggregate %	Aggregate % \$(000s)
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	61	28.9%	28.9%	42.0%	29.3%	61	28.9%	28.9%	42.0%	37.1%
Middle	102	48.3%	48.3%	39.0%	48.4%	102	48.3%	48.3%	39.0%	42.5%
Upper	48	22.7%	22.7%	19.1%	18.2%	48	22.7%	22.7%	19.1%	19.8%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Tract Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	211	100.0%	100.0%	100.0%	100.0%	211	100.0%	100.0%	100.0%	100.0%
	By Revenue									
\$1 Million or Less	176	83.4%	83.4%	64.0%	62.1%	176	83.4%	83.4%	64.0%	65.2%
	By Loan Size									
\$100,000 or less	178	84.4%	84.4%	36.0%	88.1%	178	84.4%	84.4%	36.0%	39.2%
\$100,001-\$250,000	20	9.5%	9.5%	23.7%	7.2%	20	9.5%	9.5%	23.7%	23.0%
\$250,001-\$1 Million	13	6.2%	6.2%	40.3%	4.8%	13	6.2%	6.2%	40.3%	37.8%
Total	211	100.0%	100.0%	100.0%	100.0%	211	100.0%	100.0%	100.0%	100.0%

Originations and Purchases

Appendix F (Continued)
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: MSA 49500 Yauco, PR

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	#	Bank %	Aggregate % \$(000s)	Aggregate %	Aggregate % \$(000s)	#	Bank %	Aggregate % \$(000s)	Aggregate %	Aggregate % \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	1.5%	1.4%
Moderate	1	0.8%	0.8%	2.0%	2.2%	1	0.8%	0.1%	4.4%	3.0%
Middle	86	67.2%	63.3%	65.4%	58.9%	8	6.3%	4.2%	13.2%	9.3%
Upper	41	32.0%	35.8%	32.7%	38.9%	71	55.5%	61.3%	62.2%	72.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	48	37.5%	34.4%	18.8%	14.3%
Total	128	100.0%	100.0%	100.0%	100.0%	128	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.8%	1.3%
Moderate	2	3.8%	2.2%	2.1%	1.5%	0	0.0%	0.0%	3.7%	1.6%
Middle	22	41.5%	37.9%	49.9%	51.2%	3	5.7%	3.2%	8.0%	4.8%
Upper	29	54.7%	59.9%	48.0%	47.2%	39	73.6%	75.0%	77.9%	81.6%
Unknown	0	0.0%	0.0%	0.0%	0.0%	11	20.8%	21.8%	9.6%	10.8%
Total	53	100.0%	100.0%	100.0%	100.0%	53	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	0.0%	0.0%	3	1.9%	0.3%	1.5%	0.2%
Moderate	7	4.4%	1.6%	5.3%	2.5%	14	8.9%	2.3%	9.8%	3.5%
Middle	113	71.5%	75.2%	67.8%	68.9%	41	25.9%	10.0%	22.3%	10.0%
Upper	38	24.1%	23.2%	26.9%	28.7%	97	61.4%	78.4%	64.4%	81.7%
Unknown	0	0.0%	0.0%	0.0%	0.0%	3	1.9%	8.9%	1.9%	4.8%
Total	158	100.0%	100.0%	100.0%	100.0%	158	100.0%	100.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	100.0%	100.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	100.0%	100.0%
Total	0	0.0%	0.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%
HMDA Totals										
Low	0	0.0%	0.0%	0.0%	0.0%	3	0.9%	0.1%	1.2%	1.2%
Moderate	10	2.9%	1.3%	2.9%	1.9%	15	4.4%	0.5%	5.5%	2.4%
Middle	221	65.2%	58.2%	60.4%	56.2%	52	15.3%	5.0%	13.6%	7.3%
Upper	108	31.9%	40.5%	36.8%	41.9%	207	61.1%	68.3%	68.3%	77.1%
Unknown	0	0.0%	0.0%	0.0%	0.0%	62	18.3%	26.2%	11.3%	12.0%
Total	339	100.0%	100.0%	100.0%	100.0%	339	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
	#	Bank %	Aggregate % \$(000s)	Aggregate %	Aggregate % \$(000s)	#	Bank %	Aggregate % \$(000s)	Aggregate %	Aggregate % \$(000s)
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	7	2.7%	3.5%	3.9%	4.6%	7	2.7%	3.5%	3.9%	4.6%
Middle	197	75.8%	77.4%	69.0%	75.5%	197	75.8%	77.4%	69.0%	75.5%
Upper	56	21.5%	19.1%	25.2%	19.6%	56	21.5%	19.1%	25.2%	19.6%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Tract Unknown	0	0.0%	0.0%	1.9%	0.2%	0	0.0%	0.0%	1.9%	0.2%
Total	260	100.0%	100.0%	100.0%	100.0%	260	100.0%	100.0%	100.0%	100.0%
By Revenue										
\$1 Million or Less	201	77.3%	50.0%	63.2%	49.9%	201	77.3%	50.0%	63.2%	49.9%
By Loan Size										
\$100,000 or less	235	90.4%	48.7%	89.4%	43.0%	235	90.4%	48.7%	89.4%	43.0%
\$100,001-\$250,000	17	6.5%	22.0%	6.7%	23.1%	17	6.5%	22.0%	6.7%	23.1%
\$250,001-\$1 Million	8	3.1%	29.3%	3.9%	33.9%	8	3.1%	29.3%	3.9%	33.9%
Total	260	100.0%	100.0%	100.0%	100.0%	260	100.0%	100.0%	100.0%	100.0%

Originations and Purchases

Appendix F (Continued)
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: NonMSA Group A

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank		Aggregate			Bank		Aggregate		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.5%	1.6%
Moderate	7	15.2%	18.0%	22.4%	21.3%	2	4.3%	1.5%	14.6%	7.7%
Middle	37	80.4%	76.0%	73.1%	73.5%	5	10.9%	9.3%	10.0%	11.5%
Upper	2	4.3%	5.9%	4.6%	5.2%	18	39.1%	42.5%	46.1%	53.2%
Unknown	0	0.0%	0.0%	0.0%	0.0%	21	45.7%	46.8%	28.8%	26.1%
Total	46	100.0%	100.0%	100.0%	100.0%	46	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	0.0%	0.0%	1	3.2%	0.9%	0.7%	0.7%
Moderate	2	6.5%	5.4%	15.3%	12.3%	1	3.2%	1.8%	3.8%	2.2%
Middle	27	87.1%	88.7%	80.8%	84.0%	0	0.0%	0.0%	8.7%	6.5%
Upper	2	6.5%	5.9%	3.8%	3.7%	22	71.0%	71.0%	77.0%	80.3%
Unknown	0	0.0%	0.0%	0.0%	0.0%	7	22.6%	26.3%	9.8%	10.4%
Total	31	100.0%	100.0%	100.0%	100.0%	31	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	0.0%	0.0%	3	2.0%	0.4%	1.5%	0.3%
Moderate	38	24.8%	18.8%	21.6%	13.7%	13	8.5%	2.9%	9.3%	4.0%
Middle	109	71.2%	79.3%	74.5%	85.0%	45	29.4%	19.4%	28.4%	14.4%
Upper	6	3.9%	1.9%	3.9%	1.3%	92	60.1%	77.3%	60.8%	81.3%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	153	100.0%	100.0%	100.0%	100.0%	153	100.0%	100.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
HMDA Totals										
Low	0	0.0%	0.0%	0.0%	0.0%	4	1.7%	0.4%	0.8%	1.0%
Moderate	47	20.4%	14.0%	19.3%	15.8%	16	7.0%	2.0%	8.7%	4.4%
Middle	173	75.2%	81.2%	76.6%	80.2%	50	21.7%	8.8%	14.8%	9.0%
Upper	10	4.3%	4.8%	4.1%	4.0%	132	57.4%	61.3%	62.8%	70.3%
Unknown	0	0.0%	0.0%	0.0%	0.0%	28	12.2%	27.5%	12.8%	15.3%
Total	230	100.0%	100.0%	100.0%	100.0%	230	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
		Bank			Aggregate					
	#	%	% \$(000s)	%	% \$(000s)	%	% \$(000s)	%	% \$(000s)	%
Low	0		0.0%		0.0%		0.0%		0.0%	
Moderate	67		26.8%		25.8%		25.6%		24.7%	
Middle	175		70.0%		73.0%		68.8%		72.7%	
Upper	8		3.2%		1.2%		3.4%		1.7%	
Unknown	0		0.0%		0.0%		0.0%		0.0%	
Tract Unknown	0		0.0%		0.0%		2.2%		0.9%	
Total	250		100.0%		100.0%		100.0%		100.0%	
By Revenue										
\$1 Million or Less	218		87.2%		74.7%		71.1%		69.2%	
By Loan Size										
\$100,000 or less	232		92.8%		56.6%		92.7%		53.6%	
\$100,001-\$250,000	13		5.2%		21.1%		5.3%		23.5%	
\$250,001-\$1 Million	5		2.0%		22.3%		2.0%		22.9%	
Total	250		100.0%		100.0%		100.0%		100.0%	

Originations and Purchases

Appendix F (Continued)
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: NonMSA Group B

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	Bank		Aggregate			Bank		Aggregate		
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	2	1.4%	1.1%	1.7%	2.2%
Middle	97	70.3%	67.6%	67.8%	66.3%	11	8.0%	4.7%	9.6%	9.1%
Upper	41	29.7%	32.4%	32.2%	33.7%	58	42.0%	51.4%	69.0%	74.7%
Unknown	0	0.0%	0.0%	0.0%	0.0%	67	48.6%	42.7%	19.8%	14.0%
Total	138	100.0%	100.0%	100.0%	100.0%	138	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.4%	0.2%
Moderate	0	0.0%	0.0%	0.0%	0.0%	3	3.9%	1.4%	2.7%	1.3%
Middle	45	58.4%	56.6%	65.0%	65.2%	3	3.9%	2.8%	7.8%	4.9%
Upper	32	41.6%	43.4%	34.6%	34.4%	55	71.4%	74.0%	78.5%	84.5%
Unknown	0	0.0%	0.0%	0.4%	0.3%	16	20.8%	21.8%	10.6%	9.1%
Total	77	100.0%	100.0%	100.0%	100.0%	77	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	0.0%	0.0%	1	0.7%	0.1%	0.5%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	16	11.0%	4.6%	9.4%	3.5%
Middle	117	80.7%	62.8%	78.7%	67.0%	39	26.9%	13.4%	23.3%	9.1%
Upper	28	19.3%	37.2%	21.3%	33.0%	80	55.2%	55.4%	62.4%	72.5%
Unknown	0	0.0%	0.0%	0.0%	0.0%	9	6.2%	26.6%	4.5%	14.9%
Total	145	100.0%	100.0%	100.0%	100.0%	145	100.0%	100.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
HMDA Totals										
Low	0	0.0%	0.0%	0.0%	0.0%	1	0.3%	0.0%	0.2%	0.1%
Moderate	0	0.0%	0.0%	0.0%	0.0%	21	5.8%	1.7%	3.3%	1.9%
Middle	259	71.9%	63.6%	68.3%	65.9%	53	14.7%	5.3%	10.9%	7.2%
Upper	101	28.1%	36.4%	31.6%	34.0%	193	53.6%	59.0%	71.9%	79.0%
Unknown	0	0.0%	0.0%	0.1%	0.2%	92	25.6%	34.0%	13.7%	11.9%
Total	360	100.0%	100.0%	100.0%	100.0%	360	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
	#	Bank			Aggregate					
		%	% \$(000s)		%	% \$(000s)				
Low	0	0.0%	0.0%		0.0%	0.0%				
Moderate	0	0.0%	0.0%		0.0%	0.0%				
Middle	126	81.8%	79.9%		0.0%	0.0%				
Upper	28	18.2%	20.1%		67.8%	0.0%				
Unknown	0	0.0%	0.0%		32.2%	0.0%				
Tract Unknown	0	0.0%	0.0%		0.0%	0.0%				
Total	154	100.0%	100.0%		0.0%	0.0%				
By Revenue										
\$1 Million or Less	130	84.4%	57.3%		0.0%	0.0%				
By Loan Size										
\$100,000 or less	145	94.2%	59.6%		0.0%	0.0%				
\$100,001-\$250,000	7	4.5%	20.1%		0.0%	0.0%				
\$250,001-\$1 Million	2	1.3%	20.4%		65.0%	0.0%				
Total	154	100.0%	100.0%		0.4%	0.0%				

Originations and Purchases

Appendix F (Continued)

2009 Aggregate Comparison Loan Distribution Table
Assessment Area: NonMSA Group C

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
	Home Purchase									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	1	12.5%	2.1%	4.0%	0.9%	0	0.0%	0.0%	0.0%	0.0%
Middle	5	62.5%	60.1%	60.0%	66.3%	0	0.0%	0.0%	0.0%	0.0%
Upper	2	25.0%	37.8%	36.0%	32.8%	7	87.5%	74.8%	92.0%	87.2%
Unknown	0	0.0%	0.0%	0.0%	0.0%	1	12.5%	25.2%	8.0%	12.8%
<i>Total</i>	8	100.0%	100.0%	100.0%	100.0%	8	100.0%	100.0%	100.0%	100.0%
	Refinance									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	1	14.3%	11.5%	2.0%	1.9%	0	0.0%	0.0%	3.9%	0.8%
Middle	3	42.9%	54.5%	58.8%	58.6%	0	0.0%	0.0%	0.0%	0.0%
Upper	3	42.9%	34.1%	39.2%	39.5%	7	100.0%	100.0%	96.1%	99.2%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
<i>Total</i>	7	100.0%	100.0%	100.0%	100.0%	7	100.0%	100.0%	100.0%	100.0%
	Home Improvement									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	6	20.7%	47.0%	14.0%	5.3%	1	3.4%	0.2%	2.3%	0.0%
Middle	21	72.4%	51.7%	62.8%	10.6%	7	24.1%	13.1%	16.3%	1.5%
Upper	2	6.9%	1.3%	23.3%	84.1%	21	72.4%	86.7%	81.4%	98.5%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
<i>Total</i>	29	100.0%	100.0%	100.0%	100.0%	29	100.0%	100.0%	100.0%	100.0%
	Multi-Family									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
<i>Total</i>	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
	HMDA Totals									
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	8	18.2%	11.7%	6.7%	2.7%	1	2.3%	0.0%	2.5%	0.3%
Middle	29	65.9%	57.2%	60.5%	45.7%	7	15.9%	2.1%	5.9%	0.5%
Upper	7	15.9%	31.0%	32.8%	51.7%	35	79.5%	83.5%	89.9%	95.3%
Unknown	0	0.0%	0.0%	0.0%	0.0%	1	2.3%	14.4%	1.7%	3.9%
<i>Total</i>	44	100.0%	100.0%	100.0%	100.0%	44	100.0%	100.0%	100.0%	100.0%
	SMALL BUSINESS									
	By Tract Income					By Revenue				
	#	%	% \$(000s)	%	% \$(000s)	#	%	% \$(000s)	%	% \$(000s)
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	6	8.3%	2.5%	2.5%	2.5%	6	8.3%	2.5%	2.5%	2.5%
Middle	61	84.7%	96.2%	96.2%	96.2%	61	84.7%	96.2%	96.2%	96.2%
Upper	5	6.9%	1.3%	1.3%	1.3%	5	6.9%	1.3%	1.3%	1.3%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Tract Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
<i>Total</i>	72	100.0%	100.0%	100.0%	100.0%	72	100.0%	100.0%	100.0%	100.0%
	By Loan Size					By Revenue				
\$1 Million or less	64	88.9%	76.9%	76.9%	76.9%	64	88.9%	76.9%	76.9%	76.9%
\$100,000 or less	60	83.3%	30.5%	30.5%	30.5%	60	83.3%	30.5%	30.5%	30.5%
\$100,001-\$250,000	5	6.9%	18.5%	18.5%	18.5%	5	6.9%	18.5%	18.5%	18.5%
\$250,001-\$1 Million	7	9.7%	51.0%	51.0%	51.0%	7	9.7%	51.0%	51.0%	51.0%
<i>Total</i>	72	100.0%	100.0%	100.0%	100.0%	72	100.0%	100.0%	100.0%	100.0%

Originations and Purchases

Appendix F (Continued)
2009 Aggregate Comparison Loan Distribution Table
Assessment Area: St. Croix, USVI

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	#	Bank %	% \$(000s)	%	Aggregate % \$(000s)	#	Bank %	% \$(000s)	%	Aggregate % \$(000s)
Home Purchase										
Low	4	13.3%	12.1%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	5	16.7%	15.5%	0.0%	0.0%	2	6.7%	2.2%	0.0%	0.0%
Middle	11	36.7%	34.8%	0.0%	0.0%	3	10.0%	7.5%	0.0%	0.0%
Upper	10	33.3%	37.6%	0.0%	0.0%	25	83.3%	90.3%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	30	100.0%	100.0%	0.0%	0.0%	30	100.0%	100.0%	0.0%	0.0%
Refinance										
Low	4	12.1%	12.8%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	1	3.0%	2.7%	0.0%	0.0%	2	6.1%	4.1%	0.0%	0.0%
Middle	11	33.3%	28.8%	0.0%	0.0%	6	18.2%	13.1%	0.0%	0.0%
Upper	17	51.5%	55.7%	0.0%	0.0%	25	75.8%	82.8%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	33	100.0%	100.0%	0.0%	0.0%	33	100.0%	100.0%	0.0%	0.0%
Home Improvement										
Low	5	12.2%	10.9%	0.0%	0.0%	3	7.3%	1.0%	0.0%	0.0%
Moderate	9	22.0%	9.4%	0.0%	0.0%	7	17.1%	7.4%	0.0%	0.0%
Middle	11	26.8%	45.6%	0.0%	0.0%	6	14.6%	3.1%	0.0%	0.0%
Upper	16	39.0%	34.1%	0.0%	0.0%	25	61.0%	88.6%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	41	100.0%	100.0%	0.0%	0.0%	41	100.0%	100.0%	0.0%	0.0%
Multi-Family										
Low	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
HMDA Totals										
Low	13	12.5%	12.2%	0.0%	0.0%	3	2.9%	0.1%	0.0%	0.0%
Moderate	15	14.4%	9.6%	0.0%	0.0%	11	10.6%	3.7%	0.0%	0.0%
Middle	33	31.7%	34.0%	0.0%	0.0%	15	14.4%	9.0%	0.0%	0.0%
Upper	43	41.3%	44.1%	0.0%	0.0%	75	72.1%	87.2%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0.0%
Total	104	100.0%	100.0%	0.0%	0.0%	104	100.0%	100.0%	0.0%	0.0%
SMALL BUSINESS										
By Tract Income										
		Bank				Aggregate				
	#	%	% \$(000s)	%		%	% \$(000s)	%	% \$(000s)	
Low	8	18.2%	7.4%	8.2%		8.2%	5.7%			
Moderate	13	29.5%	43.8%	27.6%		27.6%	41.9%			
Middle	10	22.7%	30.1%	7.7%		7.7%	24.1%			
Upper	13	29.5%	18.6%	16.3%		16.3%	24.6%			
Unknown	0	0.0%	0.0%	0.0%		0.0%	0.0%			
Tract Unknown	0	0.0%	0.0%	40.3%		40.3%	3.7%			
Total	44	100.0%	100.0%	100.0%		100.0%	100.0%			
By Revenue										
\$1 Million or Less	28	63.6%	14.7%	30.1%		30.1%	24.1%			
By Loan Size										
\$100,000 or less	36	81.8%	21.9%	89.3%		89.3%	27.8%			
\$100,001-\$250,000	3	6.8%	9.7%	5.1%		5.1%	14.8%			
\$250,001-\$1 Million	5	11.4%	68.4%	5.6%		5.6%	57.3%			
Total	44	100.0%	100.0%	100.0%		100.0%	100.0%			

Originations and Purchases

CRA APPENDIX G

GLOSSARY

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

Census tract: A small, relatively permanent statistical subdivision of a county or statistically equivalent entity delineated for data presentation purposes by a local group of census data users or the geographic staff of a regional census center in accordance with Census Bureau guidelines. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time they are established, census tracts generally contain between 1,000 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries are delineated with the intention of being stable over many decades, so they generally follow relatively permanent visible features. However, they may follow governmental unit boundaries and other invisible features in some instances; the boundary of a state or county (or statistically equivalent entity) is always a census tract boundary.

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

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

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

GLOSSARY (CONTINUED)

Family: A family is a group of two or more people related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

Full review: Performance is analyzed considering performance context, quantitative factors and qualitative factors.

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

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

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancings of home improvement and home purchase loans.

Household: A household consists of all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters.

Limited-scope review: Performance is analyzed using only quantitative factors.

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

Metropolitan Statistical Area (“MSA”): A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core.

Metropolitan Division: A county or group of counties within a **Metropolitan Statistical Area** that contains a population of at least 2.5 million and represents an employment center(s) associated through commuting ties.

GLOSSARY (CONTINUED)

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

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

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

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

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

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

Small loan(s) to business(es): A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income ("Call Report") and the Thrift Financial Reporting ("TFR") instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

Banco Popular de Puerto Rico
United States Virgin Islands Assessment Area
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Legend

	Assessment Area
	U.S. Virgin Islands

