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CRA PERFORMANCE REPORT  
AND DEPOSIT ANALYSIS

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Prepared for:  
**Chino Commercial Bank**

For the periods of:  
**April 1, 2013 through September 30, 2016**

Report Date:  
**January 13, 2017**

Prepared by:  
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## **INTRODUCTION AND ADMINISTRATION**

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### **SCOPE**

This report is a summary of activities pertaining to the Community Reinvestment Act that occurred at this institution from April 1, 2013 to September 30, 2016. All dollar amounts in this report are rounded to the nearest \$1,000 with some tables reflecting amounts in thousands. The report also includes an analysis of the bank's deposit activity relative to the bank's assessment area.

This report is prepared to assist the institution in assessing its CRA performance and determining whether its current course of direction is sufficient or whether changes recommended are acceptable. The assessment area selected by the bank includes portions of Los Angeles, Riverside and San Bernardino Counties surrounding the bank's offices in Chino, Ontario and Rancho Cucamonga.

The report has been prepared based on data gathered by Chino Commercial Bank. An outside consulting firm, The Triac Company, has performed lending distribution analyses contained in this report based on data supplied by the institution.

### **DISTRIBUTION ANALYSIS TEAM AND RESOURCES**

The analysis contained in this report was prepared by The Triac Company. The Triac Company has been providing distribution analysis services to assist financial institutions in addressing their HMDA and Community Reinvestment Act efforts since 1991. The geocoding is performed using MapInfo Corporation's MapMarker and the analysis is performed using MapInfo Professional.

### **EVALUATION SIZE**

Chino Commercial Bank's 2016 Q3 Call Report reflects total assets of \$182 million with a slight growth ratio. As such, the bank will remain under the "small bank" examination guidelines for at least the foreseeable few years.

### **CHANGES**

No changes to the branch locations or assessment area during the period of analysis are noted.

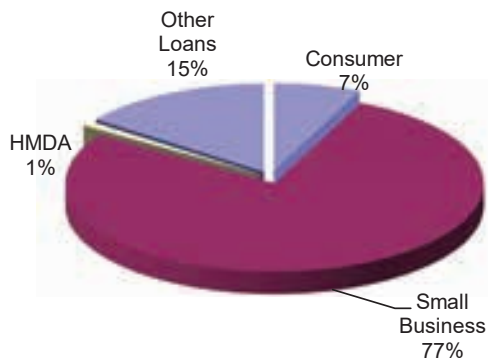
## SCOPE OF ANALYSIS

### LOANS ANALYZED

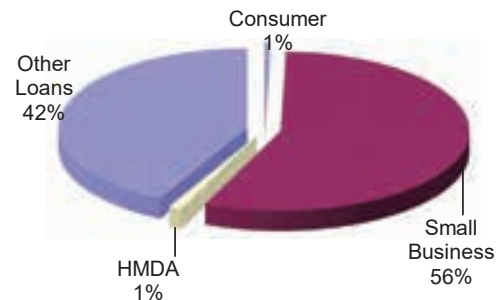
The number and dollar amount of loans encompassed by this combined period of analysis (April 1, 2013 to September 30, 2016) is as indicated in the following table:

Loan Type	# of Loans	% # of Loans	\$ of Loans	% \$ of Loans
Consumer	15	6.8%	\$ 520,000	0.5%
Small Business	172	77.5%	\$ 64,322,000	56.1%
HMDA	2	0.9%	\$ 1,267,000	1.1%
Other Loans	33	14.9%	\$ 48,594,000	42.4%
<b>Total</b>	<b>222</b>	<b>100.0%</b>	<b>\$ 114,703,000</b>	<b>100.0%</b>

**% # of Loans**



**% \$ of Loans**



*Note: "Other" Loans are business loans in excess of \$1,000,000 and are not included in the remainder of this report.*

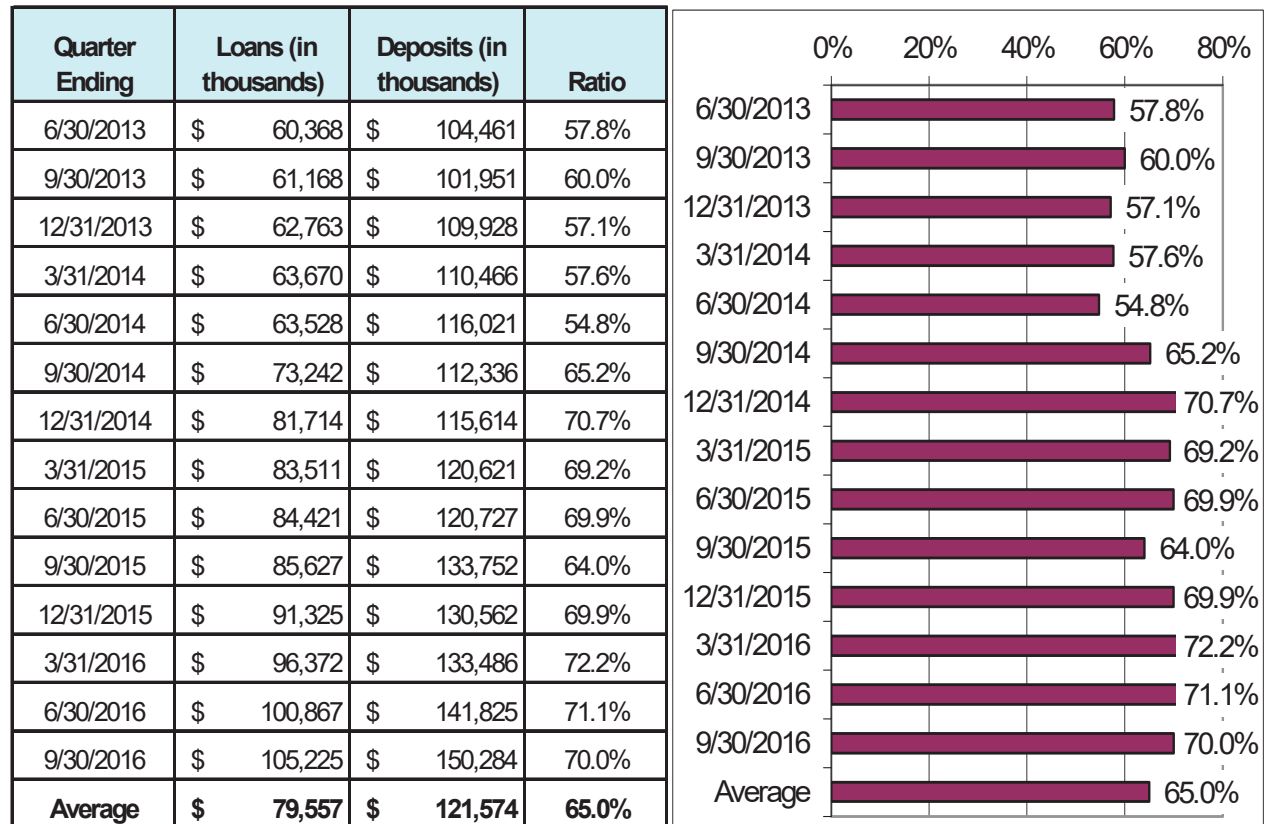
## CRITERION 1: LOAN-TO-DEPOSIT RATIO

### OVERVIEW

CRA encourages financial institutions to lend to their communities. While determining what loan-to-deposit ratio would be considered “reasonable” (the standard for a “Satisfactory” rating) is a function of the performance context, in general, the higher the loan-to-deposit ratio, the better an institution would do under this criterion.

### PERFORMANCE

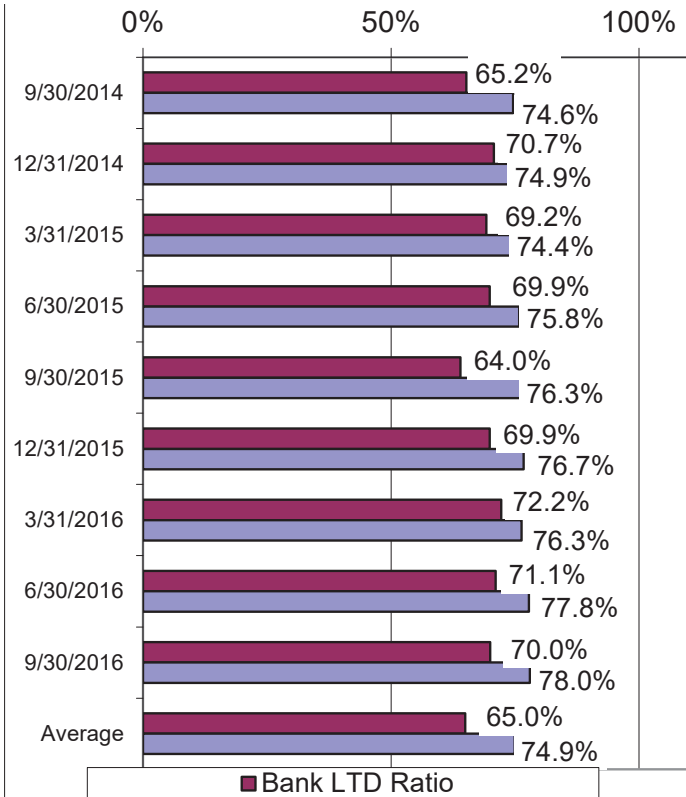
The loan-to-deposit ratios of the Bank for the most recent period of analysis and prior period of analysis are as indicated in the following chart:



*Loan-to-deposit ratio*

**Comparison to the Peer Group**

Quarter Ending	Bank LTD Ratio	Peer Group LTD Ratio
6/30/2013	57.8%	72.4%
9/30/2013	60.0%	72.5%
12/31/2013	57.1%	72.9%
3/31/2014	57.6%	72.2%
6/30/2014	54.8%	73.8%
9/30/2014	65.2%	74.6%
12/31/2014	70.7%	74.9%
3/31/2015	69.2%	74.4%
6/30/2015	69.9%	75.8%
9/30/2015	64.0%	76.3%
12/31/2015	69.9%	76.7%
3/31/2016	72.2%	76.3%
6/30/2016	71.1%	77.8%
9/30/2016	70.0%	78.0%
<b>Average</b>	<b>65.0%</b>	<b>74.9%</b>



*Loan-to-deposit ratio comparison with the Peer Group*

**PERFORMANCE SUMMARY**

During the period of analysis, the Bank’s Loan-to-Deposit (LTD) ratio has increased from the upper 50’s to the low 70’s with the average for the analysis period being 65%. The bank’s ratio is lower than its Peer Group in all periods as well as the overall average of 74.9% average. The bank’s Peer Group is Group 4 which consists of banks with assets between \$100 million and \$300 million with 3 or more full service branches in a MSA.

## CRITERION 2: COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE THE ASSESSMENT AREA(S)

### OVERVIEW

This analysis considers the number, dollar volume and percentage of the bank's loans located within any of its assessment areas, as well as the number, dollar volume and percentage of the institution's loans located outside of any of its assessment areas.

### PROFILE OF A "SATISFACTORY" RATING

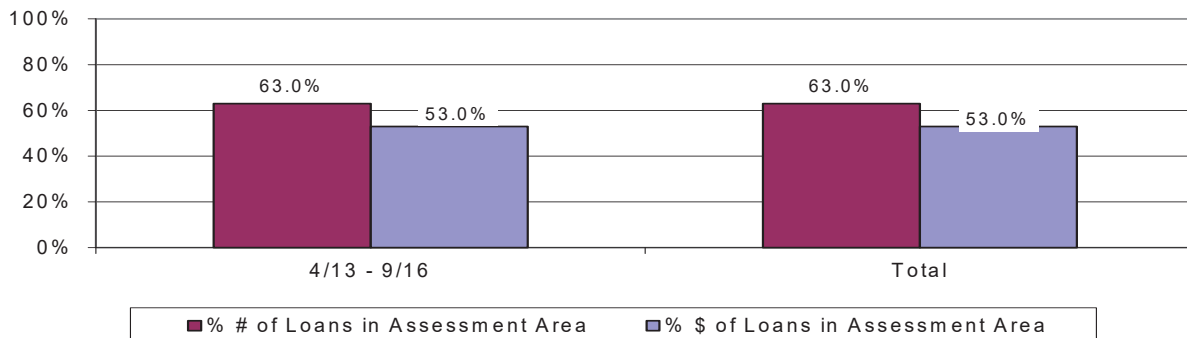
The profile of a satisfactory institution under the assessment area criterion of the streamlined examination is "a majority of its loans and, as appropriate, other lending-related activities are in its assessment area(s).

### INSTITUTION PERFORMANCE

For the period ending September 30, 2016, the institution had 189 CRA reportable loans totaling \$66,108,000. The following table and graph show the number and dollar volume of loans originated within the assessment area and outside.

Period	Total # of Loans	# of Loans in Assessment Areas	% # of Loans in Assessment Area	Total \$ of Loans	\$ of Loans in Assessment Area	% \$ of Loans in Assessment Area
4/13 - 9/16	189	119	63.0%	\$ 66,108,000	\$ 35,025,000	53.0%
Total	189	119	63.0%	\$ 66,108,000	\$ 35,025,000	53.0%

Lending within the Assessment Area



Percentage of loans within the assessment area, by number and dollar amount.

## **CRITERION 3: GEOGRAPHIC DISTRIBUTION OF CREDIT WITHIN THE ASSESSMENT AREA**

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### **OVERVIEW**

This analysis considers the number, dollar volume, and percentage of loan originations in each category of census tract (low-, moderate-, middle-, and upper-income).

### **PROFILE OF A “SATISFACTORY” RATING**

The profile of satisfactory rating under this criterion is a “geographic distribution of loans [that] reflects reasonable dispersion throughout the assessment area(s).”

### **INSTITUTION PERFORMANCE**

#### **SMALL BUSINESS LOANS<sup>1</sup>**

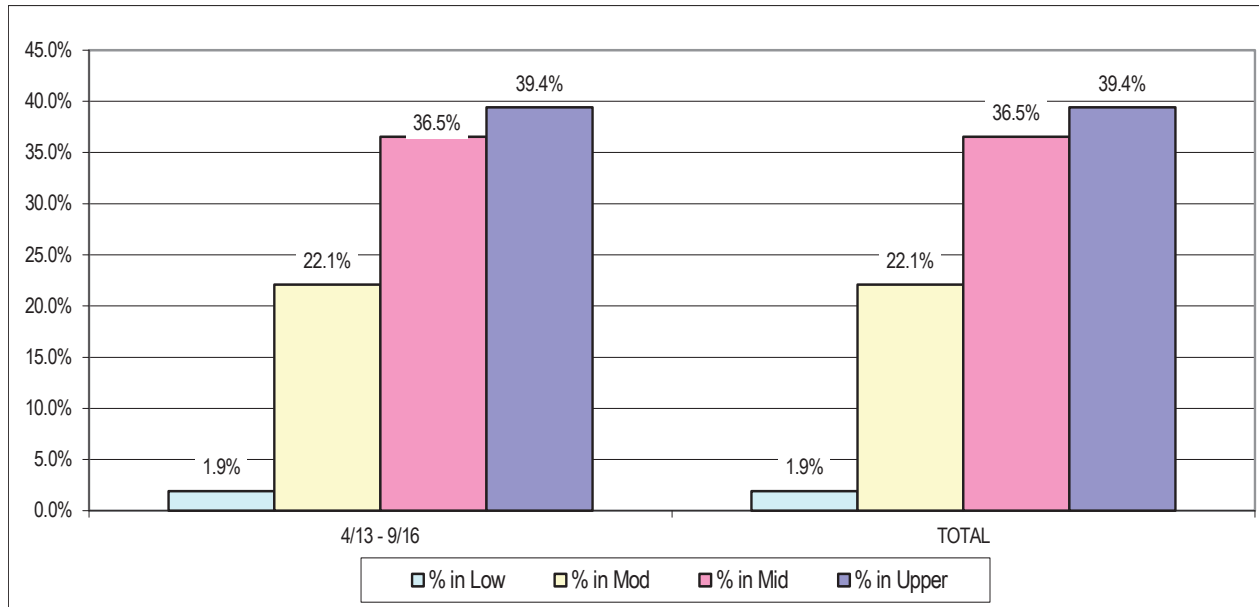
This analysis includes only loans within the bank’s assessment area. For the period of analysis, the institution had 104 small business loans totaling \$33,336,000. These were distributed as indicated in the following tables and charts (000s omitted).

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<sup>1</sup> Small Business Loans include those loans that have a business purpose and are in amounts of less than \$1 million.

BUSINESS LOANS BY NUMBER OF LOANS

Period	Total Loans	Loans in Low or NI	% in Low	Loans in Mod	% in Mod	Loans in Mid	% in Mid	Loans in Upper	% in Upper
4/13 - 9/16	104	2	1.9%	23	22.1%	38	36.5%	41	39.4%
TOTAL	104	2	1.9%	23	22.1%	38	36.5%	41	39.4%

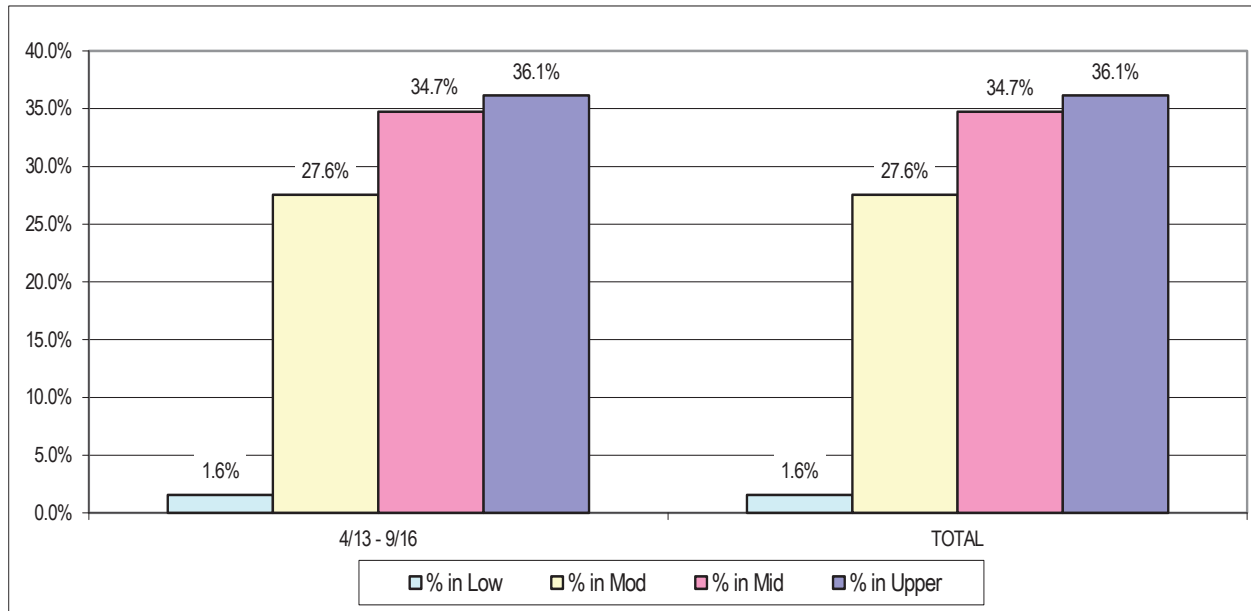


Percentage of loans in each income level of census tracts by number of loans.



**BUSINESS LOANS BY DOLLAR AMOUNT OF LOANS (000'S OMITTED)**

Period	Total Loans	Loans in Low or NI	% in Low	Loans in Mod	% in Mod	Loans in Mid	% in Mid	Loans in Upper	% in Upper
4/13 - 9/16	\$ 33,336	\$ 522	1.6%	\$ 9,185	27.6%	\$ 11,579	34.7%	\$ 12,050	36.1%
<b>TOTAL</b>	<b>\$ 33,336</b>	<b>\$ 522</b>	<b>1.6%</b>	<b>\$ 9,185</b>	<b>27.6%</b>	<b>\$ 11,579</b>	<b>34.7%</b>	<b>\$ 12,050</b>	<b>36.1%</b>



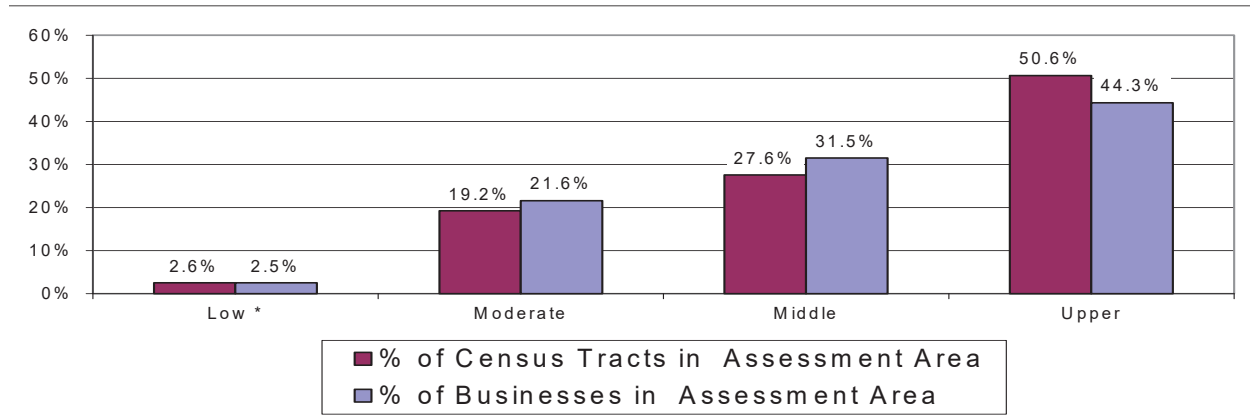
*Percentage of loans in each income level of census tracts by dollar amount of loans.*

**CONTEXT**

To provide context for the institution's performance, the following table and graph indicate the percentage of census tracts within each income level within the assessment area and the percentage of the number of businesses located in each census tract income level within the assessment area.

ASSESSMENT AREA

Census Tract Income Level	Number of Census Tracts in Assessment Area	% of Census Tracts in Assessment Area	Number of Businesses in Assessment Area	% of Businesses in Assessment Area
Low *	8	2.6%	1,274	2.5%
Moderate	60	19.2%	10,828	21.6%
Middle	86	27.6%	15,794	31.5%
Upper	158	50.6%	22,212	44.3%
<b>Total</b>	<b>312</b>	<b>100.0%</b>	<b>50,108</b>	<b>100.0%</b>



\* Includes the N/A or No Income Census Tracts.  
 Distribution of census tracts by income level and businesses within census tracts by income level.

SUMMARY

The bank’s lending to Low- and Moderate-Income (LMI) areas for the period of analysis is slightly above the composition of the area by number of loans by dollar amount of loans. For the period of analysis lending to low- and moderate-income census tracts was 24.0% by number of loans and 29.1% by dollar amount compared to 21.8% of LMI census tracts and 24.1% of businesses in LMI tracts.

**CONSUMER LOANS**

As the bank is a business bank consumer loans are provided as a facilitation product and are not emphasized and therefore the bank is excluding them from the analysis.

**HMDA LOANS**

As the bank is a business bank HMDA loans are provided as a facilitation product and are not emphasized. The bank had no HMDA lending during the period of analysis

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## **CRITERION 4: BORROWER CHARACTERISTICS ANALYSIS**

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### **LENDING TO BUSINESSES OF DIFFERENT SIZES**

#### **BUSINESSES**

This analysis considers the number, dollar volume, and percentage of loans to businesses by loan size.

#### **PROFILE OF A “SATISFACTORY” RATING**

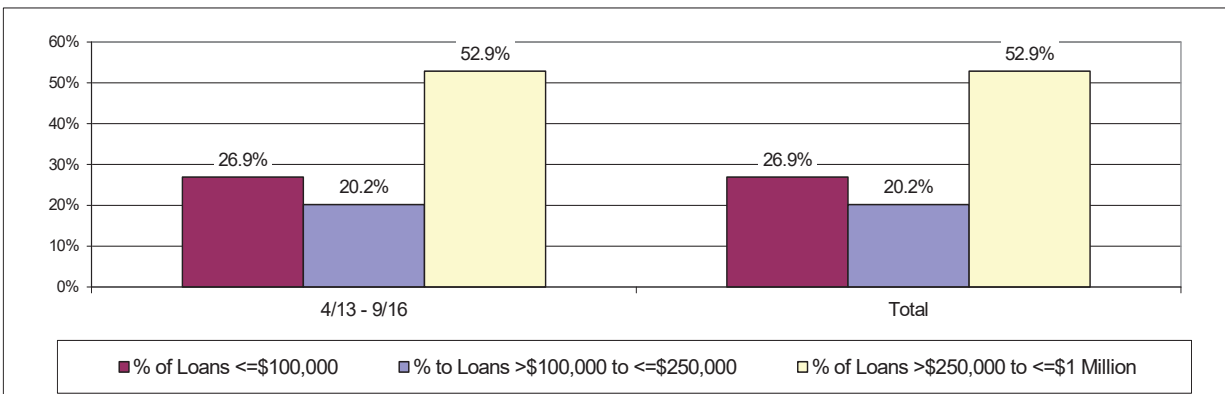
The profile of satisfactory rating under this criterion is a “distribution of borrowers [that] reflects, given the demographics of the assessment area(s), reasonable penetration among businesses of different sizes.”

### LOAN SIZE ANALYSIS BY NUMBER OF LOANS

Size data for businesses was supplied on 104 small business loans totaling \$33,336,000 within the assessment area. These were distributed as indicated in the following tables and charts (000s omitted).

#### BY NUMBER OF LOANS

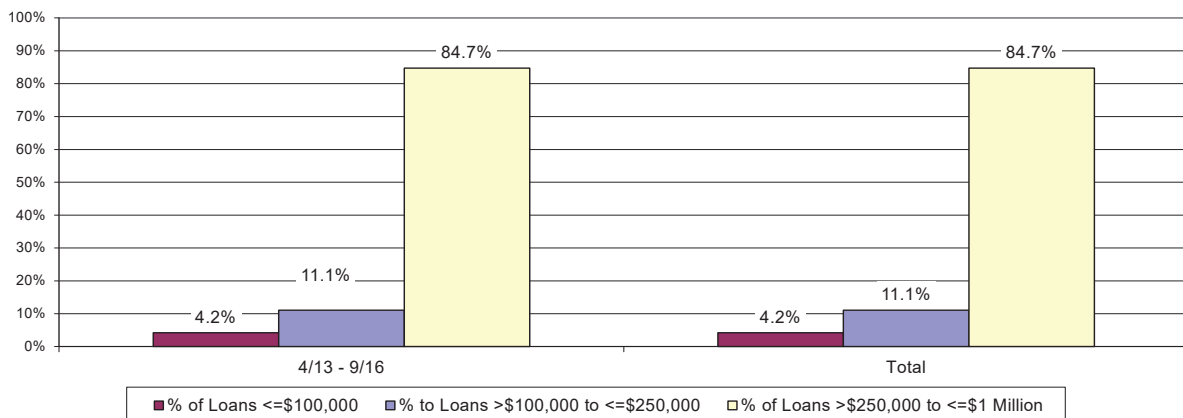
Period	Small Business Loans	<=\$100,000	% of Loans <=\$100,000	>\$100,000 to <=\$250,000	% to Loans >\$100,000 to <=\$250,000	>\$250,000 to <=\$1 Million	% of Loans >\$250,000 to <=\$1 Million
4/13 - 9/16	104	28	26.9%	21	20.2%	55	52.9%
<b>Total</b>	<b>104</b>	<b>28</b>	<b>26.9%</b>	<b>21</b>	<b>20.2%</b>	<b>55</b>	<b>52.9%</b>



*Distribution of the number of business loans by size of loans.*

#### BY DOLLAR AMOUNT (000S OMITTED)

Period	Business Loans	<=\$100,000	% of Loans <=\$100,000	>\$100,000 to <=\$250,000	% to Loans >\$100,000 to <=\$250,000	>\$250,000 to <=\$1 Million	% of Loans >\$250,000 to <=\$1 Million
4/13 - 9/16	\$ 33,336	\$ 1,406	4.2%	\$ 3,687	11.1%	\$ 28,243	84.7%
<b>Total</b>	<b>\$ 33,336</b>	<b>\$ 1,406</b>	<b>4.2%</b>	<b>\$ 3,687</b>	<b>11.1%</b>	<b>\$ 28,243</b>	<b>84.7%</b>

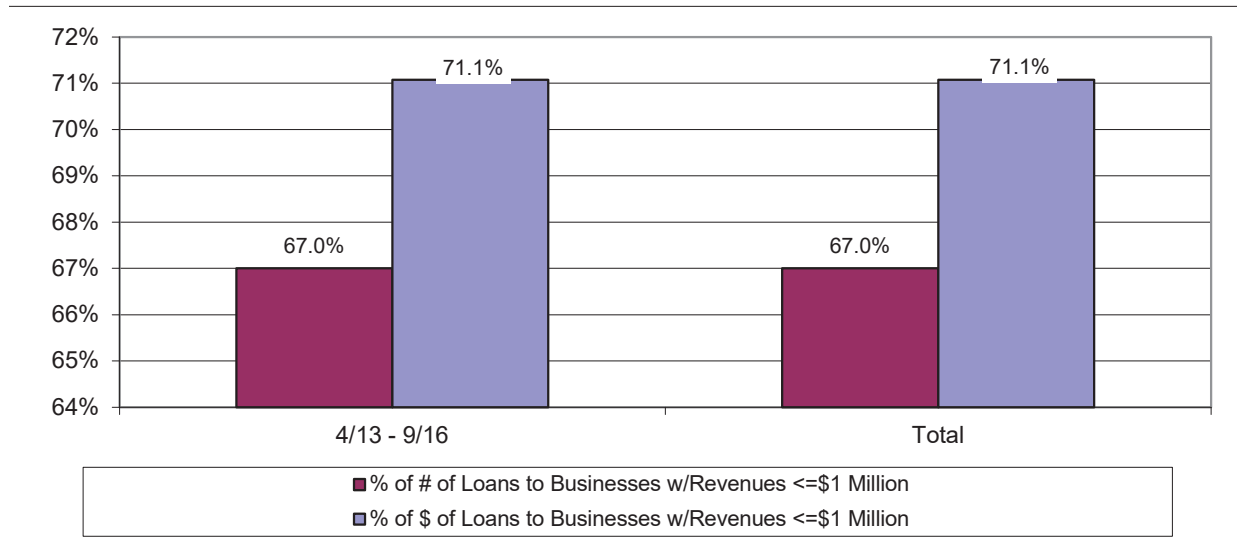


*Distribution of the dollar amount of business loans by size of loans.*

### GROSS ANNUAL REVENUE ANALYSIS

Gross annual revenue data for businesses was provided on 100 small business loans within the assessment area totaling \$32,691,000 during the period of analysis. The table and graph below show this data expressed in terms of number and dollar amount of loans (000s omitted).

Period	# of Business Loans with Revenue Data	Amount of Business Loans with Revenue Data	# of Loans to Businesses w/Revenues <=\$1 Million	% of # of Loans to Businesses w/Revenues <=\$1 Million	\$ of Loans to Businesses w/Revenues <=\$1 Million	% of \$ of Loans to Businesses w/Revenues <=\$1 Million
4/13 - 9/16	100	\$ 32,691	67	67.0%	\$ 23,236	71.1%
<b>Total</b>	<b>100</b>	<b>\$ 32,691</b>	<b>67</b>	<b>67.0%</b>	<b>\$ 23,236</b>	<b>71.1%</b>



*Loans to businesses with gross annual revenues of \$1 million or less.*

**BORROWER INCOME/POPULATION ANALYSIS**

Borrower Income/Population analysis was not available for this analysis due to insufficient data.

## **CRITERION 5: RECORD OF RESPONDING TO WRITTEN COMPLAINTS**

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### **OVERVIEW**

CRA is a “public” regulation, in that the public has access to ratings and examination findings. Moreover, the public is given the right to submit written comments on an institution’s performance in meeting the credit needs of its community. Examiners evaluate an institution’s record of responding appropriately to written complaints about its performance in meeting the credit needs in its assessment area.

### **OBJECTIVE**

It is the objective of Chino Commercial Bank to respond promptly and adequately to any written complaint addressing its performance in meeting the credit needs of its community. All such complaints are to be treated seriously. A record of how each complaint is handled is to be provided by the CRA officer to senior management including the CEO and the Board of Directors.

### **PERFORMANCE**

There were no written complaints addressing the institution's performance in meeting the credit needs of the institution's communities received during the period of review.



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## **CRITERION 6: INVESTMENTS AND SERVICES**

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### **OVERVIEW**

To enhance a satisfactory rating or to achieve an outstanding rating, the agencies evaluate the institution's performance in making qualified investments and in providing services that enhance credit availability in its assessment area.

### **INVESTMENTS**

A qualified investment is an investment, deposit, membership share, or grant that has as its primary purpose community development. Community development means affordable housing for lower-income individuals, community services targeted to lower-income individuals, activities that promote economic development by financing small businesses and farms, and activities that revitalize or stabilize lower-income areas.

### **SERVICES**

The service test evaluates an institution's record of helping to meet the credit needs of its assessment area by analyzing both the availability and effectiveness of the institution's systems for delivering banking services, especially to lower-income individuals.

### **PERFORMANCE: INVESTMENTS**

This criterion was not analyzed.

### **PERFORMANCE: SERVICES**

This criterion was not analyzed.

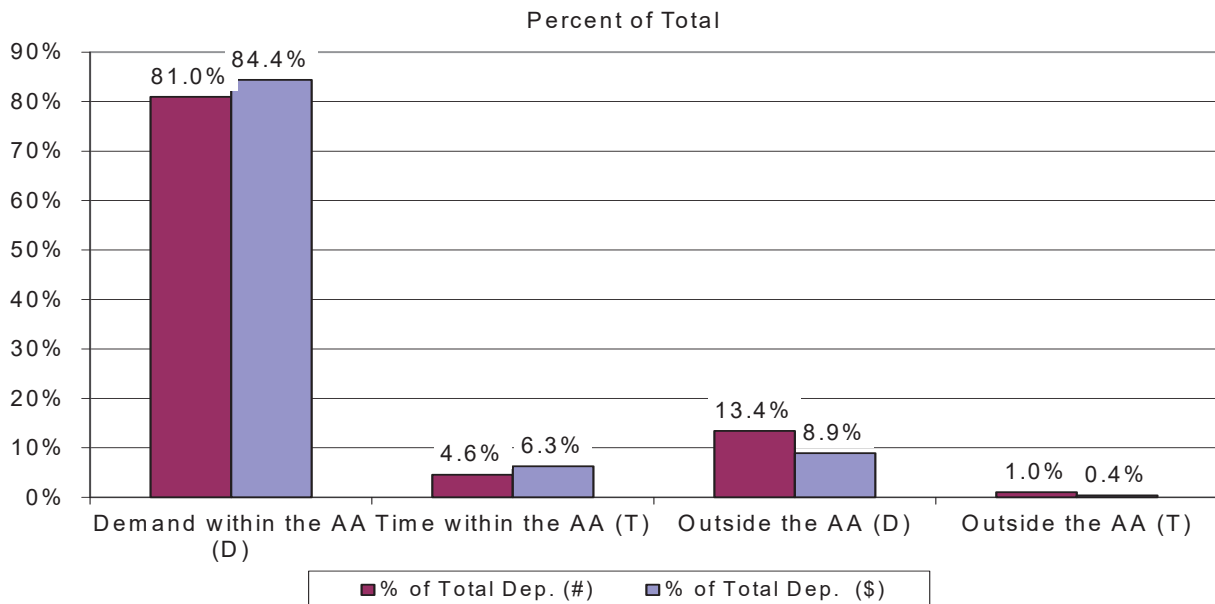
## DEPOSIT ANALYSIS

The following presents factors not typically required during a CRA Examination for small banks, but requested by the bank.

### DEPOSIT ACTIVITY WITHIN AND WITHOUT THE ASSESSMENT AREAS (CAPTURE RATE)

For the period ending September 30, 2016, the institution had 2,609 Deposit Accounts totaling \$149,455,000. The following table and graph show the number and dollar volume of deposits originated within the assessment area and outside by product type (000s omitted).

Assessment Area	Deposits (#)	% of Total Dep. (#)	Deposits (\$)	% of Total Dep. (\$)
Demand within the AA (D)	2,113	81.0%	\$ 126,119	84.4%
Time within the AA (T)	119	4.6%	\$ 9,400	6.3%
Outside the AA (D)	350	13.4%	\$ 13,318	8.9%
Outside the AA (T)	27	1.0%	\$ 618	0.4%
<b>Total</b>	<b>2,609</b>	<b>100.0%</b>	<b>\$ 149,455</b>	<b>100.0%</b>



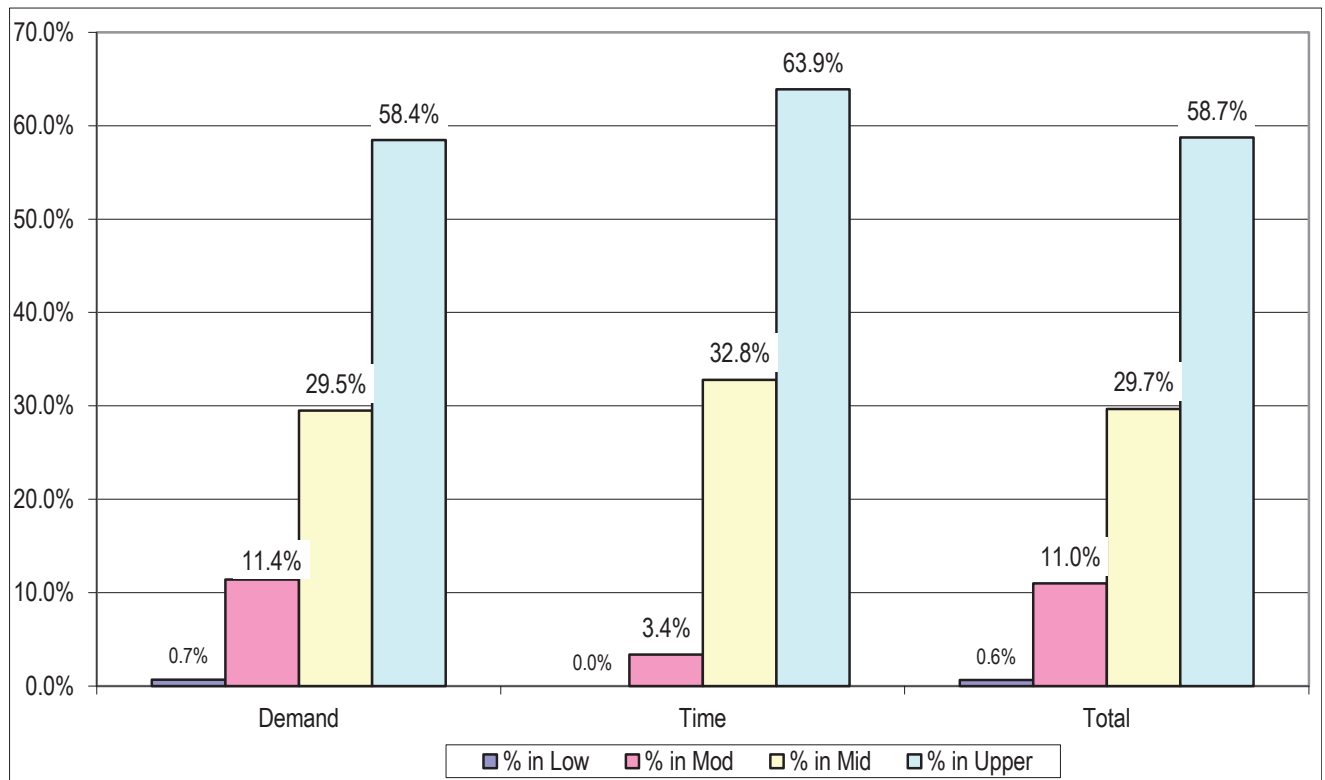
*Percentage of deposits within the assessment area, by product and by number and dollar amount.*

## DEPOSIT ACTIVITY WITHIN THE ASSESSMENT AREAS BY INCOME CATEGORY (PENETRATION RATE)

For the period ending September 30, 2016, the institution had 2,232 Deposit Accounts totaling \$135,519,000 within the Assessment Area. The following tables and graphs show the number and dollar volume of deposits originated within the assessment areas by income category of census tracts.

### BY NUMBER OF DEPOSITS

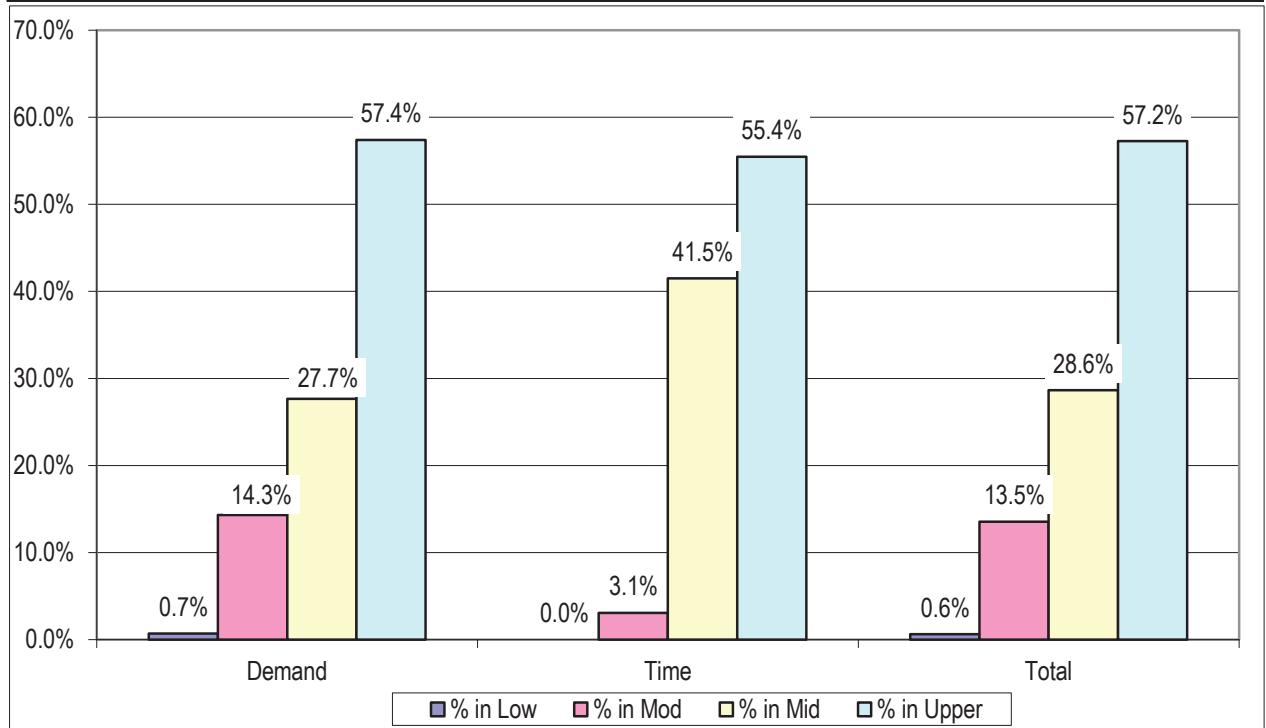
Account Type	Total Deposits	Deposits in Low or NI	% in Low	Deposits in Mod	% in Mod	Deposits in Mid	% in Mid	Deposit in Upper	% in Upper
Demand	2,113	14	0.7%	241	11.4%	623	29.5%	1,235	58.4%
Time	119	0	0.0%	4	3.4%	39	32.8%	76	63.9%
<b>Total</b>	<b>2,232</b>	<b>14</b>	<b>0.6%</b>	<b>245</b>	<b>11.0%</b>	<b>662</b>	<b>29.7%</b>	<b>1,311</b>	<b>58.7%</b>



*Percentage of deposits in each income level of census tracts by number of deposits.*

**BY DOLLAR AMOUNT OF DEPOSITS (000S OMITTED)**

Account Type	Total Deposits	Deposits in Low Inc.	% in Low	Deposits in Mod	% in Mod	Deposits in Mid	% in Mid	Deposits in Upper	% in Upper
Demand	\$ 126,119	\$ 838	0.7%	\$ 18,048	14.3%	\$ 34,880	27.7%	\$ 72,353	57.4%
Time	\$ 9,400	\$ -	0.0%	\$ 287	3.1%	\$ 3,901	41.5%	\$ 5,212	55.4%
<b>Total</b>	<b>\$ 135,519</b>	<b>\$ 838</b>	<b>0.6%</b>	<b>\$ 18,335</b>	<b>13.5%</b>	<b>\$ 38,781</b>	<b>28.6%</b>	<b>\$ 77,565</b>	<b>57.2%</b>



*Percentage of deposits in each income level of census tracts by product type and by dollar amount of deposits. Amounts shown in thousands of dollars.*

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CRA PERFORMANCE REPORT  
AND DEPOSIT ANALYSIS

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**Chino Commercial Bank**

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**September 21, 2017**

Prepared by:  
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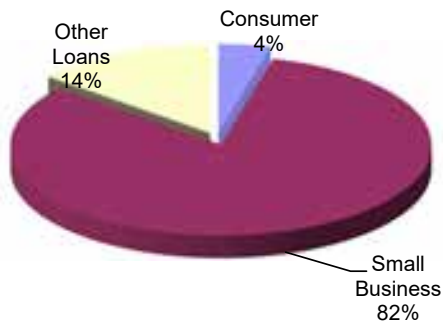
**SCOPE OF ANALYSIS**

**LOANS ANALYZED**

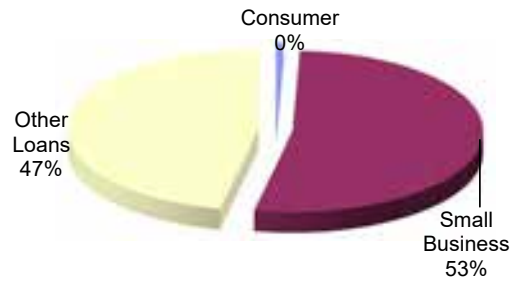
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Loan Type	# of Loans	% # of Loans	\$ of Loans	% \$ of Loans
Consumer	2	4.0%	\$ 152,000	0.6%
Small Business	41	82.0%	\$ 13,022,000	52.6%
Other Loans	7	14.0%	\$ 11,576,000	46.8%
Total	50	100.0%	\$ 24,750,000	100.0%

**% # of Loans**



**% \$ of Loans**



*Note: "Other" Loans are business loans in excess of \$1,000,000 and are not included in the remainder of this report.*

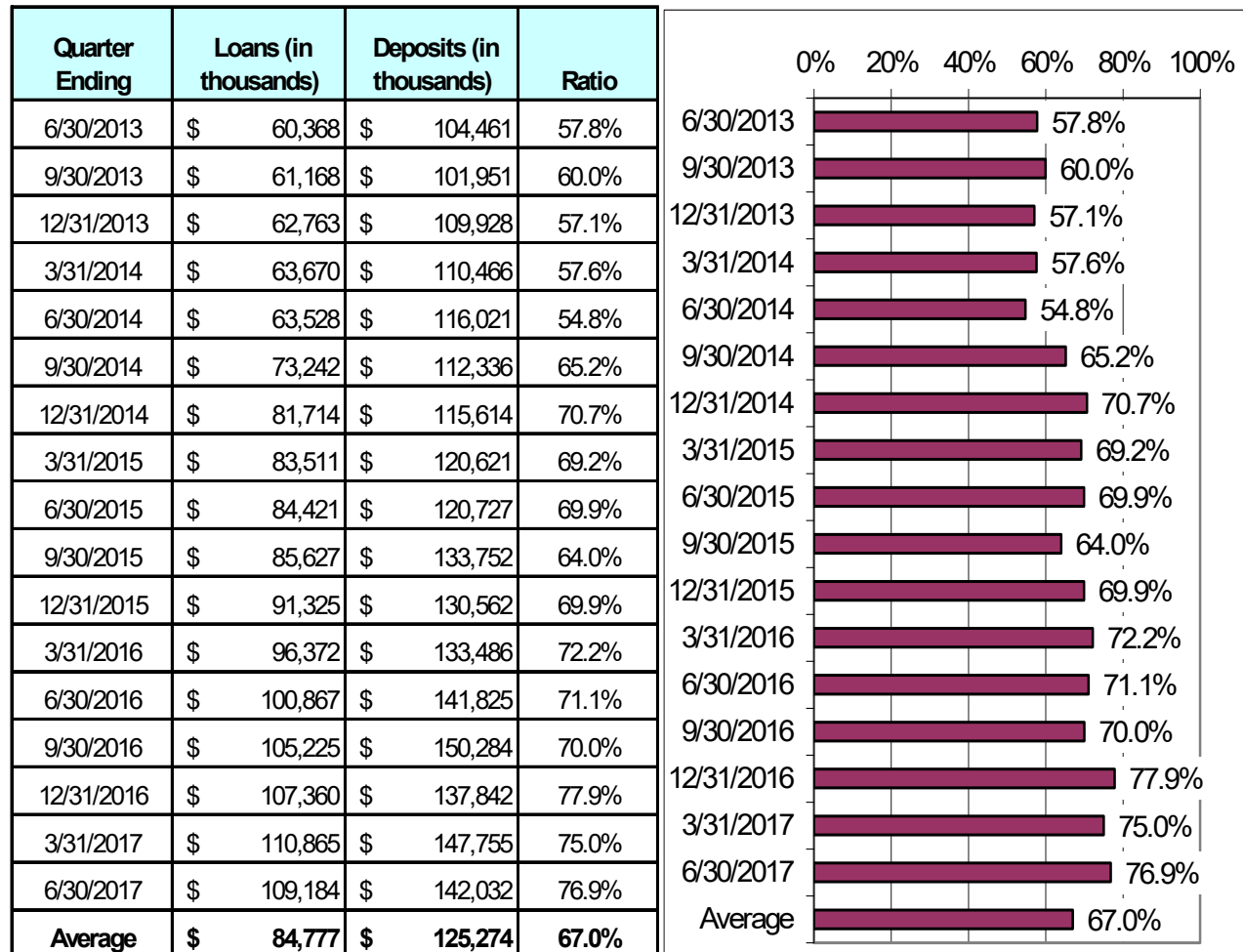
## CRITERION 1: LOAN-TO-DEPOSIT RATIO

### OVERVIEW

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### PERFORMANCE

The loan-to-deposit ratios of the Bank for the most recent period of analysis and prior period of analysis are as indicated in the following chart:

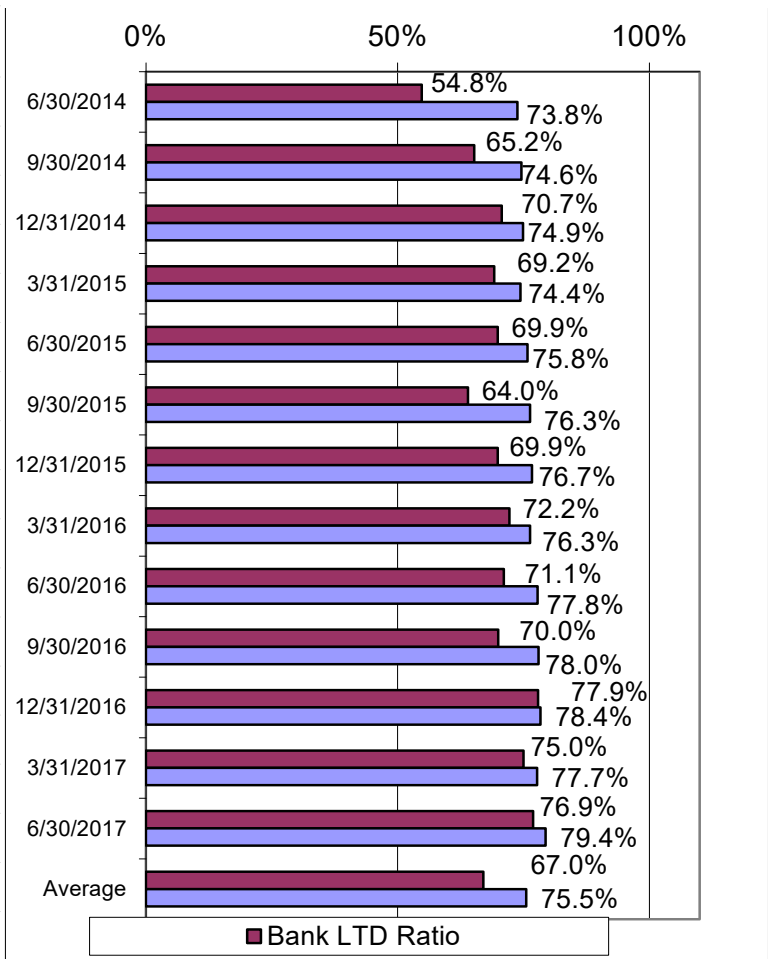


*Loan-to-deposit ratio*



### Comparison to the Peer Group

Quarter Ending	Bank LTD Ratio	Peer Group LTD Ratio
6/30/2013	57.8%	72.4%
9/30/2013	60.0%	72.5%
12/31/2013	57.1%	72.9%
3/31/2014	57.6%	72.2%
6/30/2014	54.8%	73.8%
9/30/2014	65.2%	74.6%
12/31/2014	70.7%	74.9%
3/31/2015	69.2%	74.4%
6/30/2015	69.9%	75.8%
9/30/2015	64.0%	76.3%
12/31/2015	69.9%	76.7%
3/31/2016	72.2%	76.3%
6/30/2016	71.1%	77.8%
9/30/2016	70.0%	78.0%
12/31/2016	77.9%	78.4%
3/31/2017	75.0%	77.7%
6/30/2017	76.9%	79.4%
<b>Average</b>	<b>67.0%</b>	<b>75.5%</b>



Loan-to-deposit ratio comparison with the Peer Group

### PERFORMANCE SUMMARY

During the period of analysis, the Bank’s Loan-to-Deposit (LTD) ratio increased from the prior period of analysis with the bank’s performance in the upper 70s and remaining above the bank’s average. While the bank’s ratio was lower than its Peer Group in all periods it was above the average of the Peer Group. The bank’s Peer Group is Group 4 which consists of banks with assets between \$100 million and \$300 million with 3 or more full service branches in a MSA.

## CRITERION 2: COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE THE ASSESSMENT AREA(S)

### OVERVIEW

This analysis considers the number, dollar volume and percentage of the bank's loans located within any of its assessment areas, as well as the number, dollar volume and percentage of the institution's loans located outside of any of its assessment areas.

### PROFILE OF A "SATISFACTORY" RATING

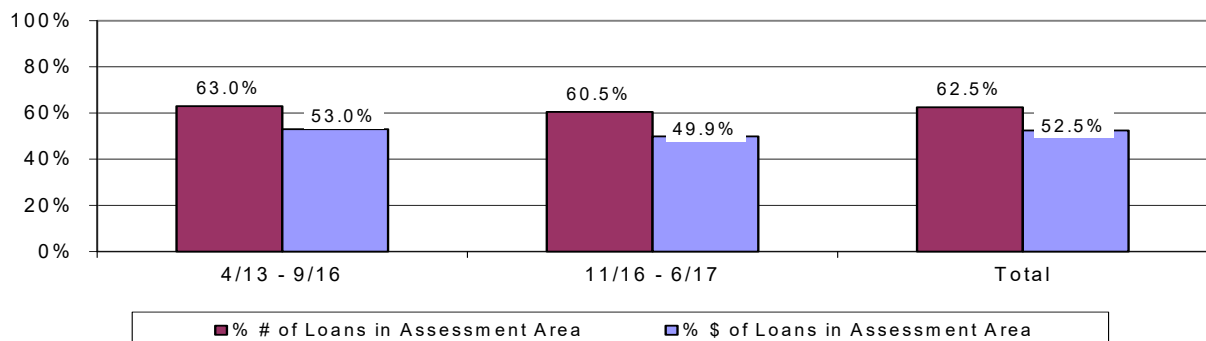
The profile of a satisfactory institution under the assessment area criterion of the streamlined examination is "a majority of its loans and, as appropriate, other lending-related activities are in its assessment area(s).

### INSTITUTION PERFORMANCE

For the period ending June 30, 2017, the institution had 43 CRA reportable loans totaling \$13,174,000. The following table and graph show the number and dollar volume of loans originated within the assessment area and outside.

Period	Total # of Loans	# of Loans in Assessment Areas	% # of Loans in Assessment Area	Total \$ of Loans	\$ of Loans in Assessment Area	% \$ of Loans in Assessment Area
4/13 - 9/16	189	119	63.0%	\$ 66,108,000	\$ 35,025,000	53.0%
11/16 - 6/17	43	26	60.5%	\$ 13,174,000	\$ 6,568,000	49.9%
Total	232	145	62.5%	\$ 79,282,000	\$ 41,593,000	52.5%

Lending within the Assessment Area



Percentage of loans within the assessment area, by number and dollar amount.

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## **CRITERION 3: GEOGRAPHIC DISTRIBUTION OF CREDIT WITHIN THE ASSESSMENT AREA**

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### **OVERVIEW**

This analysis considers the number, dollar volume, and percentage of loan originations in each category of census tract (low-, moderate-, middle-, and upper-income).

### **PROFILE OF A “SATISFACTORY” RATING**

The profile of satisfactory rating under this criterion is a “geographic distribution of loans [that] reflects reasonable dispersion throughout the assessment area(s).”

### **INSTITUTION PERFORMANCE**

#### **SMALL BUSINESS LOANS<sup>1</sup>**

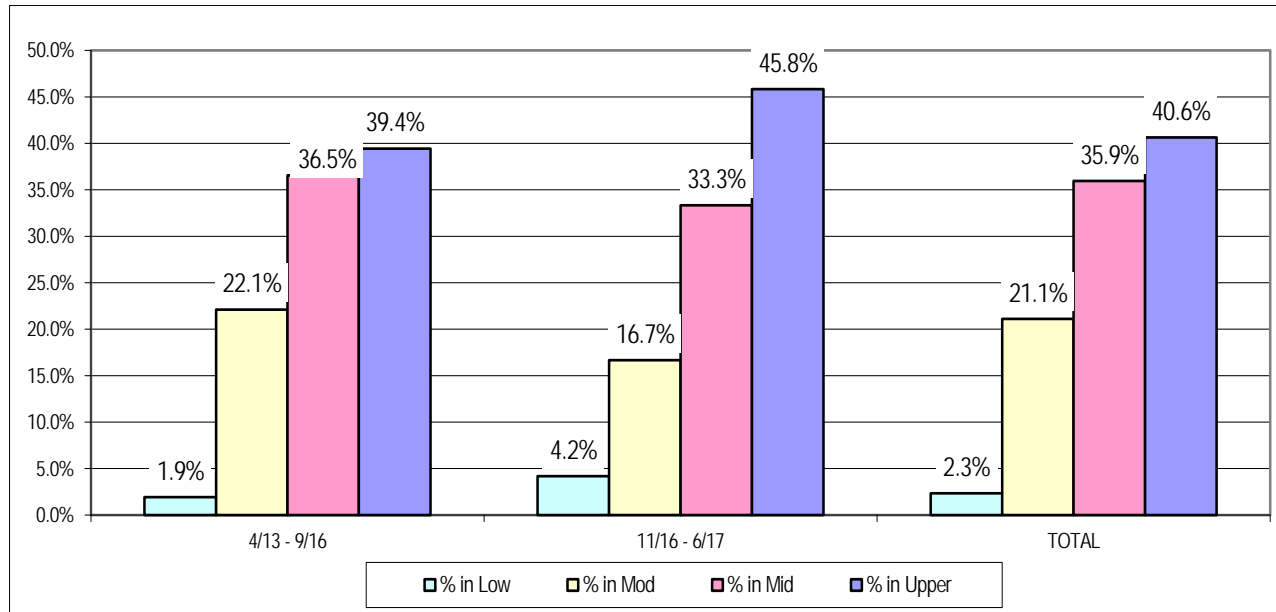
This analysis includes only loans within the bank’s assessment area. For the period of analysis, the institution had 24 small business loans totaling \$6,417,000. These were distributed as indicated in the following tables and charts (000s omitted).

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<sup>1</sup> Small Business Loans include those loans that have a business purpose and are in amounts of less than \$1 million.

BUSINESS LOANS BY NUMBER OF LOANS

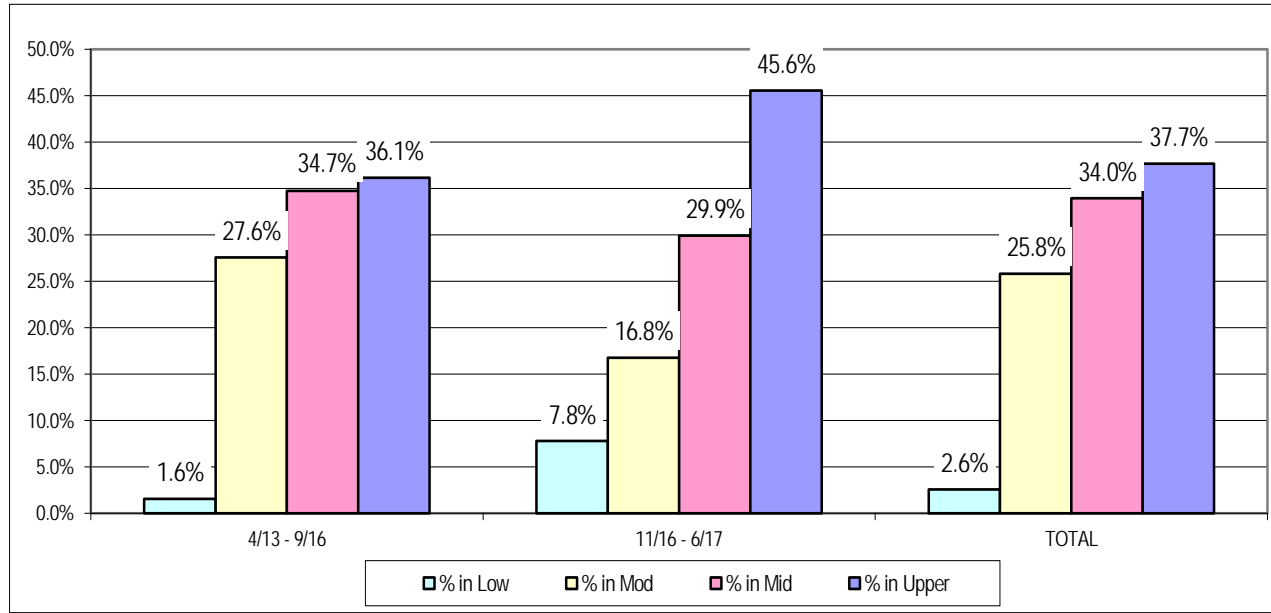
Period	Total Loans	Loans in Low or NI	% in Low	Loans in Mod	% in Mod	Loans in Mid	% in Mid	Loans in Upper	% in Upper
4/13 - 9/16	104	2	1.9%	23	22.1%	38	36.5%	41	39.4%
11/16 - 6/17	24	1	4.2%	4	16.7%	8	33.3%	11	45.8%
TOTAL	128	3	2.3%	27	21.1%	46	35.9%	52	40.6%



Percentage of loans in each income level of census tracts by number of loans.

**BUSINESS LOANS BY DOLLAR AMOUNT OF LOANS (000'S OMITTED)**

Period	Total Loans	Loans in Low or NI	% in Low	Loans in Mod	% in Mod	Loans in Mid	% in Mid	Loans in Upper	% in Upper
<b>4/13 - 9/16</b>	\$ 33,336	\$ 522	1.6%	\$ 9,185	27.6%	\$ 11,579	34.7%	\$ 12,050	36.1%
<b>11/16 - 6/17</b>	\$ 6,417	\$ 500	7.8%	\$ 1,075	16.8%	\$ 1,919	29.9%	\$ 2,923	45.6%
<b>TOTAL</b>	\$ 39,753	\$ 1,022	2.6%	\$ 10,260	25.8%	\$ 13,498	34.0%	\$ 14,973	37.7%



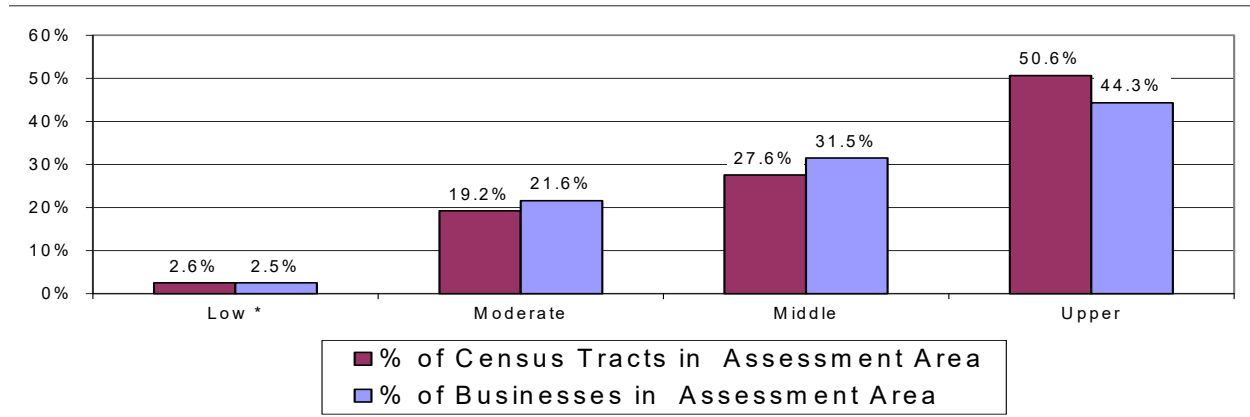
*Percentage of loans in each income level of census tracts by dollar amount of loans.*

**CONTEXT**

To provide context for the institution's performance, the following table and graph indicate the percentage of census tracts within each income level within the assessment area and the percentage of the number of businesses located in each census tract income level within the assessment area.

ASSESSMENT AREA

Census Tract Income Level	Number of Census Tracts in Assessment Area	% of Census Tracts in Assessment Area	Number of Businesses in Assessment Area	% of Businesses in Assessment Area
Low *	8	2.6%	1,274	2.5%
Moderate	60	19.2%	10,828	21.6%
Middle	86	27.6%	15,794	31.5%
Upper	158	50.6%	22,212	44.3%
Total	312	100.0%	50,108	100.0%



\* Includes the N/A or No Income Census Tracts.  
 Distribution of census tracts by income level and businesses within census tracts by income level.

SUMMARY

The bank’s lending to Low- and Moderate-Income (LMI) areas for the period of analysis is almost equal to the composition of the area by number of loans by dollar amount of loans. The LMI lending declined slightly from the prior period. For the period of analysis lending to low- and moderate-income census tracts was 20.8% by number of loans and 24.5% by dollar amount compared to 21.8% of LMI census tracts and 24.1% of businesses in LMI tracts.

**CONSUMER LOANS**

As the bank is a business bank consumer loans are provided as a facilitation product and are not emphasized and therefore the bank is excluding them from the analysis.

**HMDA LOANS**

As the bank is a business bank HMDA loans are provided as a facilitation product and are not emphasized. The bank had no HMDA lending during the period of analysis

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## **CRITERION 4: BORROWER CHARACTERISTICS ANALYSIS**

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### **LENDING TO BUSINESSES OF DIFFERENT SIZES**

#### **BUSINESSES**

This analysis considers the number, dollar volume, and percentage of loans to businesses by loan size.

#### **PROFILE OF A “SATISFACTORY” RATING**

The profile of satisfactory rating under this criterion is a “distribution of borrowers [that] reflects, given the demographics of the assessment area(s), reasonable penetration among businesses of different sizes.”

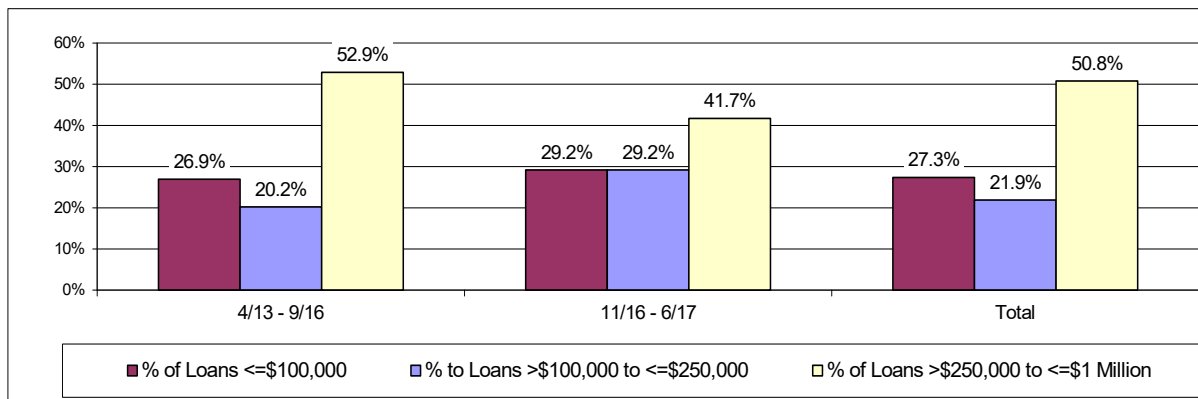


### LOAN SIZE ANALYSIS BY NUMBER OF LOANS

Size data for businesses was supplied on 24 small business loans totaling \$6,417,000 within the assessment area. These were distributed as indicated in the following tables and charts (000s omitted).

#### BY NUMBER OF LOANS

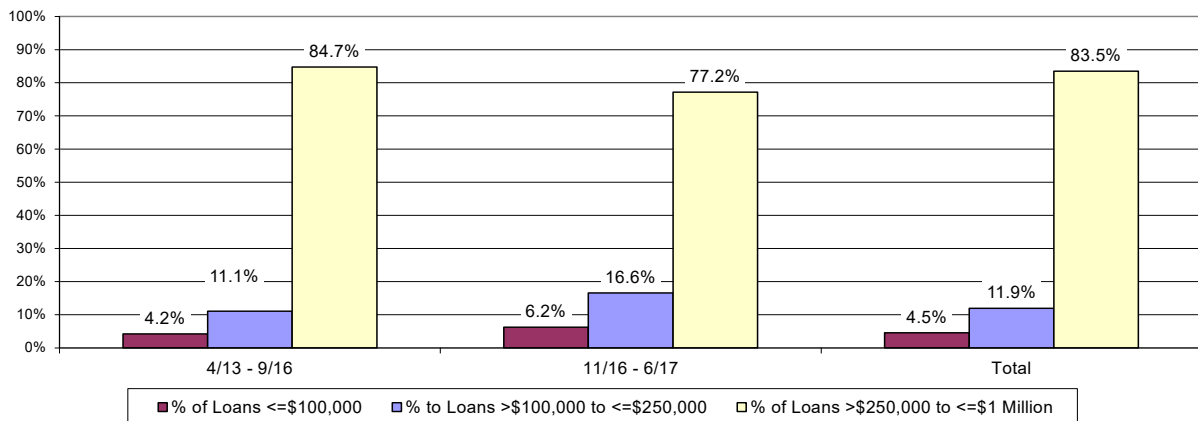
Period	Small Business Loans	<=\$100,000	% of Loans <=\$100,000	>\$100,000 to <=\$250,000	% to Loans >\$100,000 to <=\$250,000	>\$250,000 to <=\$1 Million	% of Loans >\$250,000 to <=\$1 Million
4/13 - 9/16	104	28	26.9%	21	20.2%	55	52.9%
11/16 - 6/17	24	7	29.2%	7	29.2%	10	41.7%
<b>Total</b>	<b>128</b>	<b>35</b>	<b>27.3%</b>	<b>28</b>	<b>21.9%</b>	<b>65</b>	<b>50.8%</b>



*Distribution of the number of business loans by size of loans.*

#### BY DOLLAR AMOUNT (000S OMITTED)

Period	Business Loans	<=\$100,000	% of Loans <=\$100,000	>\$100,000 to <=\$250,000	% to Loans >\$100,000 to <=\$250,000	>\$250,000 to <=\$1 Million	% of Loans >\$250,000 to <=\$1 Million
4/13 - 9/16	\$ 33,336	\$ 1,406	4.2%	\$ 3,687	11.1%	\$ 28,243	84.7%
11/16 - 6/17	\$ 6,417	\$ 400	6.2%	\$ 1,063	16.6%	\$ 4,953	77.2%
<b>Total</b>	<b>\$ 39,753</b>	<b>\$ 1,806</b>	<b>4.5%</b>	<b>\$ 4,750</b>	<b>11.9%</b>	<b>\$ 33,196</b>	<b>83.5%</b>

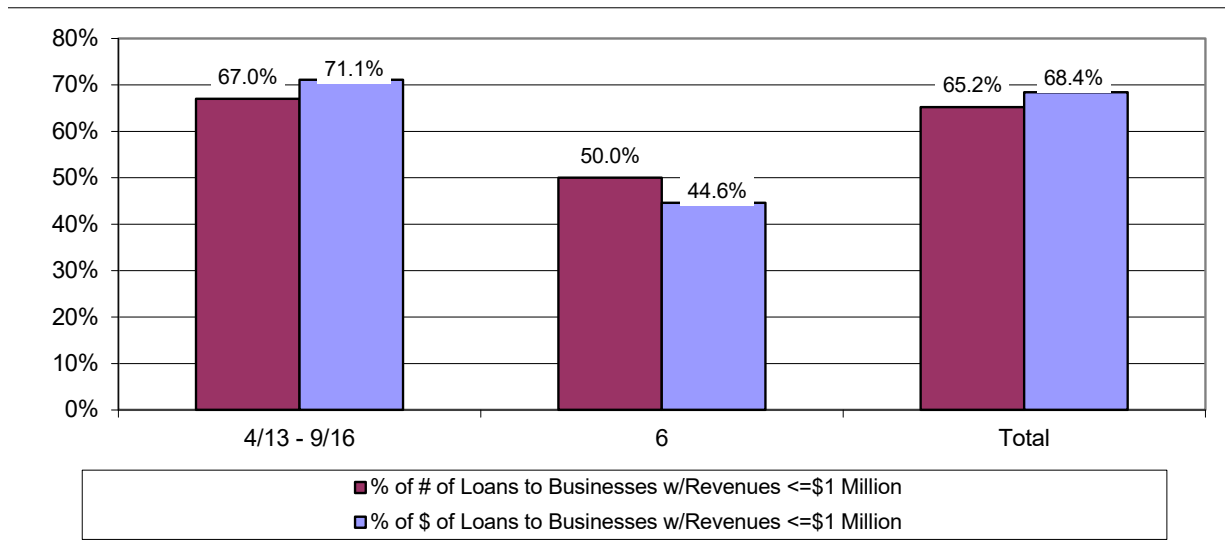


*Distribution of the dollar amount of business loans by size of loans.*

### GROSS ANNUAL REVENUE ANALYSIS

Gross annual revenue data for businesses was provided on 12 small business loans within the assessment area totaling \$3,655,000 during the period of analysis. The table and graph below show this data expressed in terms of number and dollar amount of loans (000s omitted).

Period	# of Business Loans with Revenue Data	Amount of Business Loans with Revenue Data	# of Loans to Businesses w/Revenues <=\$1 Million	% of # of Loans to Businesses w/Revenues <=\$1 Million	\$ of Loans to Businesses w/Revenues <=\$1 Million	% of \$ of Loans to Businesses w/Revenues <=\$1 Million
4/13 - 9/16	100	\$ 32,691	67	67.0%	\$ 23,236	71.1%
6	12	\$ 3,655	6	50.0%	\$ 1,630	44.6%
<b>Total</b>	<b>112</b>	<b>\$ 36,346</b>	<b>73</b>	<b>65.2%</b>	<b>\$ 24,866</b>	<b>68.4%</b>



*Loans to businesses with gross annual revenues of \$1 million or less.*

**BORROWER INCOME/POPULATION ANALYSIS**

Borrower Income/Population analysis was not available for this analysis due to insufficient data.

## **CRITERION 5: RECORD OF RESPONDING TO WRITTEN COMPLAINTS**

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### **OVERVIEW**

CRA is a “public” regulation, in that the public has access to ratings and examination findings. Moreover, the public is given the right to submit written comments on an institution’s performance in meeting the credit needs of its community. Examiners evaluate an institution’s record of responding appropriately to written complaints about its performance in meeting the credit needs in its assessment area.

### **OBJECTIVE**

It is the objective of Chino Commercial Bank to respond promptly and adequately to any written complaint addressing its performance in meeting the credit needs of its community. All such complaints are to be treated seriously. A record of how each complaint is handled is to be provided by the CRA officer to senior management including the CEO and the Board of Directors.

### **PERFORMANCE**

There were no written complaints addressing the institution's performance in meeting the credit needs of the institution's communities received during the period of review.

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## **CRITERION 6: INVESTMENTS AND SERVICES**

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### **OVERVIEW**

To enhance a satisfactory rating or to achieve an outstanding rating, the agencies evaluate the institution's performance in making qualified investments and in providing services that enhance credit availability in its assessment area.

### **INVESTMENTS**

A qualified investment is an investment, deposit, membership share, or grant that has as its primary purpose community development. Community development means affordable housing for lower-income individuals, community services targeted to lower-income individuals, activities that promote economic development by financing small businesses and farms, and activities that revitalize or stabilize lower-income areas.

### **SERVICES**

The service test evaluates an institution's record of helping to meet the credit needs of its assessment area by analyzing both the availability and effectiveness of the institution's systems for delivering banking services, especially to lower-income individuals.

### **PERFORMANCE: INVESTMENTS**

This criterion was not analyzed.

### **PERFORMANCE: SERVICES**

This criterion was not analyzed.

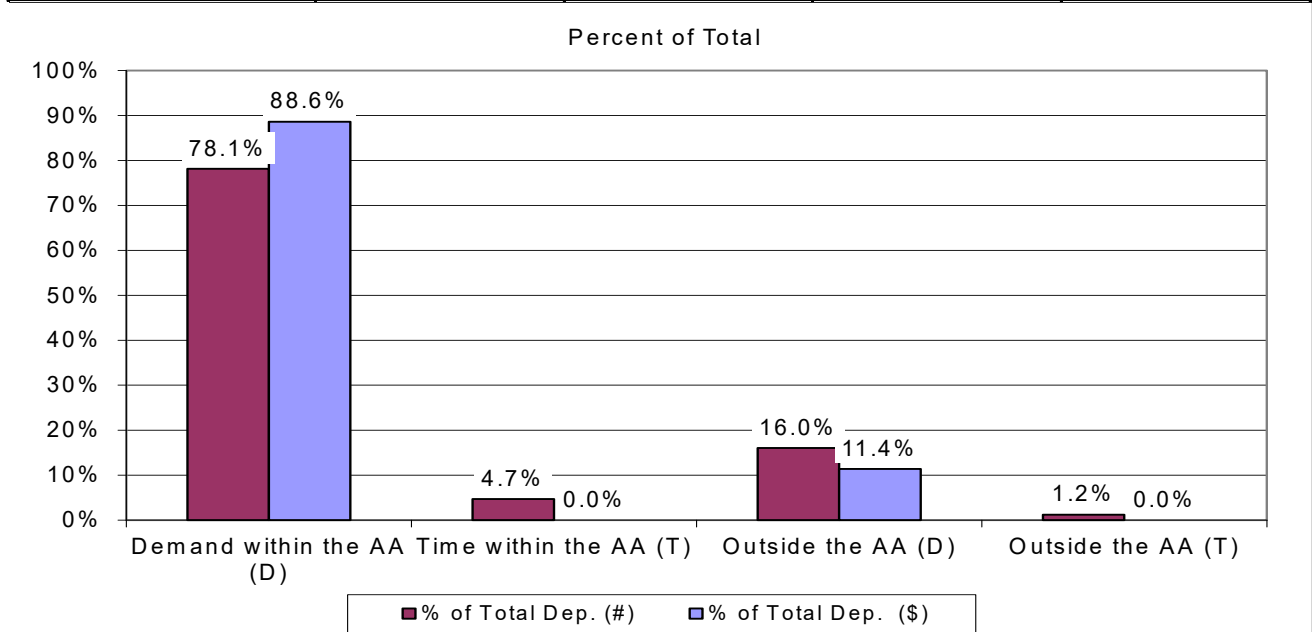
## DEPOSIT ANALYSIS

The following presents factors not typically required during a CRA Examination for small banks, but requested by the bank.

### DEPOSIT ACTIVITY WITHIN AND WITHOUT THE ASSESSMENT AREAS (CAPTURE RATE)

For the period ending June 30, 2017, the institution had 3,079 Deposit Accounts totaling \$131,695,000. The following table and graph show the number and dollar volume of deposits originated within the assessment area and outside by product type (000s omitted).

Assessment Area	Deposits (#)	% of Total Dep. (#)	Deposits (\$)	% of Total Dep. (\$)
Demand within the AA (D)	2,405	78.1%	\$ 116,694	88.6%
Time within the AA (T)	144	4.7%	\$ -	0.0%
Outside the AA (D)	493	16.0%	\$ 15,001	11.4%
Outside the AA (T)	37	1.2%	\$ -	0.0%
<b>Total</b>	<b>3,079</b>	<b>100.0%</b>	<b>\$ 131,695</b>	<b>100.0%</b>



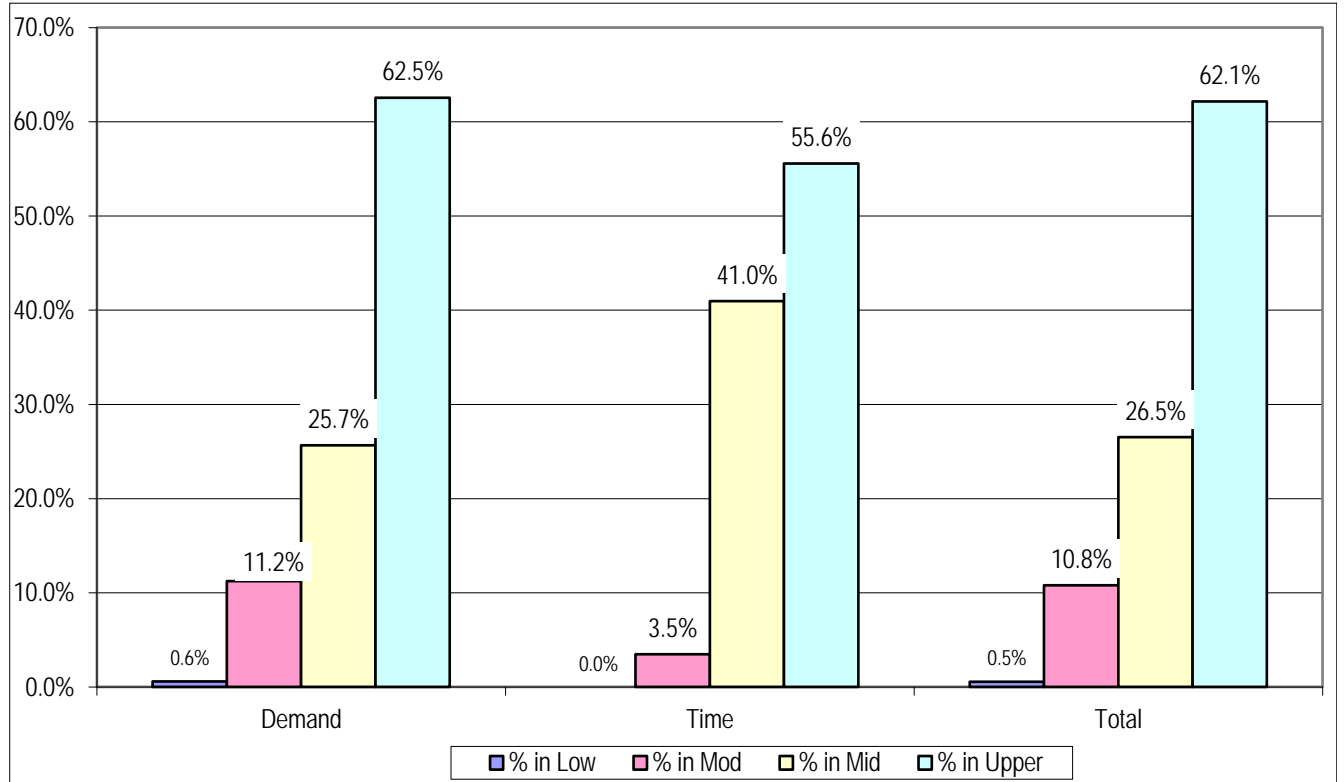
*Percentage of deposits within the assessment area, by product and by number and dollar amount.*

## DEPOSIT ACTIVITY WITHIN THE ASSESSMENT AREAS BY INCOME CATEGORY (PENETRATION RATE)

For the period ending June 30, 2017, the institution had 2,549 Deposit Accounts totaling \$116,694,000 within the Assessment Area. The following tables and graphs show the number and dollar volume of deposits originated within the assessment areas by income category of census tracts.

### BY NUMBER OF DEPOSITS

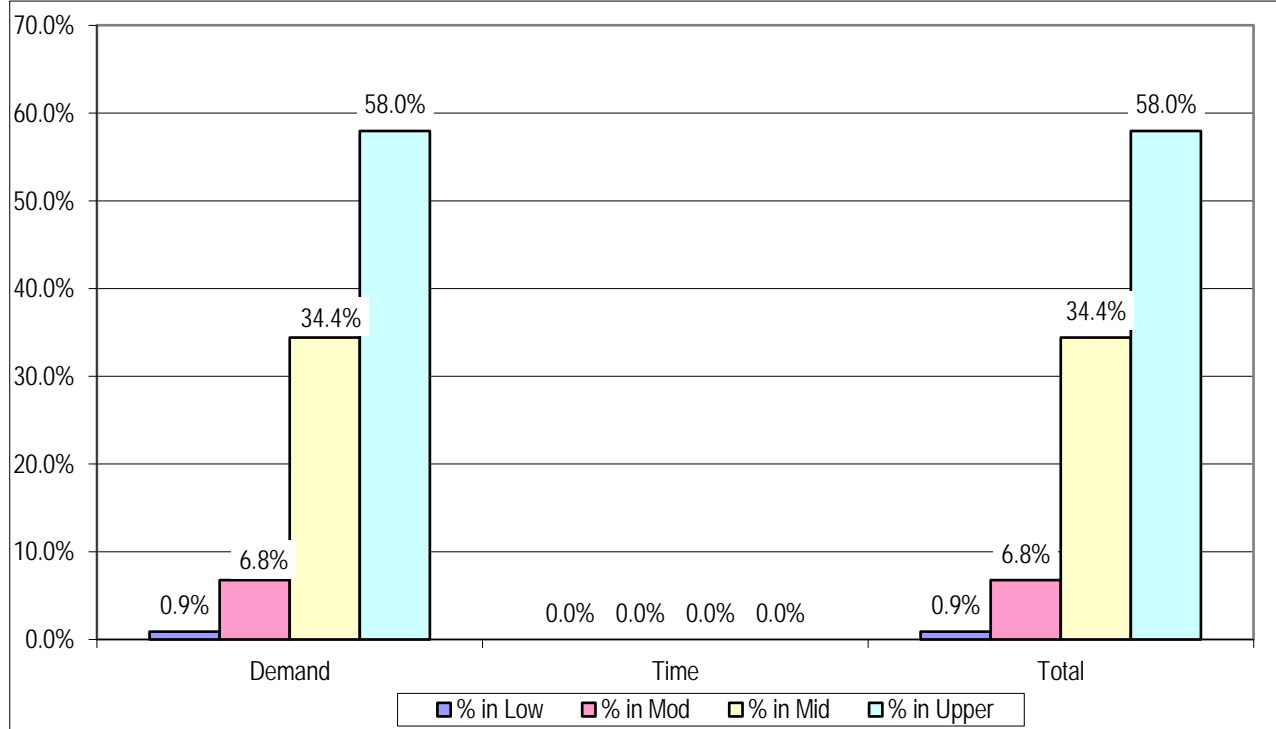
Account Type	Total Deposits	Deposits in Low or NI	% in Low	Deposits in Mod	% in Mod	Deposits in Mid	% in Mid	Deposit in Upper	% in Upper
Demand	2,405	14	0.6%	270	11.2%	617	25.7%	1,504	62.5%
Time	144	0	0.0%	5	3.5%	59	41.0%	80	55.6%
<b>Total</b>	<b>2,549</b>	<b>14</b>	<b>0.5%</b>	<b>275</b>	<b>10.8%</b>	<b>676</b>	<b>26.5%</b>	<b>1,584</b>	<b>62.1%</b>



Percentage of deposits in each income level of census tracts by number of deposits.

**BY DOLLAR AMOUNT OF DEPOSITS (000S OMITTED)**

Account Type	Total Deposits	Deposits in Low Inc.	% in Low	Deposits in Mod	% in Mod	Deposits in Mid	% in Mid	Deposits in Upper	% in Upper
Demand	\$ 116,694	\$ 1,037	0.9%	\$ 7,887	6.8%	\$ 40,135	34.4%	\$ 67,634	58.0%
Time	\$ 0	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
<b>Total</b>	<b>\$ 116,694</b>	<b>\$ 1,037</b>	<b>0.9%</b>	<b>\$ 7,887</b>	<b>6.8%</b>	<b>\$ 40,135</b>	<b>34.4%</b>	<b>\$ 67,634</b>	<b>58.0%</b>



*Percentage of deposits in each income level of census tracts by product type and by dollar amount of deposits. Amounts shown in thousands of dollars.*