

PUBLIC DISCLOSURE

August 7, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Alpine Bank
Certificate Number: 23091

2200 Grand Avenue
Glenwood Springs, Colorado 81601

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office

600 North Pearl Street, Suite 700
Dallas, Texas 75201

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.

TABLE OF CONTENTS

INSTITUTION RATING	1
DESCRIPTION OF INSTITUTION.....	3
DESCRIPTION OF ASSESSMENT AREAS	4
SCOPE OF EVALUATION.....	5
CONCLUSIONS ON PERFORMANCE CRITERIA	8
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	19
COMBINED COLORADO NON-MSA – Full-Scope Review.....	20
OTHER ASSESSMENT AREAS – Limited-Scope Review.....	31
APPENDICES.....	36
LARGE BANK PERFORMANCE CRITERIA	36
SCOPE OF EVALUATION	38
DESCRIPTION OF LIMITED-SCOPE ASSESSMENT AREAS.....	39
GLOSSARY	42

INSTITUTION RATING

INSTITUTION’S CRA RATING: This institution is rated **Satisfactory**.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			
<i>* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.</i>			

The Lending Test is rated High Satisfactory.

- Lending levels reflect excellent responsiveness to assessment areas’ (AAs) credit needs.
- A substantial majority of loans are made in the institution’s assessment areas.
- The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes.
- The geographic distribution of loans reflects adequate penetration throughout the AAs.
- The institution is a leader in making community development loans.
- The institution uses innovative and/or flexible lending practices in order to serve AAs’ credit needs.

The Investment Test is rated Outstanding.

- The institution has an excellent level of qualified community development investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors.
- The bank exhibits excellent responsiveness to credit and community development needs.

- The institution occasionally uses innovative and/or complex investments to support community development initiatives.

The Service Test is rated High Satisfactory.

- Delivery systems are reasonably accessible to essentially all portions of the institution's AAs.
- To the extent changes have been made, the institution's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.
- Services, including business hours, do not vary in a way that inconveniences portions of the AAs, particularly low- and moderate-income geographies and/or individuals.
- The institution provides a relatively high level of community development services.

DESCRIPTION OF INSTITUTION

Alpine Bank maintains its headquarters in Glenwood Springs, Colorado. Alpine Banks of Colorado, a one-bank holding company wholly owns the bank. The bank received a Satisfactory rating at its previous September 14, 2020, Federal Deposit Insurance Corporation (FDIC) CRA Performance Evaluation based on Federal Financial Institutions Examination Council (FFIEC) Large Institution CRA Examination Procedures.

Alpine Bank functions as a retail bank operating 39 full-service offices, and 6 mobile and limited-services offices in Colorado. Since the previous evaluation, the bank closed three full-service offices, and opened two full-service offices and two loan production offices (LPOs). The two branches opened in December of 2022, and expanded operations into the Fort Collins and Colorado Springs markets. See the individual assessment areas' sections for more details. The bank has not participated in any merger or acquisition activity since the prior evaluation.

The bank offers a wide array of loan products to consumers and businesses, primarily focusing on home mortgage and commercial lending. Alpine Bank's various deposit offerings include consumer and commercial checking accounts, savings accounts, money market deposit accounts, certificates of deposit, as well as debit and credit cards. Alternative delivery systems include remote deposit capture, online and mobile banking with bill pay capabilities, telephone banking, drive-thru facilities, and 48 non-deposit taking automated teller machines (ATMs).

As of March 31, 2023, assets totaled \$6.6 billion and consist primarily of total loans of \$3.9 billion. Total deposits equaled \$5.7 billion as of the same date. Since the previous evaluation, on average per year, total assets increased 15.0 percent, net loans increased 9.5 percent, and total deposits increased 14.1 percent.

The following table illustrates the mix of outstanding loans as of March 31, 2023, which reflects a distribution supportive of the institution's major loan products of home mortgage loans and commercial loans.

Loan Portfolio Distribution as of 03/31/2023		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	539,676	13.7
Secured by Farmland	48,712	1.2
Secured by 1-4 Family Residential Properties	1,770,821	44.9
Secured by Multifamily (5 or more) Residential Properties	114,287	2.9
Secured by Nonfarm Nonresidential Properties	1,155,627	29.3
Total Real Estate Loans	3,629,123	92.0
Commercial and Industrial Loans	187,344	4.8
Agricultural Production and Other Loans to Farmers	49	0.0
Consumer Loans	38,349	1.0
Obligations of State and Political Subdivisions in the U.S.	78,710	2.0
Other Loans	12,887	0.3
Lease Financing Receivable (net of unearned income)	8,594	0.2
Less: Unearned Income	11,211	0.3
Total Loans	3,943,845	100.0
<i>Source: Reports of Condition and Income</i>		

Examiners did not identify any financial, legal, or other impediments that affect the institution's ability to meet the credit needs of its AAs.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more AAs within which examiners will evaluate its performance. Alpine Bank designated eight AAs consisting of twenty counties in the state of Colorado, as depicted in the table below. The bank's AAs meet the technical requirements of the CRA and do not arbitrarily exclude low- and moderate-income areas.

Description of Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Mountain Zone Non-MSA AA	Eagle, Garfield, Pitkin, Routt, and Summit	42	21
San Juan Zone Non-MSA AA	Delta, Montrose, Ouray, and San Miguel	22	5
Southwest Zone Non-MSA AA	La Plata	10	2
Grand Junction MSA AA	Mesa	29	5
Denver-Aurora-Lakewood MSA AA	Adams, Arapahoe, Broomfield, Denver, Douglas, and Jefferson	605	3
Boulder MSA AA	Boulder	68	1
Fort Collins MSA AA	Larimer	73	1
Colorado Springs MSA AA	El Paso	130	1
<i>Source: Bank Data</i>			

In December of 2022, Alpine Bank opened two branches and added two new AAs, Larimer County (comprising the Fort Collins-Loveland Metropolitan Statistical Area (MSA) and El Paso County (a

portion of the Colorado Springs MSA)). However, examiners did not evaluate performance within Larimer and El Paso counties at this evaluation, given that the bank only operated in those counties for less than a month during 2022 and therefore, a full calendar year of reported data was not available for review.

The Denver-Aurora-Lakewood MSA and Boulder MSA comprise a part of the Denver Combined Statistical Area (CSA). The combined AAs analyzed at this evaluation include a total of 776 census tracts with the following income designations based on 2015 American Community Survey (2015 ACS) data: 56 low-, 172 moderate-, 272 middle-, 268 upper-income census tract, and 8 tracts without income designations. Changes to demographics with the 2020 U.S. Census data resulted in an increase in total census tracts to 894. In addition, examiners noted a reduction in low-income tracts (42), and an increase in moderate-income tracts (201) as well as tracts with no income designation (23). Refer to the individual AA sections of this evaluation for additional details.

The three Non-MSA AAs are not contiguous. However, examiners did not identify any significant anomalies in performance when assessed separately within each AA, and the Non-MSA AAs reflect similar economic and demographic conditions. Therefore, examiners combined the performance among the three separate Non-MSA AAs for presentation purposes.

Numerous Enterprise Zone designations exist within portions of each of the bank's AAs. The Enterprise Zone program provides incentives for private enterprise to expand and for new businesses to locate in economically distressed areas of the state. Businesses located in a zone may qualify for 10 different Enterprise Zone Tax Credits and incentives to encourage job creation and investment in these zones. Each Enterprise Zone maintains its own written objectives and approved projects.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated September 14, 2020, to the current evaluation dated August 7, 2023. To assess performance, examiners applied the FFIEC's Large Institution CRA Examination Procedures, which include the Lending, Investment, and Service tests. The appendix lists the tests' criteria.

Examiners applied full-scope procedures to the Combined Non-MSA AA because this area contains a majority of the bank's total loans, deposits, and branches. Examiners applied limited-scope procedures to the remaining AAs due their lower volume of lending, deposits and branches and the fact that all of these areas had received full-scope reviews at one of the prior two evaluations.

The following table shows the Combined Non-MSA AA generated a majority of the institution's loans and deposits and contains the highest percentage of offices operated. Consequently, examiners weighed records in the Combined Non-MSA AA significantly heavier when arriving at applicable conclusions and ratings. Examiners weighed the Denver MSA AA notably less, followed by slightly less weight afforded to the Grand Junction MSA AA. Examiners afforded the

least weight to performance in the Boulder MSA AA when arriving at conclusions considering the limited volume of the bank’s total activities in this area.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Mountain Zone Non-MSA AA	2,292,434	57.7	3,206,834	57.9	21	56.8
San Juan Zone Non-MSA AA	415,146	10.5	844,329	15.2	5	13.5
Southwest Zone Non-MSA AA	226,802	5.7	329,653	6.0	2	5.4
Combined Non-MSA AA	2,934,382	73.9	4,380,816	79.1	28	75.7
Denver-Aurora-Lakewood MSA AA	564,002	14.2	422,724	7.6	3	8.1
Grand Junction MSA AA	319,060	8.0	662,782	12.0	5	13.5
Boulder MSA AA	154,423	3.9	70,704	1.3	1	2.7
Total	3,971,867	100.0	5,537,026	100.0	37	100.0
<i>Source: HMDA & CRA Data (2020-2022); FDIC Summary of Deposits (06/30/2022); Bank data for assessment areas evaluated at this evaluation</i>						

Activities Reviewed

For the Lending Test, CRA Large Bank procedures require examiners to consider a bank’s reported home mortgage, small business, and small farm loans originated since the previous evaluation, as well as all reported community development loans originated since the previous evaluation. Consequently, this evaluation considers the universe of loans reported according to the Home Mortgage Disclosure Act (HMDA) or CRA data collection reporting requirements. The following lists the universes of applicable products considered in this evaluation, which represent complete calendar years of available reported data since the prior evaluation.

Home Mortgage Loans

- 2020: 2,684 loans totaling \$1,078,845,000
- 2021: 2,662 loans totaling \$1,120,119,000
- 2022: 2,305 loans totaling \$1,087,607,000

Small Business Loans

- 2020: 5,118 loans totaling \$413,330,000
- 2021: 2,832 loans totaling \$306,019,000
- 2022: 870 loans totaling \$151,974,000

Small Farm Loans:

- 2020: 6 loans totaling \$610,000
- 2021: 12 loans totaling \$1,547,000
- 2022: 13 loans totaling \$2,066,000

Community Development Loans:

September 14, 2020 – August 7, 2023: 117 loans totaling \$329,456,000

Based on the data above, small farm loans account for an insignificant portion of total reportable loans. Additionally, Alpine Bank does not optionally report consumer lending and consumer loan volume is nominal. Consequently, examiners did not select these products for CRA review since inclusion would not materially affect conclusions or ratings.

Examiners considered the universes of loans reviewed by number and dollar volume, as well as management's stated business strategy, to determine the weighting applied to the loan categories reviewed. Although the number of small business loans is significant in 2020, examiners found that this spike was due to the unusually high number of Paycheck Protection Program (PPP) loans originated in 2020 (4,195). This volume carried into 2021 for part of the year, but levels significantly dropped to 1,965. The number of small business loans normalized (or in fact were somewhat lower in 2022). Refer to the Innovative and Flexible Lending Practices section for specifics. As indicated, lending by dollar volume of reviewed loans reflects an emphasis on home mortgage loans, also noting consistency in both number and dollar volume. Therefore, examiners afforded more weight to home mortgage loans and less weight to small business loans when arriving at applicable conclusions. While the tables contain the number and dollar volume of lending, within the geographic distribution and borrower profile analysis, examiners emphasized performance by number of loans since the number of loans serves as a better indicator of the number of individuals and businesses served.

Since no trends exist between the different years' data that would materially affect applicable conclusions or ratings, this evaluation only presents 2021 data, the most recent calendar year for which corresponding aggregate data exists. However, examiners included all years of loan data reviewed under the AA Concentration criterion. This evaluation presents demographics based on 2015 ACS data as well as 2021 D&B data; however, aggregate data served as the primary source of comparison.

The scopes for the Investment and Service Tests consider applicable current period community development activities, including qualified investments and community development services. Current period activities involve those generated since the previous evaluation to the date of the current evaluation. The Investment Test's scope further encompasses all prior period qualified investments, which include those purchased prior to the previous evaluation but remain outstanding as of this evaluation's date. Examiners use the book value as of the current evaluation date for all prior period qualified investments.

For the Service Test, examiners reviewed the delivery systems for providing retail banking services, including branches and alternative delivery systems, and the impact of any branch openings and closings during the evaluation period. The review evaluated retail banking products and services targeted toward low- and moderate-income individuals or small businesses and/or tailored to meet specific needs within the AAs.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Alpine Bank achieved a high satisfactory rating regarding the Lending Test. The level of community development loans demonstrate excellent responsiveness to the community credit needs coupled with adequate performance records for borrower profile and geographic distribution primarily support this conclusion. A substantial majority of loans within the AAs and excellent lending levels further supports the Lending Test. Alpine Bank also demonstrated use of innovative and/or flexible lending practices. Conclusions regarding the institution's overall lending test proved consistent with the conclusions for each AA with the exception of the Boulder MSA, where performance was weaker. Although consistent overall, the Denver MSA AA showed a weaker record for borrower profile.

For the CRA Large Bank Lending Test, typically, examiners will first determine whether the presence of any weaker lending activity or assessment area concentration performance warrants downgrading the overall Lending Test rating. Absent any such warranted downgrading, examiners will then place more weight on the bank's borrower profile and geographic loan distributions as well as on its community development loans when arriving at the overall Lending Test rating.

The following sections contain conclusions for each of the Lending Test performance criteria for the bank as a whole. Separate analyses for each AA are contained later in this evaluation.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs. An excellent record regarding home mortgage and small business lending supports this conclusion. Examiners considered the bank's size, business strategy, and capacity relative to the AAs' credit needs when arriving at this conclusion.

Home Mortgage Loans

The institution's home mortgage lending activity reflects excellent responsiveness to the AAs' credit needs. Excellent overall market shares and ranking performance in comparison to other lenders in the AAs support this conclusion. In 2021, Alpine Bank ranked 35th by number of home mortgage loans of 1,114 reporters in its combined AAs. In the Combined Non-MSA AA, Alpine Bank's volume by number for home mortgage lending activity ranked 1st out of 733 reporting home mortgage lenders in 2021.

Small Business Loans

The institution's small business lending activity reflects excellent responsiveness to the AAs' credit needs. Excellent overall market shares and ranking performance in comparison to other lenders in the AAs support this conclusion. In 2021, Alpine Bank ranked 9th by number of small business loans of 313 reporters in its combined AAs. In the Combined Non-MSA AA, Alpine Bank's number volume ranked 4th out of 148 reporting small business lenders in 2021.

Assessment Area Concentration

The institution originated a substantial majority of loans inside its AAs. Substantial majorities of home mortgage and small business loans originated in the AAs support this conclusion. Examiners considered the bank’s asset size and office structure as well as the loan categories reviewed relative to the areas’ combined size and economy when arriving at this conclusion.

Home Mortgage Loans

The institution originated a substantial majority of its home mortgage loans inside its AAs. The following table shows that, for home mortgage loans by both measures, the percentages of the number and dollar volume, the bank originated a substantial majority inside its AAs.

Small Business Loans

The institution originated a substantial majority of its small business loans inside its AAs. The following table shows that, for small business loans by both measures, the percentages of the number and dollar volume, the bank originated a substantial majority inside its assessment areas.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans \$(000s)				
	Inside		Outside			Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2020	2,569	95.7	115	4.3	2,684	1,041,340	96.5	37,505	3.5	1,078,845
2021	2,531	95.1	131	4.9	2,662	1,059,844	94.6	60,275	5.4	1,120,119
2022	2,206	95.7	99	4.3	2,305	1,051,663	96.7	35,944	3.3	1,087,607
Subtotal	7,306	95.5	345	4.5	7,651	3,152,847	95.9	133,724	4.1	3,286,571
Small Business										
2020	4,958	96.9	160	3.1	5,118	398,735	96.5	14,595	3.5	413,330
2021	2,728	96.3	104	3.7	2,832	291,461	95.2	14,558	4.8	306,019
2022	839	96.4	31	3.6	870	146,079	96.1	5,895	3.9	151,974
Subtotal	8,525	96.7	295	3.3	8,820	836,275	96.0	35,048	4.0	871,323
Total	15,831	96.1	640	3.9	16,471	3,989,122	95.9	168,772	4.1	4,157,894

Source: HMDA Reported Data; CRA Reported Data

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the AAs. An adequate record in the Combined Non-MSA AA primarily supports this conclusion. The Denver, Boulder, and Grand Junction MSA AAs also reflect consistence performance. Examiners focused on the percentage by number of loans in low- and moderate-income census tracts in the AAs when arriving at conclusions for this performance factor. This factor only considered loans originated inside the bank’s AAs.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and businesses customers of different sizes. Adequate performance in the Combined Non-MSA AA primarily supports this conclusion. The Grand Junction MSA AA reflects consistent performance while the Denver and Boulder MSA AAs reflect inconsistent and below performance. Examiners considered the loan product types reviewed relative to the available comparative data and any performance context issues when arriving at this conclusion. Examiners focused on the percentage, by number, of loans to businesses with gross annual revenue of \$1 million or less when arriving at conclusions for this performance factor. This factor only considered loans originated inside the bank's AAs.

Alpine Bank participated in the flexible PPP program, a Small Business Administration (SBA)-backed loan that helped businesses keep their workforce employed during the COVID-19 crisis. In 2021, 69.4 percent of all small business loans reported were PPP. During this time, banks were not required to collect gross annual revenue (GAR) information. Thus, the borrower profile performance factor includes numerous loans with no GAR information. This does not inhibit examiners from making an overall conclusion based on available information.

Innovative or Flexible Lending Practices

The institution uses innovative and/or flexible lending practices in order to serve the AAs' credit needs for the bank as a whole. The performance was consistent in all AAs. The number and dollar volume of innovative loan products and flexible lending practices related to the COVID-19 pandemic primarily supports this conclusion.

The following table shows that since the previous evaluation, Alpine Bank originated 94 innovative and/or flexible loans totaling approximately \$35.4 million. This dollar figure equates to 0.6 percent of average total assets of \$5.9 billion since the previous evaluation and 1.0 percent of average net loans of \$3.4 billion for the same period. This performance reflects good responsiveness to the credit needs of its AAs.

Innovative or Flexible Lending Programs										
Type of Program	2020*		2021		2022		2023		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Mobile Home Loans	5	354	4	532	3	185	0	0	12	1,071
Employee Housing Loans	1	213	1	277	12	5,500	7	2,745	21	8,735
Governmental Residential Programs (CHFA, USDA, FHA, FNMA, FHLMC, VA)	1	452	21	5,106	15	5,826	12	4,104	49	15,488
Commercial Programs (SBA 7(a) & 504)	3	1,238	6	6,347	2	2,060	1	459	12	10,104
Totals	10	2,257	32	12,262	32	13,571	20	7,308	94	35,398

*Source: Bank Data; *Activity beginning September 14, 2020*

The following details innovative and/or flexible lending programs offered:

Mobile Home Lending – Due to the high cost of housing in many of the AAs, mobile homes represent one of the few sources of affordable housing. Because of the high demand for affordable housing, mobile homes sell for well over blue book value. To provide the needed loan funds for these loan applicants while maintaining safe and sound underwriting practices, the bank responded to the identified credit need by lending up to 80 percent of the appraisal price rather than the blue book value on new mobile homes (up to 75 percent on used mobile homes).

Employee Housing Loans – Alpine Bank developed a loan program for its employees throughout its AAs wanting to enter the housing market. The program offers loans up to 100 percent loan-to-value for any employee who cannot qualify for conventional financing. Safe and sound underwriting requirements are established. These loans are provided with no points or closing costs except for necessary third-party fees. In December of 2022 the bank offered three pricing options, including one offering rates to align with secondary market rates for more beneficial pricing options.

Government Home Loan Programs – Alpine Bank participates in the Colorado Housing and Financial Authority (CHFA) mortgage loan program. The program provides assistance to first-time homebuyers. Interest rates offered normally fall below conventional or Federal Housing Authority (FHA) rates. In addition, the borrower receives a 3 percent CHFA benefit at closing. The benefit nets against closing costs and down payment to effectively give the borrower a mortgage at 95 to 100 percent loan-to-value. Through a well-established secondary market mortgage program, Alpine Bank offers additional flexibility and attractive terms to eligible community borrowers through the availability of FHA and Veterans Administration government programs.

Commercial Programs – Alpine Bank offers commercial loans through the SBA 504 and 7A loan programs to serve the credit needs of businesses in its AAs.

Though not reflected in the table, examiners noted the following additional bank activity as it relates to the Coronavirus (COVID-19) Pandemic and disaster relief assistance. The bank's willingness to meet the credit needs of businesses of varying sizes, including small businesses, through originating PPP loans further supports the bank's innovative and flexible lending performance. The Coronavirus Aid Relief and Economic Security (CARES) Act, signed into law on March 27, 2020, established the temporary PPP. The SBA with support from the Department of the Treasury implemented the PPP program, which provided loans to encourage qualified businesses that meet certain standards established by the SBA, to retain employees through the COVID-19 pandemic and included loan forgiveness subject to certain conditions. Financial institutions, using this program in a prudent manner, actively worked with business borrowers, including small businesses, with less financial flexibility to withstand near term operational challenges due to the COVID-19 pandemic.

- **COVID-19 Pandemic Lending Activities** – The bank assisted small business borrowers with PPP loans through the SBA during the COVID-19 pandemic. The SBA offered the PPP loan program to provide a direct incentive for small businesses to keep their workers on the payroll. The bank originated 6,160 PPP loans totaling approximately \$470.4 million during the evaluation period. Of these, 4,195 totaling over \$308.3 million originated in 2020 and 1,965 totaling over \$162.1 million originated in 2021. The overwhelming majority of these were loan amounts of a \$1 million or less. In addition, the bank internally offered loan payment deferrals to existing customers. A total of 1,763 payment deferrals amounting to \$10,366 million in interest were extended during 2020 and 2021.

Community Development Loans

Alpine Bank is a leader in making community development loans for a bank as a whole. The bank's leadership in originating an excellent level of community development loans and an excellent responsiveness to community development needs in the AAs support this conclusion. The performance was consistent in all AAs. During the evaluation period, Alpine Bank originated 117 community development loans totaling approximately \$329.5 million. This level of activity represents 5.5 percent of average total assets and 9.4 percent of average net loans since the previous evaluation. The level is similar to that reflected at the prior evaluation where community development loans noted to be 5.5 percent of average total assets and 8.3 percent of average net loans.

The following tables show the bank's community development lending by year, AA, and purpose.

Community Development Lending – Whole Bank										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2020*	8	21,316	0	0	0	0	9	20,191	17	41,507
2021	15	31,505	0	0	10	15,145	27	73,676	52	120,326
2022	20	56,378	1	2,000	2	4,590	13	51,342	36	114,310
YTD 2023	3	27,700	0	0	1	1,313	8	24,300	12	53,313
Total	46	136,899	1	2,000	13	21,048	57	169,509	117	329,456

Source: Bank Data; *Activity beginning September 14th, 2020

The loans also reflect excellent responsiveness to the AAs’ community development needs. A substantial majority of the dollar volume of loans promoted revitalization and stabilization efforts as well as affordable housing. However, some level of activity addressed community development needs among all four categories, which demonstrates responsiveness to needs throughout all AAs. In addition, most community development loans benefitted the bank’s primary service area, the Combined Non-MSA AA, followed by the Denver MSA AA. The following table shows community development loans by AA.

Community Development Lending by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Combined Non-MSA AA	19	95,414	1	2,000	7	9,976	9	21,049	36	128,439
Denver-Aurora-Lakewood MSA AA	10	16,451	0	0	3	4,826	30	96,704	43	117,981
Grand Junction MSA AA	8	6,770	0	0	0	0	3	5,574	11	12,344
Boulder MSA AA	3	3,635	0	0	0	0	4	10,337	7	13,972
Statewide Activities	6	14,629	0	0	3	6,246	11	35,845	20	56,720
Total	46	136,899	1	2,000	13	21,048	57	169,509	117	329,456

Source: Bank Data; Statewide activities includes activities occurring in the Fort Collins and Colorado Springs assessment areas including prior to branch openings

The following are notable examples of the bank’s statewide community development loans:

- **Revitalize or Stabilize** - The bank granted a \$14.6 million construction loan to construct two new warehouse buildings located in a low-income census tract. The buildings are expected to house anchor businesses. This activity revitalizes or stabilizes the qualifying geography by helping to attract new or retain existing business and residents. This loan benefitted a statewide area that includes the institution’s AAs.
- **Economic Development** – The bank extended a \$2 million SBA 504 loan for the purchase of a new location and expansion of business operations. The activity provided economic development by financing a business that meets the regulation’s size eligibility standards

and that supports permanent job creation, retention, or improvement for low- and moderate-income persons or in low- or moderate-income areas. This loan benefited a statewide area that includes the institution’s AAs.

INVESTMENT TEST

Alpine Bank achieved an outstanding rating regarding the Investment Test. An excellent level and excellent responsiveness to community development needs outweighed occasional use of complex and innovative qualified investments to support this conclusion. The institution’s performance proved consistent throughout the AAs.

Investment and Grant Activity

The institution has an excellent level of qualified community development investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. The bank made use of 812 qualified investments and donations totaling approximately \$168.5 million. The total dollar amount equates to 2.8 percent of average total assets since the last performance evaluation and 11.4 percent of average total securities for the same period, thereby reflecting an excellent level. The levels represent an increase over the 2.1 percent of average total assets and 11.3 percent of average total securities reported in the previous evaluation.

The table below summarizes the qualified investments and donations by year and purpose.

Qualified Investments – Whole Bank										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	4	11,616	2	4,351	3	4,930	35	42,810	44	63,707
2020*	2	1,820	4	5,825	0	0	1	1,000	7	8,645
2021	2	4,000	12	15,055	0	0	26	27,345	40	46,400
2022	6	3,163	10	14,640	1	1,000	19	24,678	36	43,481
YTD 2023	1	1,715	0	0	0	0	0	0	1	1,715
Subtotal	15	22,314	28	39,871	4	5,930	81	95,833	128	163,948
Qualified Grants & Donations	29	249	492	2,597	113	679	50	1,050	684	4,575
Total	44	22,563	520	42,468	117	6,609	131	96,883	812	168,523

*Source: Bank Data; *Activity beginning September 14th, 2020*

The following table shows qualified investments by AA.

Qualified Investments by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Combined Non-MSA	26	7,075	303	1,657	67	693	24	5,083	420	14,508
Denver MSA	6	11,786	92	11,540	23	1,108	31	31,570	152	56,004
Grand Junction MSA	8	44	70	218	22	122	28	9,060	128	9,444
Boulder MSA	0	0	22	1,955	0	0	2	1,816	24	3,771
Statewide Activities	3	1,658	18	5,102	3	6	18	21,084	42	27,850
Regional Activities	1	2,000	15	21,996	2	4,680	28	28,270	46	56,946
Total	44	22,563	520	42,468	117	6,609	131	96,883	812	168,523
<i>Source: Bank Data</i>										

The following lists notable examples of the institution’s regional or statewide QI activities:

- ***Economic Development*** – The institution invested \$1 million into a Community Development Financial Institution (CDFI) committed to helping entrepreneurs start and grow their business. The CDFI provides access to capital to low-income, low-wealth, or underserved areas across Colorado for small businesses that don’t meet traditional financing guidelines. This investment benefited a regional area that includes the institution’s AAs.
- ***Affordable Housing*** – The institution purchased a \$1.5 million bond in a state-sponsored affordable housing organization whose expressed, stated purpose is to increase the supply of decent, safe, sanitary housing for low- and moderate-income families. This investment benefited a statewide area that includes the institution’s AAs.

Responsiveness to Credit and Community Development Needs

The institution exhibited excellent responsiveness to credit and community development needs. The prior tables show responsiveness to a wide variety of qualified investments addressing community development needs among all four categories. Alpine Bank’s largest volume of notable qualified investments revitalized and stabilized low- or moderate-income areas and provided affordable housing, both of which address identified community needs.

Community Development Initiatives

The institution occasionally uses innovative and/or complex investments to support community development initiatives. Examples include two investments in two different CDFIs, three different low-income housing tax credit investments, and one investment in a Small Business Investment Corporation (SBIC).

SERVICE TEST

Alpine Bank achieved a high satisfactory rating regarding the Service Test. The relatively high level of community development services and good responsiveness to community development needs uplifted the reasonably accessible delivery systems in support of this conclusion.

Additionally, changes in branch locations have generally not adversely affected the accessibility of delivery systems while services, including business hours, do not vary in a way that inconveniences portions of the AAs. This performance proved consistent throughout all AAs.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the institution's AAs. Reasonably accessible alternative delivery systems and a reasonably accessible branch distribution support this conclusion.

The following table shows the bank does not operate any full-service offices in low-income census tracts; however, only 3.9 percent of the population resides in low-income census tracts. The table further shows that in moderate-income census tracts, the percentage of the number of offices is below the percentage of the population residing in those areas. The level falls 13.5 percentage points below the population figure, typically reflective of a poor record. Further analysis of the branch distribution revealed that all of the low-income census tracts reside within the MSA AAs. Additionally, 98.0 percent of the moderate-income census tracts are in the MSA AAs. The newest branch openings in Fort Collins (1) and Colorado Springs (1) AAs comprise 10.6 and 23.6 percent of the total low- and moderate-income tracts, respectively. Eleven of the bank's 39 branches reside in the MSA AAs. Given Alpine Bank's more limited branching footprint within the MSA AAs and the fact that the Fort Collins and Colorado Springs branches recently opened (December 2022), the branch distribution reflects reasonable accessibility.

Branch and ATM Distribution by Geography Income Level – Whole Bank								
Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	47	4.1	187,754	3.9	0	0.0	0	0.0
Moderate	263	22.9	1,145,780	23.8	4	10.3	5	10.4
Middle	451	39.3	1,863,097	38.7	17	43.6	21	43.7
Upper	360	31.4	1,574,244	32.7	16	41.0	20	41.7
NA	26	2.3	43,328	0.9	2	5.1	2	4.2
Total	1,147	100.0	4,814,203	100.0	39	100.0	48	100.0

Source: 2020 U.S. Census Data; Bank Data; Includes new branches and assessment areas not otherwise evaluated in this performance evaluation

The institution makes its alternative delivery systems reasonably accessible to all portions of the AAs. To enhance the ATM network accessibility listed above, Alpine Bank's ATMs link to the Allpoint ATM network, allowing customers to have surcharge-free access to over 55,000 ATMs across the U.S., Canada, U.K., Australia, and Mexico. Alternative delivery systems also include online banking, remote deposit capture, and mobile banking services. Further, Alpine Bank offers

free, 24-hour customer access to accounts via a toll-free telephone number. Alpine Bank provides this service in both English and Spanish. In addition, customers can apply online for a Consumer Ready Reserve, credit card, or auto loan as well as a deposit account. These alternative delivery services remain consistent throughout all AAs. Alternative delivery systems specific to the Denver MSA AA include the opening of two new loan production offices since the last evaluation, one of which is located in a moderate-income census tract.

Below is additional information regarding alternative delivery systems offerings.

24-Hour Customer Information – This system allows customers to obtain deposit account information, transfer funds between accounts, determine the last items to clear their account, and request loan account information through a computerized telephone answering system.

Alpine Online Banking – This service allows customers to conduct banking transactions through a computer or mobile device. Allowable transactions include viewing account information, fund transfers, electronic bill payment and cash management services, and the capability to download transactions into spreadsheets or money management software. The Alpine Online Banking system has proven effective in reaching low- and moderate-income customers. May 2023 bank data indicates the average monthly activity per user showed that low- or moderate-income users have proportionally higher levels of online and mobile activity compared to middle- and upper-income users.

AlpineMobile – This product allows a customer to access their accounts at anytime and anywhere with any web-enabled smartphone or with the AlpineMobile app for iPhone or Android. Features include taking a picture of a check using a phone and electronically depositing it to an Alpine Bank account.

AlpineRemote – This fully integrated, web-based electronic payment processing system uses a check scanner to convert checks into electronic transactions (i.e. Remote Deposit Capture). Commercial customers who process large volumes of checks benefit the most from this product. This product also represents an option for remotely located customers who choose not to use AlpineMobile due to check quantity or have an older phone.

Changes in Branch Locations

To the extent changes have been made, the institution's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

As noted previously, the bank closed three offices since the prior evaluation, one in a moderate-income tract and two in upper-income tracts. The branch located in a moderate-income census tract is located within 3 miles of another bank branch in the same county and found not to substantially affect the nature of business or customers served. Alpine Bank opened two new branches during the evaluation period (both in December of 2022). The Colorado Springs branch is located in a moderate-income tract (designated a low-income tract when the decision to open was made using

2015 ACS Census data) and the Fort Collins branch is in a middle-income tract (designated a moderate-income tract when the decision to open was made using 2015 ACS Census data).

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences portions of the AAs, particularly low- and moderate-income geographies and/or individuals. Alpine Bank maintains convenient lobby, drive up, and walk up hours at all locations consistent with industry norms. Service hours and loan and deposit product offerings are similar throughout the AAs.

The institution provides an adequate range of products and services as well as enhancements to existing services that improve access to financial services for low- and moderate-income individuals. Deposit account offerings include a standard array of deposit accounts including NOW, money market, personal savings, certificate of deposit, and individual retirement accounts. All checking account types offer a free Loyalty VISA Debit Card. The bank's Liberty Checking Account, which does not have a required minimum balance, is designed for people who write a limited number of checks. Business customers may utilize Alpine Bank's merchant services program to facilitate credit card processing. Alpine Bank also offers a wide range of loan products such as consumer, commercial, and home mortgage loans.

Enhancements to existing products include the following services that prove responsive to areas' needs and improve access to banking services for low- and moderate-income individuals among all AAs.

Consular Identification Cards – Alpine Bank accepts Matricula Consular identification cards, Guatemalan Consular identification cards, and Mexican Voter identification cards for cashing checks and opening bank accounts. The Consular identification cards provide access to mainstream banking services to many individuals who previously were primarily reliant on check cashing companies.

Community Development Services

The institution provides a relatively high number of community development services. The extent, or number, of community development services primarily supports this conclusion. Performance improved over the adequate level of community development services identified at the prior evaluation.

The bank's directors, officers, and employees provided 528 community development services since the previous evaluation which reflects a significant increase over the 275 community development services provided at the prior evaluation. The bank's community development services focused largely on community services and, to a lesser extent, economic development and affordable housing efforts. The following table summarizes the community development service activity by year and purpose.

Community Development Services – Whole Bank					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2020*	15	79	21	9	124
2021	15	83	22	10	130
2022	19	83	22	10	134
YTD 2023	14	86	27	13	140
Total	63	331	92	42	528

Source: Bank Data.:*Activity beginning September 14, 2020

The following table lists the community development services by AA.

Community Development Services by Assessment Area					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Combined Non-MSA AA	46	186	48	25	305
Denver MSA	2	69	24	3	98
Grand Junction MSA	15	61	15	14	105
Boulder MSA	0	13	4	0	17
Statewide Activates	0	2	1	0	3
Total	63	331	92	42	528

Source: Bank Data

The following is a notable example of the bank’s statewide community development services:

- **Community Service** – A bank employee provided their financial expertise in various capacities to an organization providing social support services to low- and moderate-income at risk youth. This service benefited a statewide area that includes the institution’s AAs.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank’s compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

COMBINED NON-MSA AA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE COMBINED NON-MSA AA

The Combined Non-MSA AA includes all 74 census tracts that make up the following counties: Delta, Eagle, Garfield, LaPlata, Montrose, Ouray, Pitkin, Routt, San Miguel, and Summit. Alpine Bank operates 28 full-service branches and 33 ATMs within this AA. The Combined Non-MSA AA ranks first among the bank’s four AAs by accounting for 73.9 percent of the loans, while also garnering 79.1 percent of the deposits, and operating 75.7 percent of the full-service offices.

Economic and Demographic Data

The AA’s census tracts reflect the following income designations based on 2015 ACS data: 4 moderate-, 30 middle-, and 40 upper-income tracts. Two tracts in San Miguel County were underserved the entire evaluation period while Ouray County had two tracts designated as underserved in 2022.

Enterprise Zones designations exist within portions of the AA; encompassing Delta, Garfield, La Plata, Montrose, Ouray, Routt, and San Miguel counties. The Enterprise Zone program provides incentives for private enterprise to expand and for new businesses to locate in economically distressed areas of the state. Businesses located in a zone may qualify for Enterprise Zone Tax Credits and incentives to encourage job creation and investment in these zones. Each Enterprise Zone maintains its own written objectives and approved projects. Additionally, Enhanced Rural Enterprise Zones included Delta and Ouray counties. This program provides greater financial incentives to businesses to promote and encourage new job creation in designated economically lagging Rural Enterprise Zone counties.

The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area Combined Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	74	0.0	5.4	40.5	54.1	0.0
Population by Geography	316,085	0.0	6.0	38.9	55.0	0.0
Housing Units by Geography	183,393	0.0	4.7	34.1	61.2	0.0
Owner-Occupied Units by Geography	81,660	0.0	6.2	37.3	56.5	0.0
Occupied Rental Units by Geography	39,575	0.0	6.1	42.5	51.4	0.0
Vacant Units by Geography	62,158	0.0	1.9	24.5	73.5	0.0
Businesses by Geography	54,949	0.0	5.5	35.9	58.6	0.0
Farms by Geography	2,334	0.0	6.2	46.8	47.0	0.0
Family Distribution by Income Level	77,021	16.0	16.2	19.2	48.6	0.0
Household Distribution by Income Level	121,235	18.7	14.2	18.1	49.0	0.0
Median Family Income Non-MSAs - CO		\$60,701	Median Housing Value			\$412,068
			Median Gross Rent			\$1,085
			Families Below Poverty Level			8.1%
<i>Source: 2015 ACS and 2021 D&B Data. Due to rounding, totals may not equal 100.0%. (*) The NA category consists of geographies that have not been assigned an income classification</i>						

The Federal Emergency Management Agency (FEMA) issued a disaster declaration on March 28, 2020, which ran through May 11, 2023, affecting all counties in the AA, due to the COVID-19 pandemic.

According to the Colorado Office of Economic Development and International Trade, the largest employers throughout the Combined Non-MSA AA include Pioneers Medical Center, Tri-State Generation and Transmission, Winter Park Resort, Centura Health, Purgatory, and Rocky Mountain Chocolate Factory.

The following table lists annual unemployment rates over the evaluation period for counties in the Combined Non-MSA AA, State of Colorado, and nationwide.

Annual Unemployment Rates Combined Non-MSA AA			
Area	2020	2021	2022
	%	%	%
Delta County	6.1	5.7	3.6
Eagle County	8.9	4.8	2.6
Garfield County	6.3	5.1	3.0
La Plata County	6.4	5.5	3.0
Montrose County	6.2	5.4	3.4
Ouray County	7.5	4.9	3.1
Pitkin County	9.8	5.9	3.3
Routt County	7.4	4.6	2.5
San Miguel County	10.2	5.5	3.1
Summit County	9.2	4.3	2.2
State of Colorado	6.8	3.3	3.0
Nationwide	8.1	5.3	3.6
<i>Source: Bureau of Labor Statistics</i>			

Examiners use the applicable FFIEC-updated median family income levels to analyze home mortgage loans under the borrower profile criterion. The following table presents the low-, moderate-, middle-, and upper-income ranges based on the 2021 FFIEC-updated median family income of \$73,500.

Median Family Income Ranges Combined Non-MSA AA				
Median Family Income	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$73,500)	<\$36,750	\$36,750 to <\$58,800	\$58,800 to <\$88,200	≥\$88,200
<i>Source: FFIEC</i>				

Competition

The AA reflects a moderate level of competition for financial services. Based on FDIC Deposit Market Share data as of June 30, 2022, 25 financial institutions operate 144 full-service offices within the AA. Of these institutions, Alpine Bank ranked 1st with a 27.5 percent deposit market share. According to 2021 HMDA aggregate and CRA data, 733 lenders reported 43,133 home mortgage loans and 148 lenders reported 18,443 small business loans, respectively. Overall, the competition level allows for lending opportunities in the area.

Community Contact(s)

As part of the evaluation process, examiners evaluate information from third parties active in the AA to assist in identifying the credit and community development needs. This information helps to determine financial institutions' responsiveness to these needs and shows available credit and community development opportunities.

Examiners contacted a community member during the evaluation knowledgeable of the area's economic, demographic, and housing needs. The contact stated economic conditions across Colorado remain relatively strong but have slowed in 2023. Colorado has the sixth fastest growing population as a state. That growth, combined with slowing economic conditions, has resulted in an approximate 50 percent increase in homelessness across the state. The demand for affordable housing continues to exceed supply and rental housing is becoming unaffordable for some middle-income families. Accordingly, the contact identified general banking and credit needs as affordable housing, both single and multi-family. The contact commented that partnerships might be of assistance between banks and non-profit organizations, but the contact was unaware of performance or degree of involvement from any specific financial institution.

Credit and Community Development Needs and Opportunities

Considering information obtained from bank management, as well as demographic and economic data, examiners concluded that the primary credit needs of the AA include home mortgage and small business loans.

With respect to the area's community development needs, the demographic data shows that 32.2 percent of the area's families reported low- or moderate-incomes, which suggests a need for activities that provide community services to these families, including affordable housing. Increases in housing prices and limited housing inventory also support the need for affordable housing. Opportunities also exist for economic development to support opportunities in the designated Enterprise Zones. Counties in the AA designated as disaster areas as well as underserved during the evaluation period suggest a need for activities that revitalize or stabilize qualifying geographies.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE COMBINED NON-MSA ASSESSMENT AREA

LENDING TEST

Alpine Bank demonstrated a high satisfactory record in the Combined Non-MSA AA regarding the Lending Test. Excellent lending levels, adequate records regarding borrower profile and geographic loan distribution, and the institution making a relatively high level of community development loans support this conclusion.

Lending Activity

Lending levels reflect excellent responsiveness to Non-MSA AA credit needs. An excellent record regarding home mortgage and small business lending supports this conclusion.

Home Mortgage Loans

The institution’s home mortgage lending activity reflects excellent responsiveness to the AA’s credit needs. Excellent overall market shares and ranking performance in comparison to other lenders in the AAs support this conclusion. For 2021, the bank originated 1,756 reportable home mortgage loans totaling approximately \$803.1 million in this AA. Alpine Bank also ranked 1st in 2021 by number of home mortgage loans of 733 reporters in the Combined Non-MSA AA, capturing 5.4 percent market share.

Small Business Loans

The institution’s small business lending activity reflects excellent responsiveness to the AA’s credit needs. Excellent overall market shares and ranking performance in comparison to other lenders in the AA support this conclusion. For 2021, the bank originated 2,061 small business loans totaling approximately \$202.4 million in this AA. Alpine Bank also ranked 4th in 2021 by number of small business loans of 148 reporters in its Combined Non-MSA AA, capturing 11.2 percent market share.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the Combined Non-MSA AA. Adequate performance regarding home mortgage loans and small business loans supports this conclusion. These AAs do not include any low-income geographies; therefore, examiners focused on performance in moderate-income tracts.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate penetration throughout the Combined Non-MSA AA. Adequate performance in moderate-income geographies supports this conclusion. The table below shows that the bank’s lending performance in moderate-income census tracts was slightly below aggregate data by 1.4 percentage points, reflecting adequate performance.

Geographic Distribution of Home Mortgage Loans Combined Non-MSA AA						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	0.0	0.0	0	0.0	0	0.0
Moderate	6.2	3.8	43	2.4	6,621	0.8
Middle	37.3	32.0	510	29.0	173,569	21.6
Upper	56.5	64.2	1,203	68.5	622,933	77.6
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	1,756	100.0	803,123	100.0

Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data

Small Business Loans

The geographic distribution of small business loans reflects adequate performance in the Combined Non-MSA AA. Adequate performance in moderate-income geographies supports this conclusion. According to the following table, the performance in the level of lending in moderate-income geographies is 1.1 percentage points below aggregate data, reflecting adequate performance.

Geographic Distribution of Small Business Loans Combined Non-MSA AA						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	0.0	0.0	0	0.0	0	0.0
Moderate	5.5	4.1	61	3.0	6,563	3.2
Middle	35.9	34.7	726	35.2	73,078	36.1
Upper	58.6	61.2	1,274	61.8	122,741	60.6
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	2,061	100.0	202,382	100.0

Source: 2021 D&B Data; Bank Data; 2021 CRA Aggregate Data

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes in the Combined Non-MSA AA. Adequate performance regarding home mortgage loans outweighs a good record of small business loans to support this conclusion.

Home Mortgage Loans

The distribution of home mortgage loans reflects adequate penetration among borrowers of different income levels. Adequate performances to low- and moderate-income borrowers support this conclusion.

As seen in the following table, the level of lending to low-income borrowers trails aggregate data by 1.1 percentage points, reflecting adequate performance. The table further shows that the level of lending to moderate-income borrowers trails aggregate data by 1.9 percentage points, also reflecting adequate performance.

Distribution of Home Mortgage Loans by Borrower Income Level Combined Non-MSA AA

Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	16.0	3.2	37	2.1	4,939	0.6
Moderate	16.2	9.8	139	7.9	28,810	3.6
Middle	19.2	16.7	239	13.6	50,437	6.3
Upper	48.6	54.5	1,114	63.4	524,137	65.3
Not Available	0.0	15.7	227	12.9	194,801	24.3
Totals	100.0	100.0	1,756	100.0	803,123	100.0

Source: 2015 ACS; Bank Data; 2021 HMDA Aggregate Data

Small Business Loans

The distribution of borrowers reflects good penetration among businesses of different sizes. A good record of lending to businesses with gross annual revenues of \$1 million or less primarily supports this conclusion.

As shown in the following table, the bank’s level of lending to small businesses with gross annual revenues of \$1 million or less is comparable to aggregate performance, typically reflective of adequate performance. Considering only loans for which gross annual revenue data is available, given contextual information provided previously, the bank originated 76.9 percent of loans to small businesses with gross annual revenues of \$1 million or less, reflecting good performance compared to aggregate performance.

Distribution of Small Business Loans by Gross Annual Revenue Category Combined Non-MSA AA						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
<=\$1,000,000	90.8	48.8	1,018	49.4	87,529	43.2
>\$1,000,000	3.0	--	306	14.8	65,313	32.3
Revenue Not Available	6.2	--	737	35.8	49,540	24.5
Totals	100.0	100.0	2,061	100.0	202,382	100.0

Source: 2021 D&B Data; Bank Data; 2021 CRA Aggregate Data

Innovative or Flexible Lending Practices

The innovative or flexible lending practices in the Combined Non-MSA AA remain consistent with that discussed previously for the institution as a whole.

Community Development Loans

Alpine Bank has made a relatively high level of community development loans in the Combined Non-MSA AA. The good level of community development loans and good responsiveness to the AA needs primarily support this conclusion.

As noted under the institution level and the table below, the bank granted 36 community development loans totaling \$128.4 million in the Combined Non-MSA AA during the evaluation period. By dollar volume, this \$128.4 million equates to 39.0 percent of the level of community development loans overall. While the Combined Non-MSA AA contributed 73.9 percent of reportable loans for this AA, the bank’s level of community development loans is reflective of good performance. Additionally, the dollar volume of community development lending in this AA increased since the previous evaluation where the bank granted 39 loans totaling \$78.8 million. In addition to reflecting good performance based on the dollar level, the community development loans reflect good responsiveness to identified AA needs. The loans reflect responsiveness to a variety of identified needs, in particular affordable housing. The following table details community development lending by year and purpose.

Community Development Lending - Combined Non-MSA AA										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2020*	5	17,431	0	0	0	0	3	3,787	8	21,218
2021	3	11,430	0	0	6	8,663	2	3,680	11	23,773
2022	9	40,853	1	2,000	0	0	2	9,682	12	52,535
YTD 2023	2	25,700	0	0	1	1,313	2	3,900	5	30,913
Total	19	95,414	1	2,000	7	9,976	9	21,049	36	128,439

*Source: Bank Data; *Activity beginning September 14, 2020*

The following lists examples of notable community development loans within the Combined Non-MSA AA:

- ***Affordable Housing*** - The bank originated a \$25 million construction loan to provide much needed affordable housing units for workforce housing in a high cost area. The borrower partnered with the local housing authority to fund the project. There is currently an 800-person waiting list for these types of units.
- ***Affordable Housing*** - The bank originated a \$5 million construction to permanent loan to fund the demolition and reconstruction of three mobile home parks in Montrose, Colorado. All three parks were in substandard condition resulting from decades of neglect. The loan provided an improved and much needed source of affordable housing for low- and moderate-income individuals in this area.

INVESTMENT TEST

Alpine Bank demonstrated an adequate record in the Combined Non-MSA AA regarding the Investment Test. An adequate record, adequate responsiveness to community development needs and occasional use of complex and innovative qualified investments to support this conclusion.

Investment and Grant Activity

The institution has an adequate level of qualified community development investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors. Alpine Bank made 420 qualified investments totaling approximately \$14.5 million in the Combined Non-MSA AA as seen in the following table. By dollar volume, this equates to 8.6 percent of the bank’s overall excellent level of qualified investments. This dollar volume also equates to 17.3 percent of the institution’s total qualified investments inside the AA. While the Combined Non-MSA AA contributed 79.1 percent of deposits for this AA, the bank’s level of qualified investments is reflective of adequate performance. Further, examiners noted more limited opportunity for qualified investments in the Combined Non-MSA AA. .

Qualified Investments – Combined Non-MSA AA										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	1	2,793	0	0	1	250	6	2,962	8	6,005
2020*	1	330	0	0	0	0	0	0	1	330
2021	1	2,000	0	0	0	0	1	2,000	2	4,000
2022	5	1,770	0	0	0	0	0	0	5	1,770
YTD 2023	0	0	0	0	0	0	0	0	0	0
Subtotal	8	6,893	0	0	1	250	7	4,962	16	12,105
Qualified Grants & Donations	18	182	303	1,657	66	443	17	121	404	2,403
Total	26	7,075	303	1,657	67	693	24	5,083	420	14,508

*Source: Bank Data; *Activity beginning September 14, 2020*

The following lists examples of qualified investments in the Combined Non-MSA AA:

- **Affordable Housing** – The institution made a \$330,000 EQ2 investment into a CDFI and HUD-approved counseling agency that provides support to low- and moderate-income homebuyers. The investment helped residents of a mobile housing park in Southwest Colorado retain their homeownership in an area where affordable housing options are limited.
- **Affordable Housing** – The institution made a \$2.0 million investment in an affordable housing bond to provide housing for essential workers and low-and moderate-income individuals living in the high-cost area of Breckenridge, Colorado.

Responsiveness to Credit and Community Development Needs

Alpine Bank exhibits adequate responsiveness to credit and community development needs in the Combined Non-MSA AA. The prior table shows responsiveness to the AA’s community development needs among all four community development purpose categories. Specifically, 48.8 percent of the bank’s investments and donations targeted affordable housing, while an additional 35.0 percent targeted revitalization or stabilization activities.

Community Development Initiatives

Alpine Bank occasionally uses innovative and/or complex investments to support community development initiatives in the AA. This is consistent with that discussed previously for the institution as a whole.

SERVICE TEST

Alpine Bank achieved a high satisfactory rating regarding the Service Test in the Combined Non-MSA AA. The relatively high level of community development services uplifted the reasonableness of accessibility of delivery systems. Additionally, changes in branch locations has generally not adversely affected the accessibility of delivery systems while services, including business hours, do not vary in a way that inconveniences portions of the AA.

Accessibility of Delivery Systems

Delivery systems prove reasonably assessable to essentially all portions of the Combined Non-MSA AA. Adequate accessibility of branches and ATMs in moderate-income geographies supports this conclusion. The following table shows that in there are no low-income geographies in the AA. In moderate-income tracts within the AA, the bank operates one branch and one ATMs, representative of the 1.5 percent of the population residing within these areas, reflecting adequate accessibility.

Branch and ATM Distribution by Geography Income Level – Combined Non-MSA AA								
Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	1	1.8	2,860	1.5	1	3.6	1	3.0
Middle	17	30.4	67,874	35.6	12	42.9	14	42.4
Upper	38	67.9	119,924	62.9	15	53.5	18	54.6
NA	0	0.0	0	0.0	0	0.0	0	0.0
Total	56	100.0	190,658	100.0	28	100.0	33	100.0
<i>Source: 2020 U.S. Census Data; Bank Data; Includes new branches and assessment areas not otherwise evaluated in this performance evaluation.</i>								

Alternative delivery systems offered in this AA remain consistent with those discussed at the institution level. Refer to the institution level Service Test section for specific details of other types

of alternative delivery systems offered in the Combined Non-MSA AA, which remain consistent with the institution as a whole.

In addition, the institution continues to partner with PC for People and provided computers to low-income households throughout La Plata County (Southwest Zone Non-MSA AA) to provide digital accessibility and to address the computer resource needs to the population in that area.

Changes in Branch Locations

To the extent changes have been made, the institutions opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. Since the prior evaluation, Alpine Bank closed three full-service branch locations in this AA, one located in a moderate-income tract (located three miles from the nearest branch) and two located in upper-income tracts.

Reasonableness of Business Hours and Services

Services (including, where appropriate, business hours) do not vary in a way that inconvenience portions of the Combined Non-MSA AA, particularly low- and moderate-income geographies and/or individuals. The bank’s business hours and services within this AA remain consistent with the bank overall.

Community Development Services

The institution provides a relatively high level of community development services in the Combined Non-MSA AA. A relatively high level of community development services and responsiveness of community development services to available opportunities primarily support this conclusion.

During the evaluation period, employees provided 305 instances of financial expertise or assistance to community development organizations in the Combined Non-MSA AA. This is an increase from the previous evaluation where the bank provided 159 services in the Combined Non-MSA AA.

Community Development Services – Combined Non-MSA AA					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2020*	11	43	11	7	72
2021	11	50	11	7	79
2022	13	49	12	5	79
YTD 2023	11	44	14	6	75
Total	46	186	48	25	305

*Source: Bank Data; *Activity beginning September 14, 2020*

The following lists examples of community development services provided in the Combined Non-MSA AA:

- **Affordable Housing** – Four employees serve either as board members or in prominent positions of various organizations that aim to provide affordable housing to the local community. Employees use their organizational and financial skills by advising these organizations on annual budgeting and managing contracts for property management. One organization was successful in adding 258 affordable housing units to help reduce the housing gap in a high-cost area.
- **Community Services** – Bank employees provided various services utilizing their financial expertise to an organization providing social support services to low- and moderate-income at-risk, abused, and neglected youth.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE REVIEW ASSESSMENT AREAS

The following table summarizes the conclusions for AAs reviewed using limited-scope examination procedures. Examiners determined conclusions regarding the institution’s CRA performance from reviewing available facts and data, including performance figures, aggregate lending data comparisons, and demographic information. The conclusions did not alter the institution’s overall performance rating.

Assessment Area	Lending Test	Investment Test	Service Test
Denver-Aurora-Lakewood MSA AA	Consistent	Consistent	Consistent
Grand Junction MSA AA	Consistent	Consistent	Consistent
Boulder MSA AA	Below	Consistent	Consistent

Facts and data supporting conclusions for each limited-scope AA follow, including a summary of Alpine Bank’s operations and activities. The appendix contains demographic data and deposit market share information for the limited-scope AAs.

Denver-Aurora-Lakewood MSA AA

The Denver-Aurora-Lakewood MSA AA consists of Adams, Arapahoe, Broomfield, Denver, Douglas, and Jefferson Counties comprised of a portion of the Denver-Aurora-Lakewood MSA. The bank operates three branches and three ATMs in this AA. Since the prior evaluation, the bank has not opened or closed any branches in this AA, but did open two loan production offices in a moderate-income and an upper-income tract. The Denver-Aurora-Lakewood MSA AA ranks second among the bank’s four AAs by accounting for 14.2 percent of the loans, while also garnering 7.6 percent of the deposits, and operating 8.1 percent of the full-service offices. The alternative delivery systems in this AA are consistent with the overall institution. The bank originated and engaged in the following activities in the AA.

Activity	#	\$
Small Business Loans	859	138,882
Home Mortgage Loans	865	425,121
Small Farm Loans	0	0
Community Development Loans	43	117,981
Investments (New)	21	30,429
Investments (Prior Period)	13	24,331
Donations	118	1,244
CD Services	98	-

Grand Junction MSA AA

The Grand Junction MSA AA consists of Mesa County, comprising the Grand Junction MSA in its entirety. The bank operates five branches and eight ATMs in this AA. Since the prior evaluation, the bank has not opened or closed any branches in this AA. The Grand Junction MSA AA ranks third among the bank's four AAs by accounting for 8.0 percent of the loans, while also garnering 12.0 percent of the deposits, and operating 13.5 percent of the full-service offices. The alternative delivery systems in this AA are consistent with the overall institution. The bank originated and engaged in the following activities in the AA.

Activity	#	\$
Small Business Loans	943	82,713
Home Mortgage Loans	1,079	235,948
Small Farm Loans	5	400
Community Development Loans	11	12,344
Investments (New)	5	7,600
Investments (Prior Period)	1	1,100
Donations	122	744
CD Services	105	-

Boulder MSA AA

The Boulder MSA AA consists of Boulder County, comprising the Boulder MSA in its entirety. The bank operates one branch and one ATM in this AA. Since the prior evaluation, the bank has not opened or closed any branches in this AA. The Boulder MSA AA ranks fourth among the bank's four AAs by accounting for 3.9 percent of the loans, while also garnering 1.3 percent of the deposits, and operating 2.7 percent of the full-service offices. The alternative delivery systems in this AA are consistent with the overall institution. The bank originated and engaged in the following activities in the AA.

Activity	#	\$
Small Business Loans	199	25,262
Home Mortgage Loans	260	129,161
Small Farm Loans	0	0
Community Development Loans	7	13,972
Investments (New)	3	3,695
Investments (Prior Period)	0	0
Donations	21	76
CD Services	17	-

Geographic Distribution and Borrower Profile

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2021
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Boulder MSA AA	88	40,623	11.4	25,137	3.0	5.7	3.4	18.0	11.4	16.8	45.6	44.3	47.1	33.3	38.6	32.7	0.0	0.0	0.0
Denver MSA AA	294	134,825	37.9	273,050	4.7	5.4	4.4	18.9	13.9	17.8	33.9	22.4	32.9	42.5	57.8	44.9	0.0	0.3	0.0
Grand Junction MSA AA	393	81,274	50.7	13,747	0.0	0.0	0.0	19.1	14.0	18.4	58.3	56.2	60.9	22.7	29.8	20.7	0.0	0.0	0.0
Total	775	256,721	100.0	311,934	4.3	2.7	4.1	18.8	13.7	17.8	36.4	42.1	35.3	40.5	41.4	42.9	0.0	0.1	0.0

Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2021
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Boulder MSA AA	81	9,228	12.1	14,228	3.8	0.0	3.9	27.7	40.7	28.8	38.7	19.8	38.3	29.8	39.5	28.9	0.0	0.0	0.0
Denver MSA AA	302	50,729	45.3	101,584	6.9	9.9	7.7	19.0	14.2	18.7	31.9	31.1	31.0	41.9	44.4	42.3	0.3	0.3	0.3
Grand Junction MSA AA	284	29,122	42.6	4,391	0.0	0.0	0.0	17.5	17.3	16.5	56.2	58.5	57.7	26.3	24.3	25.8	0.0	0.0	0.0
Total	667	89,079	100.0	120,203	6.3	4.5	6.9	20.0	18.7	19.8	33.6	41.4	32.8	39.9	35.2	40.1	0.3	0.2	0.3

Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2021
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Boulder MSA AA	88	40,623	11.4	25,137	22.3	1.1	8.6	17.0	4.5	16.8	19.9	9.1	20.9	40.8	70.5	40.7	0.0	14.8	13.0
Denver MSA AA	294	134,825	37.9	273,050	21.4	2.0	7.8	17.5	6.8	18.6	20.4	11.2	22.2	40.7	56.8	33.7	0.0	23.1	17.7
Grand Junction MSA AA	393	81,274	50.7	13,747	21.6	2.5	7.0	18.0	10.7	19.5	19.9	18.3	21.3	40.5	47.3	32.2	0.0	21.1	20.0
Total	775	256,721	100.0	311,934	21.5	2.2	7.8	17.5	8.5	18.5	20.3	14.6	22.1	40.7	53.5	34.2	0.0	21.2	17.4

Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2021**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Boulder MSA AA	81	9,228	12.1	14,228	92.8	50.6	48.2	2.3	16.0	4.9	33.3
Denver MSA AA	302	50,729	45.3	101,584	92.4	35.8	47.6	2.4	29.5	5.2	34.8
Grand Junction MSA AA	284	29,122	42.6	4,391	90.6	50.4	54.3	2.5	15.5	6.9	34.2
Total	667	89,079	100.0	120,203	92.4	43.8	47.9	2.4	21.9	5.2	34.3

Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "-" data not available. Due to rounding, totals may not equal 100.0%

APPENDICES

LARGE BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) through its lending activities by considering a bank's home mortgage, small business, small farm, and community development lending. If consumer lending constitutes a substantial majority of a bank's business, the FDIC will evaluate the bank's consumer lending in one or more of the following categories: motor vehicle, credit card, other secured, and other unsecured. The bank's lending performance is evaluated pursuant to the following criteria:

- 1) The number and amount of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, in the bank's assessment area;
- 2) The geographic distribution of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on the loan location, including:
 - i. The proportion of the bank's lending in the bank's assessment area(s);
 - ii. The dispersion of lending in the bank's assessment areas(s); and
 - iii. The number and amount of loans in low-, moderate-, middle- and upper-income geographies in the bank's assessment area(s);
- 3) The distribution, particularly in the bank's assessment area(s), of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on borrower characteristics, including the number and amount of:
 - i. Home mortgage loans low-, moderate-, middle- and upper-income individuals
 - ii. Small business and small farm loans to businesses and farms with gross annual revenues of \$1 million or less;
 - iii. Small business and small farm loans by loan amount at origination; and
 - iv. Consumer loans, if applicable, to low-, moderate-, middle- and upper-income individuals;
- 4) The bank's community development lending, including the number and amount of community development loans, and their complexity and innovativeness; and
- 5) The bank's use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies.

Investment Test

The Investment Test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) through qualified investments that benefit its assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s). Activities considered under the Lending or Service Test may not be considered under the investment test. The bank's investment performance is evaluated pursuant to the following criteria:

- 1) The dollar amount of qualified investments;
- 2) The innovativeness or complexity of qualified investments;
- 3) The responsiveness of qualified investments to available opportunities; and
- 4) The degree to which qualified investments are not routinely provided by private investors.

Service Test

The Service Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of the bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

The bank's retail banking services are evaluated pursuant to the following criteria:

- 1) The current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies;
- 2) In the context of its current distribution of the bank's branches, the bank's record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals;
- 3) The availability and effectiveness of alternative systems for delivering retail banking services (*e.g.*, RSFs, RSFs not owned or operated by or exclusively for the bank, banking by telephone or computer, loan production offices, and bank-at-work or bank-by-mail programs) in low- and moderate-income geographies and to low- and moderate-income individuals; and
- 4) The range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

The bank's community development services are evaluated pursuant to the following criteria:

- 1) The extent to which the bank provides community development services; and
- 2) The innovativeness and responsiveness of community development services.

SCOPE OF EVALUATION

Alpine Bank	
Scope of Examination: Full-scope reviews were performed on the following assessment area: Combined Non-MSA Assessment Area Limited-scope reviews were performed on the following assessment areas: Denver-Aurora-Lakewood MSA Assessment Area Grand Junction MSA Assessment Area Boulder MSA Assessment Area	
Time Period Reviewed:	09/14/2020 to 08/07/2023
Products Reviewed: Home Mortgage Loans: (01/01/2020 –12/31/2022) Small Business Loans: (01/01/2020 –12/31/2022)	

DESCRIPTION OF LIMITED-SCOPE ASSESSMENT AREAS

Denver-Aurora-Lakewood MSA AA

Based on 2015 ACS data, the AA’s 605 census tracts include 51 low-, 147 moderate-, 196 middle-, and 203 upper-income tracts, and 8 tracts that have not been designated an income classification. The following table includes certain demographic data for this AA.

Demographic Information of the Assessment Area						
Assessment Area: Denver MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	605	8.4	24.3	32.4	33.6	1.3
Population by Geography	2,649,187	8.9	24.4	32.7	34.0	0.1
Housing Units by Geography	1,072,923	8.5	23.8	34.2	33.6	0.0
Owner-Occupied Units by Geography	640,084	4.7	18.9	33.9	42.5	0.0
Occupied Rental Units by Geography	379,476	14.3	31.8	34.7	19.1	0.0
Vacant Units by Geography	53,363	11.9	25.8	33.5	28.7	0.0
Businesses by Geography	501,914	6.9	19.0	31.9	41.9	0.3
Farms by Geography	8,758	7.9	19.6	31.1	41.0	0.3
Family Distribution by Income Level	643,475	21.4	17.5	20.4	40.7	0.0
Household Distribution by Income Level	1,019,560	23.5	16.6	18.2	41.8	0.0
Median Family Income MSA - 19740 Denver-Aurora-Lakewood, CO MSA	\$80,820	Median Housing Value				\$280,726
		Median Gross Rent				\$1,072
		Families Below Poverty Level				8.1%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

FEMA issued a disaster declaration on March 28, 2020, which ran through May 11, 2023, affecting all counties in the AA, due to the COVID-19 pandemic.

According to the FDIC Deposit Market Share report as of June 30, 2022, 67 financial institutions operate 588 offices within the bank’s AA. Of these institutions, Alpine Bank ranked 24th with 0.3 percent deposit market share. Regarding reportable home mortgage loans for 2021, Alpine Bank captured 0.1 percent of the market share by number, which ranks 153 of 982 total lenders that reported home mortgage loan originations and purchases in the AA. Regarding reportable small business loans for 2021, the bank captured 0.3 percent of the market share by number which ranks 32nd of 283 total lenders that reported small business loan originations and purchases in the AA.

Grand Junction MSA

Based on 2015 ACS data, the AA's 29 census tracts include 7 moderate-, 16 middle-, and 6 upper-income tracts. The following table includes certain demographic data for this AA.

Demographic Information of the Assessment Area						
Assessment Area: Grand Junction MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	29	0.0	24.1	55.2	20.7	0.0
Population by Geography	147,834	0.0	24.5	56.4	19.1	0.0
Housing Units by Geography	63,472	0.0	23.8	56.9	19.4	0.0
Owner-Occupied Units by Geography	40,908	0.0	19.1	58.3	22.7	0.0
Occupied Rental Units by Geography	18,307	0.0	35.6	52.2	12.2	0.0
Vacant Units by Geography	4,257	0.0	17.9	63.5	18.7	0.0
Businesses by Geography	21,006	0.0	17.5	56.2	26.3	0.0
Farms by Geography	821	0.0	11.7	45.6	42.8	0.0
Family Distribution by Income Level	38,714	21.6	18.0	19.9	40.5	0.0
Household Distribution by Income Level	59,215	23.7	16.7	18.1	41.6	0.0
Median Family Income MSA - 24300 Grand Junction, CO MSA		\$60,676	Median Housing Value			\$212,084
			Median Gross Rent			\$885
			Families Below Poverty Level			11.4%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

FEMA issued a disaster declaration on March 28, 2020 which ran through May 11, 2023, affecting Mesa County due to the COVID-19 pandemic.

According to the FDIC Deposit Market Share report as of June 30, 2022, 12 financial institutions operate 36 offices within the bank's AA. Of these institutions, Alpine Bank ranked 2nd with 17.2 percent deposit market share. Regarding reportable home mortgage loans for 2021, Alpine Bank captured 2.6 percent of the market share by number, which ranks 11th of 405 total lenders that reported home mortgage loan originations and purchases in the AA. Regarding reportable small business loans for 2021, the bank captured 6.1 percent of the market share by number which ranks 6th of 78 total lenders that reported small business loan originations and purchases in the AA.

Boulder MSA AA

Based on 2015 ACS data, the AA's 68 census tracts include 5 low-, 14 moderate-, 30 middle-, and 19 upper-income tracts. The following table includes certain demographic data for this AA.

Demographic Information of the Assessment Area						
Assessment Area: Boulder MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	68	7.4	20.6	44.1	27.9	0.0
Population by Geography	310,032	6.7	22.3	43.1	27.9	0.0
Housing Units by Geography	129,739	7.1	22.4	43.9	26.7	0.0
Owner-Occupied Units by Geography	76,163	3.0	18.0	45.6	33.3	0.0
Occupied Rental Units by Geography	46,353	13.9	29.9	39.7	16.5	0.0
Vacant Units by Geography	7,223	5.9	19.8	51.9	22.4	0.0
Businesses by Geography	69,753	3.8	27.7	38.7	29.8	0.0
Farms by Geography	1,640	4.6	24.5	40.1	30.9	0.0
Family Distribution by Income Level	72,418	22.3	17.0	19.9	40.8	0.0
Household Distribution by Income Level	122,516	26.0	15.4	15.8	42.8	0.0
Median Family Income MSA - 14500 Boulder, CO MSA		\$96,926	Median Housing Value			\$398,953
			Median Gross Rent			\$1,225
			Families Below Poverty Level			6.4%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

FEMA issued a disaster declaration on March 28, 2020, which ran through May 11, 2023, affecting Boulder County, due to the COVID-19 pandemic. On December 31, 2021 FEMA made a disaster declaration affecting Boulder County due to wildfires and straight-line winds.

According to the FDIC Deposit Market Share report as of June 30, 2022, 32 financial institutions operate 95 offices within the bank's AA. Of these institutions, Alpine Bank ranked 22nd with 0.5 percent deposit market share. Regarding reportable home mortgage loans for 2021, Alpine Bank captured 0.3 percent of the market share by number, which ranks 58th of 546 total lenders that reported home mortgage loan originations and purchases in the AA. Regarding reportable small business loans for 2021, the bank captured 0.6 percent of the market share by number which ranks 25th of 144 total lenders that reported small business loan originations and purchases in the AA.

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.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited purpose bank:
 - (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
 - (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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 the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

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

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

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

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

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

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

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

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

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as non-MSA): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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 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.

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

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

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

Small Farm Loan: A loan included in “loans to small farms” as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area’s population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.