Dear Friends and Neighbors,

At U.S. Bancorp, we know that our commitment to Five Star Service doesn’t end with serving our customers. Service means connecting with our communities and making an investment in the future of the places we call home. It means establishing a strong vision for our schools, our neighborhoods and our cultural institutions, and working to make that vision a reality.

We have a long-standing record of community leadership in the key areas of affordable housing, economic opportunity, arts and culture, education and community service. We received the highest rating possible from the Office of the Comptroller of the Currency in 2004 for our commitment to the Community Reinvestment Act (CRA), meeting the credit needs of all segments of the communities we serve.

And we’re reaching out with a more personal touch. We are bringing financial services and homeownership opportunities to the doorsteps of neighborhoods that need them most with our Five Star Service Express bus. Plus, our employees provide countless hours of community service through their volunteer efforts helping to improve our communities.

We are pleased to present you with our 2004 Community Annual Report, which features some of the important organizations we’ve had the opportunity to partner with this year. The following pages provide just a glimpse into the many ways that U.S. Bancorp and its employees have invested in our communities in 2004. Reinvesting our resources, tangible and intangible, into the communities we serve is simply the right thing to do — but it also makes good business sense. Our investment will help to ensure that the places we live and do business are prosperous for years to come.

Sincerely,

Jerry A. Grundhofer
Chairman and Chief Executive Officer
U.S. Bancorp

ABOUT U.S. Bancorp

U.S. Bancorp (NYSE: USB), with $195 billion in assets, is the 6th largest financial services holding company in the United States. The company operates 2,370 banking offices and 4,620 ATMs in 24 states, and provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions. U.S. Bancorp is home of the Five Star Service Guarantee in which the company pays customers if certain key banking benefits and services are not met. U.S. Bancorp is the parent company of U.S. Bank. Visit U.S. Bancorp on the web at usbank.com.
U.S. Bank is proud to provide a superior set of financial products and services to our customers, but it takes more than that for us to be satisfied. As a good corporate citizen, we want to be closely connected to the communities we serve, doing our best to help our neighbors and neighborhoods remain strong and vital. The stories told in the following pages give just a glimpse of the investments of both time and money that U.S. Bank and our employees have made in 2004 to help us connect with our communities through affordable housing, economic opportunity, education, arts and culture and community service.

U.S. Bank Receives Highest CRA Rating
After an examination process that lasted almost a year, U.S. Bank came out on top when the Office of the Comptroller of the Currency (OCC) awarded it an “Outstanding” rating. This highest rating possible was given to U.S. Bank in recognition of its leadership role and commitment to both the letter and spirit of the Community Reinvestment Act (CRA) by meeting the credit needs of all areas that the institution serves, including low- and moderate-income areas and people.

“Outstanding” rating illustrates the importance we continually place on providing the many communities we serve with banking products and services that fully meet their financial needs,” said Jerry A. Grundhofer, Chairman and Chief Executive Officer of U.S. Bancorp. “We are extremely proud of this designation and will continue to make lending to, and investing in, the communities in which we do business one of our highest priorities.”

U.S. Bank specifically focuses on community development loans addressing affordable housing needs or projects that help to stabilize or revitalize low- to moderate-income areas. Other efforts include U.S. Bank’s us of flexible loan programs, nationwide loan programs that support affordable housing as well as small businesses, U.S. Bank’s Deferred Assistance Loan program and the American Dream home loan program.

The Community Reinvestment Act (CRA) has been in place since 1977 to ensure that financial institutions meet the credit needs of all areas that the institution serves, including low- and moderate-income areas and people.

U.S. Bank has Record-Breaking Year in SBA Lending
U.S. Bank continues to be one of America’s leading Small Business Administration (SBA) lenders, breaking records nationwide in fiscal year 2004 with more than $445 million of SBA-guaranteed loans made to 2,188 small businesses, a 32 percent increase over fiscal year 2003. According to the SBA, U.S. Bank ranks fourth among SBA bank lenders and fifth among both bank and non-bank SBA lenders.

When ranking by loan dollar volume, U.S. Bank rates in the top five in 15 of the 26 SBA Districts where it operates, placing first in Minnesota, St. Louis, Los Angeles and Santa Ana (Orange County, CA); second in Kansas City, Portland and Seattle; third in San Francisco; fourth in Kentucky, Nevada, Spokane and Tennessee; and fifth in Arizona, Colorado and San Diego.

Similar rankings occur when making comparisons by number of loans, rating in the top five in 16 of the same 26 Districts including first place in St. Louis; second in Kansas City, Minnesota, Portland and Seattle; third in Colorado, Kentucky, Nevada, Tennessee and Wisconsin; fourth in Boise, Cleveland, Illinois and Spokane; and fifth in Columbus/Cincinnati and Utah.

U.S. Bank Invests in Relationship with Mercy Housing
Over the years, U.S. Bank and Mercy Housing, Inc. have sustained a strong and rewarding partnership, with U.S. Bank traditionally investing in and supporting many of its efforts as well as those of its regional development affiliates. Mercy Housing, Inc. is the largest nonprofit, faith-based affordable housing provider in the United States. Based in Denver, Colorado, it is comprised of nonprofit organizations that share the mission of providing quality, service-enriched and affordable housing for the poor.

Most recently, U.S. Bank approved a $2 million Equity Equivalent Investment for Mercy Loan Fund (MLF), a subsidiary of Mercy Housing, Inc., that provides a source of affordable loan capital to community-based nonprofit developers that create or preserve affordable housing for low-income families. MLF provides acquisition, predevelopment, construction, bridge and permanent financing for these projects at below market rates when conventional financing is not available or affordable. Since 1983 MLF has helped provide 11,400 homes to 34,900 low-income people in 22 states, 16 of which are states where U.S. Bank does business.

U.S. Bank’s partnership with Mercy includes community development loans and grants that have been extended over the last four years to Mercy’s regional development offices.
serving California, Colorado, Idaho, Iowa, Utah and Washington. U.S. Bank’s close relationship with Mercy also enables us to continually forge new partnerships with Mercy affiliates and developers using MLF financing to support additional affordable housing projects in the communities we serve.

U.S. Bank managers currently serve on the board of directors for Mercy Housing in Denver, Idaho and Washington.

U.S. Bank Connects with our Community through the Five Star Service Express

A one-of-a-kind phenomenon rolled into Minneapolis and St. Paul, Minnesota; Milwaukee, Wisconsin; and St. Louis and Kansas City, Missouri this year. The Five Star Service Express introduced a fresh and creative approach to bringing career, homeownership opportunities and financial services to residents of low- to moderate-income neighborhoods.

The Five Star Service Express is the size of a city bus and operates as an internet-ready financial service center. Sponsored by U.S. Bank Home Mortgage, Freddie Mac and the Community College Foundation, the bus is staffed with bankers, mortgage professionals, small business specialists and representatives from neighborhood nonprofit organizations to promote financial education and homeownership in an informal and relaxed atmosphere, welcoming conversations and questions about any financial dream or goal. Bilingual representatives are on board to communicate in the preferred language of its visitors.

“As the Five Star Service Express visits our neighborhoods, we hope to hear from individuals who want to own their first home, start or expand their family business or maybe even get their credit history back on track,” said Ed Shanks, Executive Vice President of U.S. Bank Home Mortgage and project coordinator. “We will advise them, help them plan and can even take an online application or open a checking or savings account if they’re ready to take that step.”

The Community College Foundation developed the concept as a way to bridge the growing digital divide across the country. Freddie Mac partnered with U.S. Bank in launching the bus, recognizing its potential for providing bilingual access to financial services, credit education and affordable mortgages.
U.S. Bank Invests in Efforts to Serve the Hispanic Population

Over the past several years, U.S. Bank has made a focused effort to reach the Hispanic consumer and was among the first in the nation to make advances that directly benefit this growing population. In November 2001, U.S. Bank was one of the first financial institutions in America to accept the Matricula Consular ID issued by the Mexican Consulate as a form of identification when opening an account. Similarly, U.S. Bank partners with national Hispanic organizations to provide products and services that are important to Hispanic consumers and businesses. Many U.S. Bank locations have bilingual employees, signage, brochures and other materials to make the banking experience more inviting to customers who prefer to do business in Spanish.

U.S. BANK HOSTS MEXICAN MOBILE CONSULATE

Throughout 2004, U.S. Bank branches in several states sponsored the Mexican Mobile Consulate as it made stops in local Hispanic communities with the goal of assisting local Hispanics in gaining identification such as a passport or Matricula Consular.

During the Mexican Mobile Consulate visits, U.S. Bank was on-site answering questions, with Spanish-speaking bankers offering information on financial products and services specifically designed for the Hispanic community. U.S. Bank joined the Mobile Consulate at events in Illinois, Minnesota, Ohio, Oregon, Wisconsin and other markets.

In California and Illinois, bankers have had an ongoing presence in Consulate offices. In Chicago, U.S. Bank had the opportunity to help the Consulate’s growing financial education program by donating an ATM for their use.

A HISTORIC VISIT WITH MEXICAN PRESIDENT VICENTE FOX

Through a partnership with the Institute of Mexicans Abroad, senior executives from U.S. Bank and other financial institutions participated in a meeting in June with Mexican President Fox in St. Paul, MN. The meeting was a formal but open conversation between the president and bank leaders about recent advances by banks to meet the financial needs of Mexicans living in the United States and the opportunity to work together for continued momentum.

www.usbank.com/espanol

Customers and prospective customers who prefer to transact business online using Spanish have a much broader range of important information available to them at usbank.com/espanol. Spanish-language pages on personal loans, lines of credit and credit card products and pages for small business customers have been added. The site was also enhanced with online application functionality. Visitors can now apply online for checking accounts, savings accounts and CDs in Spanish. One of the most popular tools on the Web site is the U.S. Bank branch locator. Visitors can use this feature to find the nearest branch with a Spanish-speaking employee. It will even provide driving directions in Spanish.

Look to usbank.com/espanol for future enhancements, including information on mortgages and financial literacy and educational tools, including an interactive site that helps new checking customers understand how to write checks and manage their accounts.

MONEYGRAM ACCESS IS GROWING AT U.S. BANK AND ABROAD

In 2004, U.S. Bank and MoneyGram announced an agreement to provide international money transfer services through U.S. Bank branch offices, making this already popular service even more convenient. MoneyGram is now available in 449 branch locations and is on track to be available in all U.S. Bank branches in 2005. MoneyGram has more than 70,000 outlets in 160 countries, including more than 6,000 outlets in Mexico alone.

U.S. Bank is MoneyGram’s largest financial affiliate in the United States and the addition of MoneyGram complements U.S. Bank’s existing low-cost money transfer solutions. This service provides even greater flexibility for current and prospective customers wishing to send money safely and quickly to friends, family or associates in all parts of the world.

Far Left: The U.S. Bank Spanish-language Web site is at www.usbank.com/espanol. Remaining images: People in several Hispanic communities gain identification such as passport and Matricula Consular at the Mexican Mobile Consulate.
The Portland Alternative Health Center, a CCC Health and Recovery Program that provides alternative and traditional primary healthcare and counseling, occupies the first two floors of the building and serves many of the residents of 8 NW 8th.

In conjunction with the grand opening of 8 NW 8th, U.S. Bank provided a $20,000 grant to CCC in celebration of their 25 years in operation helping individuals move from homelessness and poverty to lives of self-sufficiency and independence.

**U.S. Bancorp Community Development Corporation Invests in Affordable Housing and Urban Renewal**

As one of the largest investors in the nation, U.S. Bancorp Community Development Corporation (CDC) is proud to have been investing in the communities where we live and work since 1990. By partnering with local organizations and agencies, the CDC assists in the rehabilitation and new construction of affordable housing, unique urban properties and historic projects. By extending credit as well as making equity investments, CDC supports the type of opportunities that fuel local economies and drive business, strengthening both the bank and the communities in which we serve. In 2004, U.S. Bancorp Community Development Corporation invested more than $150 million in affordable housing projects and $50 million in historic revitalization efforts located in urban areas.

**CDC HELPS TRANSFORM PUBLIC HOUSING COMPLEX IN ST. LOUIS, MO**

The transformation of the nearly four decade-old Blumeyer Public Housing complex has begun. Located in Midtown, the original Public Housing Authority development will be transformed and renamed Renaissance at Grand Place. Upon completion, the new neighborhood will contain 815 mixed-income housing units and new common facilities that will enable community and supportive service programs to serve the public housing residents and wider community with programs targeting workforce development, health and education, including a new state-of-the-art vocational-technical school.

Phase I of the four-phase project will consist of 158 interspersed mixed-income units in 48 buildings on four blocks. This includes market-rate units, Public Housing replacement units, and Low-Income Housing Tax Credit units affordable to families with incomes 60% or less of the area median income. A 6,600 square foot management building and community space featuring a kitchenette, swimming pool and tot lot will also be included in Phase I of the development.

U.S. Bancorp Community Development Corporation is a limited partner investor in the redevelopment and will invest $10.2 million in Phase I. CDC has also committed to an $8.5 million investment for Phase II of the project scheduled to begin construction in 2005. The St. Louis Housing Authority, owner of the property, received a HOPE VI grant to transform the neighborhood.

**8 NW 8TH BUILDING OPENS IN PORTLAND, OR**

Central City Concern (CCC) built the new, 8 NW 8th Building in Portland to provide housing and support for homeless individuals living with chronic addictions. U.S. Bancorp Community Development Corporation invested $4.1 million in equity and U.S. Bank provided a $3 million loan to finance the construction of the new 12-story, 180-unit facility built to replace the now demolished Danmoore Hotel. Features of the 8 NW 8th Building include 120 transitional-living single occupancy units, common kitchen and community space overlooking the Portland skyline and 60 studio units designed to be permanent alcohol- and drug-free housing.
The Highland Park Community’s “green roof” reduces heating and cooling costs. Remaining images: Front courtyard, interior with living trees, side view, front view and complete aerial view of Wisconsin’s Highland Park Community.
The main difference between a house and a home lies not within the structure itself but within the people that live there. Strong and vibrant communities are made up of people living in homes—people that put down roots in a neighborhood, living, working and doing business with their neighbors. Investments made in affordable housing initiatives give individuals and families, young and old, the ability to create those homes and contribute to those communities. In 2004, U.S. Bank provided more than $880 million on initiatives focused on the building or rehabilitation of affordable housing units in all of the communities we serve.

Highland Park Revitalizes Milwaukee Neighborhood

Low-income seniors and disabled tenants living in the Highland Park neighborhood enjoy new living space thanks to the partnership of U.S. Bancorp Community Development Corporation and the Housing Authority of the City of Milwaukee. A new four-story building containing 114 units of rental housing was constructed to replace two deteriorated and outdated buildings.

The project, aimed at promoting independent living and helping seniors “age-in-place,” features a 15,000 square foot Compassionate Care Community where residents have access to a medical clinic, counseling center, dining area, spiritual center, fitness center and beauty and barber shops. In addition, tenants are able to take in social activities and obtain assistance in securing medical appointments, transportation, tenant-paid personal care, housekeeping and laundry services. Not only is Highland Park designed as a prototype to address the special needs of the residents, it also serves as a model for “Green Urbanism,” using a “green roof” to capture storm water runoff and provide better insulation, reducing the heating and cooling costs of the building.

U.S. Bancorp Community Development Corporation invested $7.3 million in the project in exchange for low-income housing tax credits. U.S. Bank is also providing permanent financing of $1.79 million for the development. Five and one-half million dollars in federal HOPE VI funds awarded to the Housing Authority ensures that 46 of the units are dedicated public housing units, where tenants pay no more than 30% of their income toward rent.
Smart Corner Project Brings Affordable Housing to Downtown San Diego

The official groundbreaking ceremony took place in October 2004 for Smart Corner, a mixed-use development on the eastern edge of downtown San Diego, bordered by Park Boulevard, Eleventh Avenue, C Street and Broadway—a major element of the Park-to-Bay Link. San Diego Trolley’s College Station, the busiest stop in San Diego, will run between two new structures: a nineteen-story, 299-unit mixed-income residential tower and a five-story, 93,000 square foot office building. The project will feature 25,000 square feet of ground floor retail space, all over below-grade parking.

Condominiums in the residential tower will sell at all price levels, 81 of which will be priced less than $300,000, with 25 of those to sell for no more than $189,000 and be reserved for first-time buyers.

OREGON U.S. Bank renewed its commitment as the state’s leader in affordable housing by remaining the largest contributor and agency bank for the Network for Affordable Housing, a 20-bank consortium that provides long-term, permanent financing for affordable housing throughout the state. U.S. Bank provided a $22 million line of credit and a $500,000 investment into a new pre-development. U.S. Bank employees Dave Castricano and Gina León currently serve on the board of directors.

MISSOURI U.S. Bank provided a $1.36 million loan to Canterbury Hall & Lancelot Apartments in St. Louis to renovate 56 apartment units housing low-income working families and people on social security, disability or other assistance. The apartments are located in an area of transition, currently being revitalized through new housing and rehabilitations. Below market rents are allowing many of the long time low- and fixed-income tenants to remain in the building.

TENNESSEE Teamwork landed U.S. Bank and the NIA Affordable Housing Association in Clarksville one of only two $50,000 American Dream Homeownership Challenge Grants awarded from the Federal Home Loan Bank (FHLB). The grant will allow the NIA to offer down payment assistance to four first-time low- to moderate-income homebuyers purchasing new or remodeled homes in Montgomery County. U.S. Bank will fund a $200,000 construction loan and offer a series of homeownership and financial literacy seminars.

UTAH U.S. Bank provided funding to the Multi-Ethnic Development Corporation (MEDC), a nonprofit developer of affordable housing in Salt Lake City that focuses on the rehabilitation of affordable housing units in both metro and rural communities. MEDC has recently partnered with the University of Utah, hiring a student intern to expand their staff. Doreen Davis, Community Development Manager for U.S. Bank, serves on the board of directors of MEDC.

WYOMING U.S. Bank purchased $665,000 of the $2.9 million in revenue bonds issued by the Cheyenne Housing Authority (CHA) for the Foxcrest II project. The financing will apply to the construction of a 32-unit senior rental housing addition to the existing 56-unit Foxcrest I complex. Currently, senior housing in Cheyenne is extremely limited with no market-rate units accessible to seniors. Foxcrest II will rent 2-bedroom units for $860 per month. Seniors at 68%-88% of area median income will serve as the target market for these units.

KENTUCKY U.S. Bank is providing an $11 million community development loan to finance the construction of 69 new single-family homes for first-time homebuyers being displaced because of the demolition of the Clarksdale Public Housing Apartments. The Louisville Metro Housing Authority will be the Master Developer. Homeownership Partners, Inc. (HOP) will provide the counseling and will develop 24 of the 69 homes. Two other nonprofit developers will construct the remaining homes, all of which will be priced in the $150,000 range.

ARIZONA The Town Square Apartments in Glendale will be U.S. Bank’s first large, affordable housing project in the Phoenix area. The U.S. Bank Community Lending Division worked with several area developers to facilitate both construction and permanent financing for the 60-unit multi-family housing development. All units will be rent-restricted to households earning 50% or less of the area median income. Amenities will include a playground, basketball court and a community/office building that will house a classroom, computer room, exercise facility, office space and laundry. The complex is conveniently located near an urban village community environment and Glendale’s downtown revival.

OHIO The Over-the-Rhine Revitalization project in Cincinnati will receive another affordable housing development thanks in part to an $8.2 million construction loan from U.S. Bank. The Low-Income Housing Tax Credit scattered-site apartment complex will contain 94 units for low- and moderate-income individuals and families. The long-term goal of Over-the-Rhine Revitalization is to rebuild the housing and economic infrastructure of the neighborhood in a way that will create a sustainable, economically and racially diverse community.
Downtown Columbus Gains New Apartments and Condos

The Columbus downtown community reinvestment area received two loans from U.S. Bank totaling $11 million for their Sixty Spring project. One loan for $5.4 million, facilitated by Roger Reeves, loan officer in the U.S. Bank Columbus office, will be used to construct a 68-unit apartment complex located in the city’s designated downtown residential community reinvestment area which circles downtown.

The second construction loan was made for $5.6 million and will result in 37 condominiums. Capitol South Community Urban Redevelopment Corporation partnered with U.S. Bank on the project and is providing the second long-term, low-cost mortgage. Capitol South Community Urban Redevelopment Corporation is engaged in the redevelopment of downtown Columbus, focusing on initiatives related to housing, parking, transportation and business improvements. Capitol South provides development incentives, including low-cost, short-term financing for downtown housing projects.

Emerson and Whittier Schools Get New Residents in Waterloo, Iowa

With the help of a $1.475 million construction loan from U.S. Bank, Waterloo Apartment Partners, LLC rehabilitated and renovated two historic schools into affordable housing for low-income families in Waterloo, Iowa. Prior to this initiative, Emerson and Whittier Elementary Schools sat empty and abandoned, but now the former classrooms have been converted into 40 apartment units. The construction, which began in 2002, is now finished and the buildings are completely occupied. “There is a growing trend to retrofit abandoned schools into housing,” says Ann Knudtson, Assistant Vice President and U.S. Bank’s lender on the project. “Renovating rather than razing these school buildings not only creates unique living space for residents, it helps retain the historic character of the neighborhood.”

Waterloo Apartment Partners took advantage of both historical and State of Iowa tax credits to make this project successful. In addition to the construction financing, U.S. Bank also provided $490,000 in permanent financing for the project.
Businesses and organizations need thriving communities to succeed and grow, and communities need thriving businesses and organizations to remain vital and strong. Each year, U.S. Bank loans and invests millions of dollars in efforts aimed at creating economic opportunities that connect local businesses to their communities, fostering mutually beneficial environment where businesses succeed and people want to live and work.

In 2004, U.S. Bank and the U.S. Bancorp Foundation contributed more than $10 billion in small business loans and investments to support projects and organizations that fostered greater economic opportunity in our communities.

**Crossroads Industrial Park and United Way Benefit from Community Development Efforts in Joplin, Missouri**

Two community development projects funded by U.S. Bank in Joplin, Missouri, reflect the diverse efforts U.S. Bank makes in bolstering economic opportunity in the community. One of the projects is intended to create jobs and spur business growth and the other will make a difference for the organizations serving the low-income people living in the community.

The first project loaned $1 million to the Industrial Development Authority of the City of Joplin to install the necessary infrastructure, such as water, gas, roads, and curb and gutter in the new Crossroads Industrial Park. This will enable businesses to build, expand or relocate their facilities to this new site. The Crossroads Industrial Park will eventually be home to manufacturing and distribution-based businesses. In 2004, eight companies purchased acreage in the Park. Several are planning to expand their business at the new location, bringing more jobs to the city of Joplin.

The second loan for $380,000 went to the United Way for the purchase of a new 6,726 square foot single-story building. The upgrade to a bigger building enables the United Way to offer space to other nonprofit organizations, enabling them to take advantage of centralized support services that will give the United Way and their tenants a means to share many of the costs associated with office operations. This pooling of resources helps to ensure that these organizations have the affordable office space necessary to further their community service endeavors. Current tenants include Big Brothers Big Sisters and the Success by Six Initiative, with space available for up to three additional agencies.

**U.S. Bank Ranks 7th in SBA Community Express Lending**

SBA Community Express is an innovative loan program that U.S. Bank is proud to participate in as a partner with the U.S. Small Business Administration (SBA). Community Express serves small businesses typically owned by minorities, women, veterans and businesses facing economic challenges in low- and moderate-income areas and areas with high concentrations of minority residents. The program gives participants technical and management assistance designed to help increase the loan applicant's chances of success.

Since joining the SBA Community Express program in 2003, U.S. Bank has booked 137 loans totaling $9.1 million and is ranked 7th in the nation in number of Community Express loans approved. For 2004, 122 Community Express loans totaling $8.5 million were booked by U.S. Bank.

**IRON HORSE BREWERY**

The owners of the Iron Horse Brewery, located in a unique 2,000 square foot facility in the Business Incubator of Kittitas County in Ellensburg, WA, received an SBA Community Express loan of $116,250. Funds were used to start up the microbrewery and purchase a state-of-the-art brewing system. Master Brewer Jim Quilter planned a 2004 grand opening to introduce the first four distinctive beers and ales. Thanks to a recently finalized arrangement with Pasztrazi Distributing, Iron Horse Brewery is planning to have their product available for sale at many Washington and Oregon restaurants and retail sales facilities in 2005.

**Doomed Building Now Home to NDSU Downtown Campus**

The wrecking ball was literally days away from demolishing the century-old Northern School Supply building in downtown Fargo. The rescued structure is now home to NDSU Downtown, which houses the visual arts department, major components of the architecture and landscape architecture department and the Tri-College University office. In a key partnership with the North Dakota State University Development Foundation, U.S. Bank provided a loan for more than $4 million to help restore the building.
The restoration of the 75,800 square foot, five-story structure located in Fargo's revitalized downtown kept the high ceilings, heavy wood supports, brick walls and hardwood floors intact, creating a Bohemian atmosphere perfectly suited to meet the needs of artistic, creative students. The new facility more than doubles the space and significantly upgrades the amenities available to these students, with brightly lit studios and classrooms, a wood shop, digital media room, gallery and sculpture area.

As a result of the move, downtown businesses also have a new supply of customers. With more than 300 students in the building during a busy day, local area coffee shops, diners, retail stores and apartment complexes have the chance to capitalize on hundreds of college students who are looking for places to live, eat and shop.

IDaho The Hispanic Business Association, Inc. was awarded a $10,000 grant from the U.S. Bancorp Foundation to support the establishment of a Hispanic Business Training Center (HBTC) in Nampa. Located in the Hispanic Cultural Center, the HBTC will provide a culturally acceptable forum in which to develop successful Hispanic entrepreneurs and will provide classes and counseling on a wide range of topics pertaining to both start-ups and established businesses.

Iowa Owners of the Super Mercado Latino received two loans totaling $200,000 from U.S. Bank to help finance their store located on Court Street in Sioux City. The store is conveniently located and patronized by the Hispanic community living in the nearby apartment complexes.

Minnesota U.S. Bank has made $80 million in loans targeted at the renovation of the Sears building in Minneapolis. The Sears building is the centerpiece of the Midtown Project, and when finished, will include a hotel, Abbott Northwestern Hospital space, affordable housing, market-rate condominiums and an ethnic marketplace. The Neighborhood Development Center, African Development Center and Latino Economic Development Center are partners in developing the Global Marketplace inside the renovated building, which will be the largest public market in south Minneapolis and an incubator for ethnic entrepreneurship. U.S. Bank has made a $1 million Equity Equivalent Investment to allow flexibility in rent payments to the new businesses located in the Global Marketplace.

The Kent Station Project is being constructed on 18.2 acres of property in a low- to moderate-income census tract, creating jobs targeted for unemployed and under-employed residents of Kent Valley. With its growing commercial and housing market, Kent is now the largest community in South King County.
Investing in education is an investment in our future. Creating opportunities for children and adults to arm themselves with the information they need to create a brighter future for themselves and their families helps to create communities that are progressive and self-sufficient.

U.S. Bancorp and our employees invest both time and money in educational programs, institutions and organizations that empower individuals with knowledge and skills.

In 2004, U.S. Bancorp employees dedicated countless hours to educational programs in their communities and the U.S. Bancorp Foundation provided more than $3.2 million to organizations that promote and facilitate educational efforts for people of all ages and backgrounds.

Since 2002, the U.S. Bancorp Foundation has provided a total of $75,000 to support the construction of JA Finance Park in addition to our long-time support of the “Middle Grades Program.” Ken Kirkpatrick, U.S. Bank Market President, serves on the JA executive board.

Updated “Mind Your Money” on usbank.com

Mind Your Money, the financial literacy tool that helps users see that the road to financial security is achieved through understanding options and making well-informed decisions, has been updated to work in every region of the country.

The program can be found at www.usbank.com. From the home page, click “More Products and Services,” then select “Achieve Your Goals,” which is located under “Related Links.” Click “Financial Literacy” to access the updated program.

Junior Achievement Finance Park in Washington has 8th Graders on Budgets

Junior Achievement (JA) of the Greater Puget Sound has a history of receiving strong support from U.S. Bank, most recently in the form of a $25,000 grant from the U.S. Bancorp Foundation to support the Junior Achievement Finance Park. This 15,000 square foot center serving Puget Sound area students has been designed to give 8th grade students a healthy dose of reality.

Students visiting Finance Park will be assigned jobs, an income level from $20,000 to $80,000 a year, and a “life situation” – for example, married with 3 children. They then need to create, manage and live within their budgets, visiting 15 storefront locations to transact business such as purchasing a car, obtaining a mortgage and buying insurance, clothes and groceries. They also go through the exercise of making payments on their purchases. From this experience, students will develop a realistic understanding of economic issues and lay the foundation they will need to tackle their personal finance decisions in the future.

Immediate Right: These JA students learn to live within their created budgets and assigned scenarios. Top: The Mind Your Money home page now works in every region of the country. Far Right: Local businesses and elementary schools work together through the KAPOW program to foster career awareness among students.
Jointly developed by U.S. Bank and The Economics Center for Education and Research at the University of Cincinnati, Mind Your Money is an interactive tool that allows users from diverse situations to enter information on their personal financial circumstances and receive help in analyzing their current and future financial situations.

**Get Checking™ in Northeast Iowa**

Get Checking™ is a national program designed to help consumers who do not have a primary banking relationship gain access to banking services. U.S. Bank is partnering with Consumer Credit Counseling Service in Waterloo, Ames, Dubuque, Marshalltown, Mason City and Cedar Rapids to offer this program to individuals that have had difficulties managing a checking account in the past.

Get Checking is a six-hour educational session where consumers learn about banking basics through a strict curriculum which includes role playing and hands-on activities. During the course, attendees will learn how to choose the bank account that best suits their needs, manage their account including writing checks and balancing statements and improve their money management skills in order to reestablish credit. Consumers can open an account with any participating financial institution, including U.S. Bank, once they have successfully completed the Get Checking course and have repaid any outstanding debt.

Get Checking was developed in 1998 by a coalition of financial institutions, credit unions and social service agencies. It’s coordinated by the University of Wisconsin-Milwaukee and eFunds Corporation and has successfully helped thousands of individuals enter the mainstream of financial services. Today, the program is available in 20 states, in both English and Spanish, and is growing nationwide.

**KAPOW Program Teaches Career Awareness in Ohio**

For the past six years, students and teachers at Bedford Elementary School have partnered with U.S. Bank in a program called Kids and the Power of Work (KAPOW). KAPOW, a nationwide program of the National Child Labor Committee, enables local businesses and elementary schools to work together to foster career awareness among students.

Professionally developed lessons are taught by business volunteers and students make one visit to the workplace to engage in hands-on learning.

Marj Ginther, U.S. Bank Bedford Branch Manager, has successfully orchestrated this program with the Bedford Elementary Schools. Under her leadership, the bank provides lessons in finances on a weekly basis. A recent group of fifth grade students took a field trip to the U.S. Bank branches in downtown Cleveland and had the opportunity to talk to human resource employees, branch personnel, retail managers, security personnel and executive management. “Helping students learn more about banking and finances and the skills that are valued in the workplace enables students to connect their world of school to the world of work, laying a foundation that can be reinforced as the years go by,” said Marj Ginther.

Founded in 1991 by Grand Metropolitan Foundation, Missoula to support this program that allows students to consult with local area clients in a variety of business areas including marketing, finance, accounting, management and information systems.

**NEVADA** Students attending Agnes Risley Elementary School in Sparks are recognized for their character development and achievements in literacy through several incentive programs operated as a part of the overall U.S. Bank – Agnes Risley Elementary School “Partners in Education” relationship. The U.S. Bancorp Foundation contributed $2,800 to the Education Collaborative of Washoe County to provide dictionaries to graduating sixth grade students, to support the literacy program Book Buddies, plus character development programs.

**SOUTH DAKOTA** The American Center for Credit Education (ACCE) in Rapid City received $10,000 from U.S. Bank to translate their popular homebuyer education course into Spanish. Nonprofit organizations in 20 states have been utilizing this program to assist participants in achieving their goal of first-time home ownership. U.S. Bank is proud to serve as a major sponsor for this project, helping to better serve the Hispanic population. The mission of ACCE, the education division of the Consumer Credit Counseling Service of the Black Hills, is to make available to all consumers, through various community resources, national standardized credit and financial education.

**MONTANA** Students at the University of Montana have the opportunity to learn through hands-on experience, and companies in western Montana can leverage the fresh perspectives and knowledge of these eager young consultants through a program offered by the School of Business Administration Small Business Institute. U.S. Bank provided $2,000 to the University of Montana Foundation, Missoula to support this program that allows students to consult with local area clients in a variety of business areas including marketing, finance, accounting, management and information systems.

**INDIANA** Junior Achievement of Eastern Indiana, Inc. and U.S. Bank enjoy an extremely effective and highly visible partnership, working together to bring programs focusing on economic education, financial literacy and success skills to more than 40 schools in the region. In 2004, the U.S. Bancorp Foundation provided JA with a $1,000 grant. Several U.S. Bank employees, including Regional President Robert Powell, also served as classroom volunteers. JA reaches 5,000 kindergarten through 12th grade students in Wayne, Fayette and Union counties.
Arts and cultural experiences awaken the senses in ways no other activities can. Through the sights, sounds and textures introduced through arts programs and cultural events, communities are strengthened and enriched, often finding ways to bring their diverse members together to share thoughts, ideas, history or heritage. U.S. Bank has a longstanding commitment to creating more vibrant communities through its investments in projects and venues that enable these activities to flourish.

In 2004, the U.S. Bancorp Foundation provided financial support totaling more than $3.5 million to artistic and cultural organizations in the communities we serve.

**Museum of Nature and Science Hits the Road in Colorado**

The Museum of Nature and Science received a $24,000 grant from the U.S. Bancorp Foundation to support their educational outreach programs offered throughout Colorado. The goals of the outreach program are to educate and inspire participants with fun experiences in science and culture; serve geographically, socio-economically and ethnically diverse audiences; reach traditionally under-represented populations and support K-12 educators in enhancing science education and science literacy inside and outside the classroom.

The programs supported by this grant serve more than 100,000 participants each year in rural and urban communities of Colorado, increasing the accessibility to high-quality educational experiences at a local level.

Programs are offered in a variety of settings including schools, after-school programs, libraries, parks and recreation centers. While the majority of attendees are elementary aged children, middle school and high school students also benefit from these programs.

Due to the significant reductions in budgets for field trips and transportation in many schools, outreach programs are quickly becoming a vital resource for schools, helping to bring the wonders of the Museum of Nature and Science to students. U.S. Bank has been a significant financial supporter of the museum for many years and is proud to continue their investment in lifelong learning and science education for Colorado residents.

**Youth Artworks Mural Benefits the Community of Sparks, Nevada**

Over the summer, young people participating in the Youth Artworks (YAW) program transformed a bare wall in the Sparks Victorian Square Amphitheater into a beautiful work of art. YAW provides arts-based employment and training for youth ages 14-21, through education, mentorship and training in artistic skills that will expand their career opportunities and benefit the community at large.

By using an apprenticeship model, high school students and youth that have been identified through the juvenile court system as “taggers,” or graffiti perpetrators, work under the direction of professional artists. Together they design a proposal, make presentations to city councils and corporate clients, create the works of art while adhering to job safety and behavioral standards, and celebrate the completion with a public dedication ceremony. Throughout this project, this diverse group of students learns how to collaborate with each other, keep a commitment to a professional job site and gain a positive, arts-focused employment experience.

U.S. Bank supported the YAW project through a $2,000 U.S. Bancorp Foundation grant and participated as a client, sitting in on the project presentations given by the students.

**Idaho Has Been Talking About It for 20 Years**

Thanks in part to a $7,000 grant from the U.S. Bancorp Foundation, Idaho’s statewide Let’s Talk About It program celebrated its...
20th anniversary in 2004, offering 75 book discussion programs throughout the state. Programs are held predominantly in rural communities where fewer resources and opportunities are available for adult education. Participating libraries host a series of five programs throughout the year, each featuring a book related to the series theme. Participants are expected to have read the book prior to the program. During each program, an educator or expert in the featured humanities field presents information on the book and author. Following the presentation, participants engage in discussion, allowing program participants to expand their reading interests, meet new people and explore important cultural issues in the context of their own lives and the lives of others.

According to a librarian in Blackfoot, “For some of our participants in the program, it is the first time they have walked into our library. Let’s Talk About It gives us an excellent opportunity for successful adult programming.” Speakers also benefit from meeting avid readers in Idaho’s rural communities and gain new perspectives on literature that enrich their teaching and research.

Each year the Idaho Humanities Council, Idaho State Library and 15 public libraries partner to present this popular series that brings together adult readers and humanities scholars from Idaho’s colleges and universities. Idaho Let’s Talk About It began in 1985 with a pilot program in southwestern Idaho. During the past 20 years, programs have been held in more than 80 communities across the state.

WASHINGTON Capitol Theatre in Yakima received $2,500 from the U.S. Bancorp Foundation to help bring Masters of Mexican Music to their community as a way of reflecting the cultural diversity of the region through an engaging musical celebration. The three-day tour brought performances to the Capitol Theatre as well as twenty outreach locations, reaching the Hispanic population as well as expanding the appreciation and understanding of Mexican music and culture to the community as a whole. Dennis Hogenson, President of the U.S. Bank Central/SE Washington Region sits on the board of directors of Capitol Theatre.

ILLINOIS U.S. Bank provided a $150,000 loan to the Development Association of Rock Island for the purchase of the downtown building formerly known as the Capri Theatre. The theatre, located in the Rock Island Arts and Entertainment District, is currently being leased to a local arts theatre/boutique cinema that targets young entertainment until the long-term plans for the refurbished building are finalized. The Development Association of Rock Island promotes commercial, industrial and recreational development in the local community.

NORTH DAKOTA A $1,000 grant from the U.S. Bancorp Foundation helped enable the Fargo-Moorhead Community Theatre (FMCT) to provide 10 free performances of the multicultural production, “Newcomer,” for school-aged children in the Fargo-Moorhead metropolitan community. FMCT, the largest nonprofit theatre arts organization in North Dakota, used this production to send positive messages of acceptance and understanding, teaching children to celebrate and appreciate the ever-increasing cultural diversity in the region, even in the face of personal, social and national adversities.

CALIFORNIA The U.S. Bank Arts and Crafts room at the Teichert Boys & Girls Club located in the Lemon Hill neighborhood of Sacramento has been buzzing with activity since the day this new location opened in March. U.S. Bank has given more than $150,000 to two Boys & Girls Clubs in Sacramento, and supports the many employees that volunteer their time and skills to this organization. U.S. Bank’s Community Development Manager, Joyce Keane, serves on the board or directors. The Boys & Girls Clubs of Sacramento offer a safe place for children ages 6 to 18 to learn, play and develop citizenship and leadership skills.
At U.S. Bank, we count as our greatest assets our employees and the wonderful people, businesses and organizations that make up the communities we serve. That’s why we support so many of the efforts that bring us together and make our communities stronger, not only by providing financial support, but also with countless hours of volunteer time generously given by our employees, their families and friends. By investing our time, our money and our skills, we join our customers in supporting the families, neighborhoods and organizations that make our communities vibrant.

Special Olympics Chosen for Company-Wide Volunteer Initiative

The U.S. Bancorp employee Development Network welcomes all employees to participate in various events throughout the year, offering numerous opportunities to learn and grow both personally and professionally. Part of the mission of this employee-organized network is to work with various nonprofit organizations to help strengthen and improve our communities. Employees volunteer tens of thousands of hours each year through U.S. Bank-sponsored activities.

For 2004, Special Olympics was chosen as a company-wide volunteer initiative. Throughout the year, more than 40 U.S. Bancorp Development Network chapters participated in local Special Olympics events. Nearly 1,800 U.S. Bank employees across the country volunteered as time-keepers, recorders, escorts, presenters, event planners and award presenters at the Spring, Summer and Winter Special Olympics games. Cash donations and grants to the organization totaled more than $80,000.

Special Olympics is an international organization that empowers people with mental retardation to realize their full potential and develop their skills through year-round sports training and competition.

Employees Paint and Patch during A Brush with Kindness

A record-breaking thirty-three homes in Minneapolis and St. Paul Minnesota were spruced-up when close to 900 U.S. Bancorp employees, friends and family members volunteered in Habitat for Humanity’s annual summer event, A Brush with Kindness. U.S. Bank employee volunteers “adopted” the homes—painting and making minor repairs for low-income homeowners. This was the sixth year U.S. Bancorp employees have volunteered to help out neighborhoods through this special program with Habitat for Humanity. Over the years, more than 120 homes have been painted and repaired by U.S. Bank employee volunteers.

U.S. Bank had the most corporate volunteers and teams participate in A Brush with Kindness in 2004. Overall, the Twin Cities event had more than a dozen companies involved in the neighborhood program.

A Brush with Kindness, a special program of Twin Cities Habitat for Humanity, is a volunteer program that transforms neighborhoods by assisting qualifying low-income homeowners in their efforts to live independently and securely in their homes. Volunteer crews “adopt” specific homes where they work alongside homeowners to do exterior painting, landscaping and make minor exterior repairs.
ARKANSAS U.S. Bank employee volunteers shared their skills and expertise with others by participating in homeowner education classes attended by first-time homebuyers in Hot Springs. In addition, U.S. Bank’s Community Development team of Dan Groneck and Amanda Kozminske presented information on Low-Income Housing Tax Credits and Historic Tax Credits at a local business and community information forum. All sessions were hosted by Community Development Resources, Inc., a community development corporation formed to develop and promote the sound use of resources for housing, economic and community advancement.

KANSAS More than 600 people in Kansas benefited from presentations by U.S. Bank volunteers covering budgets, credit, consumer banking and homeowner education at more than 35 financial education workshops throughout 2004. U.S. Bank partnered with the University of Kansas, ACORN Housing, Junior Achievement, Chafee Independent Living, Local Investment Commission and Project Eagle to make these community outreach opportunities possible.

WISCONSIN One of the ways U.S. Bank’s Madison employees chose to celebrate the bank’s 150th anniversary of serving the Dane County community was by volunteering—spending 216 hours over two days helping to build several new Habitat for Humanity homes in the Twin Oaks Subdivision in McFarland. The volunteers helped landscape, install siding, lay sub flooring and complete interior wood trim.

COLORADO U.S. Bank partnered with the Internal Revenue Service, Piton Foundation, Channel 7 Television andAmericorp in the Earned Income Tax Credit Outreach and Free Tax Preparation Campaign. Nearly 1,800 low-income, elderly and non-English speaking people in Denver were educated on their eligibility for tax benefits and credits. They were also provided with free tax preparation assistance, helping them save more than $260,000 in income tax preparation fees and receive more than $600,000 in Federal Earned Income Tax Credits.

Employees Become Educators on National Teach Children to Save Day

Each spring, hundreds of U.S. Bank employees in many of the communities we serve participate in a national campaign aimed at teaching students how to save money for their future. National Teach Children to Save Day, sponsored by the American Bankers Association Education Foundation, is a day when thousands of bankers across the country share lessons about money with youth in their communities, either in the classroom, or after school at various nonprofit organizations.

In the past two years, more than 500 U.S. Bank employees have shared their financial expertise with the next generation, presenting financial lessons to more than 12,000 K-12 students.

Because of this program, many new, long-lasting relationships have been established between bankers and their local schools and youth groups.

“We are excited to be a part of a nationwide program whose mission is to teach savings and investment fundamentals to children,” said Richard Davis, President and Chief Operating Officer of U.S. Bancorp. “When young people learn to save money early in life they are more likely to make smarter financial decisions in the future.”

Since the ABA Education Foundation started National Teach Children to Save Day in 1997, nearly 750,000 elementary and secondary school students and 15,000 bankers have participated in the annual event aimed at bringing volunteer banker-educators into classrooms and youth-oriented organizations to teach financial literacy.

Habitat for Humanity

U.S. Bank is proud of the longstanding partnership it has enjoyed with many Habitat for Humanity chapters around the country, helping to increase the availability of decent, affordable home ownership opportunities for low-income families in the communities we serve. U.S. Bank has not only provided Habitat for Humanity with financial assistance that helps to reach metro and rural communities, our employees also support this great organization by serving in leadership positions for their local Habitat for Humanity chapters and volunteering on many of the Habitat building projects occurring in our local communities.

U.S. Bank managers currently serve on the board of directors of Habitat Humanity chapters in Duluth, Minnesota; Ellensburg, Washington; Clinton County, Iowa; Bozeman, Montana; Jo Daviess County, Illinois; and Washburn County, Wisconsin.

In 2004, Habitat for Humanity in 20 states received grant support totaling more than $193,000 from the U.S. Bancorp Foundation.

In 2005, employees across our 24 states will volunteer their time with a local Habitat for Humanity chapter as part of U.S. Bank’s 2005 company-wide volunteer initiative.
Community Development Support

(Dollars in Thousands)

**Investments**
- Community Development Grant/Support: $6,671
- Community Development Bonds: $65,397
- Low-Income Housing Tax Credits: $292,278
- Equity Investments: $12,886
- Below Market Financing: $4,625
- **Total Community Development Investments**: $381,857

**Lending**
- Community Development Loans: $965,496
- Mortgage Loans *LMI Borrowers/Areas*: $5,057,538
- Small Bus/Small Farm Loans: $9,327,485
- Consumer Loans *LMI Borrowers/Areas*: $4,995,556
- **Total Lending**: $20,346,075
- **Total Community Development Support**: $20,727,932

*Low- and moderate-income

---

**U.S. Bancorp Foundation**

(Dollars in Thousands)

- Human Services and United Way: $6,169
- Economic Opportunity: $5,247
- Arts and Culture: $3,566
- Education: $3,240
- Matching Gifts: $1,149
- Miscellaneous: $68
- **Total Charitable Contributions**: $19,439