



Comptroller of the Currency
Administrator of National Banks

LARGE BANK

Washington, DC 20219

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**Community Reinvestment Act
Performance Evaluation**

**Citibank, N.A.
Charter No. 1461**

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

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GENERAL INFORMATION

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

This document is an evaluation of the CRA performance of **Citibank, N.A., New York, New York** prepared by **The Office of the Comptroller of the Currency**, the institution's supervisory agency, as of **October 26, 1998**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout the Performance Evaluation. The definitions are intended to give the reader a general understanding of the terms, not a strict legal definition.

Community Development Lending - In order to qualify as community development under the revised CRA regulation, the primary purpose of the loan must be for one of the following:

- C affordable housing targeted to low- or moderate-income individuals;
- C community services targeted to low- or moderate-income individuals;
- C activities that promote economic development by financing small businesses or farms; or,
- C the revitalization or stabilization of low- or moderate-income geographies.

Home Mortgage Disclosure Act (HMDA) - A statute that requires certain mortgage lenders that do business or have banking offices in an MSA 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 its disposition.

Low- and moderate- income (LMI) - geographies (e.g., census tracts and block numbering areas) which have, and individuals who have, low- or moderate-incomes.

Low-Income - Income levels that are less than 50 percent of the MFI.

Median Family Income (MFI) - The median income determined by the United States Census Bureau every ten years and used to determine the income level category of census tracts. Also, the median income determined by the Department of Housing and Urban Development (HUD) annually used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above and below it.

Metropolitan Statistical Area (MSA) - Area defined by the United States Office of Management and Budget (OMB). MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

Middle-Income - Income levels that are at least 80 percent and less than 120 percent of the MFI.

Moderate-Income - Income levels that are at least 50 percent and less than 80 percent of the MFI.

Small Business Loans - Loans with an original amount of \$1 million or less for which the bank is required to collect and report certain monitoring data under the CRA regulation.

Upper-Income - Income levels that are 120 percent or more of the MFI.

CRA Rating

Institution's CRA Rating: This institution is rated: **“Satisfactory record of meeting the community credit needs.”**

Primary factors supporting the bank's overall rating include:

- < Community development lending substantially augments an adequate level of residential real estate, small business, and motor vehicle lending.
- < Investment performance is very strong, and compares very favorably to peers.
- < The branching and attendant delivery systems provide good access to customers.

The following table indicates the performance level of **Citibank, N.A.**, with respect to the lending, investment and services tests.

Performance Levels	Citibank, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		x	
High Satisfactory	x		x
Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

STATE AND MULTI STATE RATINGS		Citibank, N.A.		
State or MULTI STATE MSA:	Lending Test Rating	Investment Test Rating	Service Test Rating	Overall State/Multi state Rating
New York	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Puerto Rico	Satisfactory	Outstanding	High Satisfactory	Satisfactory
Virgin Islands	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Guam	High Satisfactory	Satisfactory	High Satisfactory	Satisfactory

PERFORMANCE CONTEXT

Citibank, N.A. (Citibank) is a subsidiary of Citigroup, Inc. Citibank is a large commercial bank headquartered in New York City. It has retail branches in the city and the surrounding suburbs in the State of New York, Puerto Rico, the U. S. Virgin Islands, and Guam. Also, the bank uses technology extensively in transacting consumer banking through nontraditional banking systems. The bank has global operations, which include international, investment, private, and institutional banking, as well as domestic retail banking. As a result of a recent merger with the Travelers Group, the corporation provides a broad array of financial services throughout the United States and the world. As the largest financial services company in the world, in addition to its banking services, it offers insurance, securities brokerage, and investment banking products.

In terms of assets and deposits the bank is the third largest in size in the United States. As of September 30, 1998, it had \$296 billion in assets and \$201 billion in deposits. Of this, \$38 billion are domestic deposits. A substantial portion of the assets is derived from foreign activities, especially in Asia, Europe and Latin America. Citibank is the second largest retail bank in the New York marketplace.

The retail bank has branch deposits of approximately \$30 billion, most of which is in the New York marketplace. The Puerto Rico branches have about \$2 billion in deposits, and Guam and the Virgin Islands have very small deposit bases. The bank has a substantial branch system in the New York marketplace, although it has a lesser presence on Long Island, especially in eastern Suffolk County. There are also a several branches in Puerto Rico, with most in the San Juan MSA. There are single branches in the Virgin Islands and Guam.

Credit needs and opportunities are somewhat different for each geographic area. Community groups and government agencies identify affordable housing credit programs, short and long term funding for low- and moderate-income (LMI) housing projects, multifamily housing building loans, community development loans, small business start-up financing and working capital loans, credit counseling, and social and financial services as community needs. These are consistent with the credit needs identified by the bank.

Investment opportunities are widely available in the New York City MSA. However, in the bank's other markets they are very limited. Long Island has relatively few tax credits available, and practically no qualified bond investments. Puerto Rico has very little community development activity in the private sector, and most funding for affordable housing is accomplished through the government. There are also limited opportunities in the smaller economies of Guam and the Virgin Islands.

The lending and investment performance in the New York City MSA has the greatest impact on the evaluation of the overall CRA performance. The period of evaluation for this examination was from the date of the last public evaluation, October 4, 1996, to October 26, 1998.

Community Contacts

During the examination, we reviewed community contact forms that representatives of the OCC, Federal Reserve Banks, Federal Deposit Insurance Corporation, and Office of Thrift Supervision had recently prepared. We had outreach sessions with housing and economic development groups in the New York marketplace, and met with housing and economic development departments of the government in Puerto Rico.

CONCLUSIONS WITH RESPECT TO PERFORMANCE

LENDING TEST

Home mortgage, small business, auto, and community development loans were considered under the lending test. The information considered was available in the bank's public file in the format required under the regulation. The level of the Citibank's lending activities is considered adequate for the size and complexity of the bank. During this evaluation period, the bank made 24,300 residential loans for a total of \$2.6 billion. Of this total, 10,300 were home purchase loans totaling \$1.9 billion, which represented 71 percent of the bank's total residential lending. The bank also made 7,800 home improvement loans for \$121 million; almost 5,600 refinancing loans for \$1.6 billion; and, 73 multi-family loans for \$75 million. It also made almost fourteen thousand small business loans for \$1.3 billion, and 139 community development loans totaling \$229 million.

Residential lending had a substantial increase of more than 225 percent from the first year to the second year of the review period. This increase was mainly reflective of the increase in home improvement loans in New York State. Small business and motor vehicle lending increased slightly. Loans originated within the assessment areas were in excess of 95 percent of the total originations.

Community Development Loans

Citibank Community Development (CCD) has made a very high level of community development loans during this evaluation period.

The lending compared very favorably to other lenders. CCD extended \$229 million in community development loans. Most loans were made in the New York City MSA; however, there was also community development lending activity in Puerto Rico and the Virgin Islands.

Geographic Distribution

Citibank's overall geographic distribution of residential, small business, and motor vehicle loans reflects acceptable performance. The bank's residential lending in LMI geographies is acceptable. Essentially, the bank made loans in all geographies in its assessment areas. While that might not include making all types of loans in every census tract, there were no conspicuous gaps in the distribution. The geographic distribution had a direct correlation to the location of the bank's offices. More specific information on geographic distribution is provided under each state rating.

Distribution by Borrower Characteristics

Citibank's distribution of residential and motor vehicle loans to borrowers of different income levels is relatively lower to LMI borrowers, than to middle- and upper-income borrowers. The distribution of small business loans to businesses of different sizes and lower amounts is good compared with the demographics of the businesses and the bank's market share of small businesses. The bank's level of motor vehicle lending to low-income families is below that of the percentage of low-income families in the market. However, positively, the bank's percentage of motor vehicle lending to moderate-income families is more than double the percentage of moderate-income families.

Innovative or Flexible Lending Practices

The bank has a variety of loan programs. Some are tailored to the specific marketplaces of its branches. Citibank has developed products with a certain degree of flexibility.

INVESTMENT TEST

The bank's overall volume of qualified investments is excellent. With approximately \$115 million in qualified investments, the bank has responded positively to community needs. The New York Marketplace is clearly the dominant market of the bank and thus has exhibited a very strong level of performance as discussed below.

SERVICE TEST

Citibank's delivery system is accessible to substantially all portions of its assessment areas. It has a more comprehensive branching presence in the New York marketplace than its other assessment areas, but even where branching is limited by law the bank has effectively delivered its products. It is an acknowledged leader in banking technology and a major portion of the consumer banking is transacted through nontraditional banking systems. In addition to the branches, the bank has a network of ATMs, automated and staffed telephone banking services, direct deposit, internet and personal computer, and bill payments as alternative delivery systems for its services.

The bank provides community development services in all its assessment areas. These consist of workshops to educate the public on various aspects of the bank's products and services, or general banking and business issues. The bank presented specific mortgage programs to respond to identified community needs. These consisted of educational programs for prospective homebuyers and consultation services for branch customers. The programs provided technical services and/or credit counseling for affordable housing and first time homebuyers. The program activity, which included seminars, individual consultations, and mortgage fairs, increased significantly in 1997 and 1998.

FAIR LENDING

We conducted a concurrent fair lending examination of home purchase mortgage loans. Home purchase mortgages were selected by a random sample of the bank's HMDA-LAR by the OCC's Economics and Policy Analysis Department. The results of the examination did not indicate any acts of illegal discrimination. No violations of the substantive provisions of the anti-discrimination laws and regulations were identified. The mortgage group's fair lending policies, procedures, training programs and internal assessment efforts are satisfactory.

State Rating

CRA Rating for the State of New York: Satisfactory

~~The lending test is High~~ Satisfactory

~~The outstanding test is rated:~~

~~The service test is High~~ Satisfactory

- < Community development lending substantially augments an adequate level of residential real estate, small business, and motor vehicle lending.
- < Community development investment activity in the New York City MSA has been strong.
- < Most of the bank's branches are in New York and are accessible to the whole community. The bank is also a leader in using technology to provide banking services.

Description of Institution's Operations in New York

Citibank's CRA assessment areas in New York state include the largest city in the nation and several adjacent and contiguous counties around the city. The area has a population of 11 million. Sixty-four percent of the population resides in New York City, which is the bank's largest retail market.

Citibank's assessment areas in New York are the New York, N.Y. MSA (except for Putnam County) and the Nassau/Suffolk MSA. Twenty-seven percent of the census tracts are LMI. Similarly, 28 percent of the households are LMI. Significantly, 13 percent of the households have incomes below the poverty level. Additional demographic information about the assessment areas is contained in tables in the Appendix of this document.

The financial services industry has provided most of the recent economic growth in the New York area. The economic trends have been mixed, with strong growth in certain sectors and the suburban areas. However, the unemployment rate in the city remains much higher than in other urban centers. The highest rates are in the Bronx and Brooklyn, and the lowest are in the suburbs. Fewer New York City residents were employed in 1997 than in 1989. Most job availability is in the suburbs, geographically beyond the city's mass transportation system. As an example of the bank's responsiveness to credit needs, more than half of its motor vehicle loans, including used cars, were made to LMI borrowers.

The median cost of housing is very high compared to median family incomes. Within the New York MSA, the lowest affordability ratios (median household income as a percentage of the median value of housing) are in Manhattan, the Bronx, and Brooklyn. The highest ratios are in Staten Island and Rockland County. In addition, the poorest communities have the lowest percentages of owner occupied housing units. Owner occupied units in these communities generally represent 4 to 10 percent of all housing units; only 5 percent of all owner occupied units in the New York MSA are in low-

income census tracts. Thus, there is a demand in the lower income communities for affordable rental housing, which the bank responds to with investments in city housing funds and community development funds.

The median age of the housing stock in the five boroughs of the city is over 30 years. The bank recognized the market opportunity for home improvement loans, and is one of the largest providers of this type of credit.

Most of the businesses (69 percent) in the assessment areas are small retail and service businesses with fewer than four employees. Citibank offers credit products with lines as low as \$2,500, as well as alternative delivery services such as PC Banking.

New York banking environment is very competitive. For many years Citibank was the largest commercial bank in the United States, and is now the largest financial services company and third largest commercial bank. However, much of its business is global and not centered in the bank's New York CRA assessment areas. Citibank has \$36 billion in deposits in 146 branches. Of these deposits, \$28 billion are from consumers and small businesses, of which 83 percent come from the two assessment areas. By deposits, it is the second largest bank in the market. In several counties the bank ranks second or third in deposit size. In Brooklyn it ranks fifth, and in Nassau and Suffolk counties it is sixth and fourteenth, respectively. Chase Manhattan is the largest bank in the market, and several other major banks provide competition. Among these are The Bank of New York, Republic National Bank, Fleet Bank, Dime Bank, and Greenpoint Bank.

Conclusions about Performance Tests in New York

LENDING TEST

Home mortgage, small business, auto, and community development loans were considered under the lending test. The information considered was available in the bank's public file in the format required under the regulation. The level of Citibank's lending activities is considered adequate for the size and complexity of the bank. During this evaluation period, the bank made 18,600 residential loans for a total of \$2.6 billion. Of this total, 8 thousand were home purchase loans totaling \$1.6 billion, which represented 63 percent of the bank's total residential lending. The bank also made 5,800 home improvement loans for \$99 million; over 4,800 refinancing loans for \$856 million; and, 69 multi-family loans for \$72 million. It also made almost 14 thousand small business loans for \$1.2 billion, and 126 community development loans totaling \$201 million.

During the review period, residential lending had a substantial increase of over 225 percent from the first year to the second year. This increase was mainly the result of the bank's promotion of its home improvement product during this examination. Small business and motor vehicle lending increased slightly. Loans originated within the assessment areas were in excess of 90 percent of the total originations.

Community Development Loans

Citibank Community Development (CCD) has made a very high level of community development loans during this evaluation period. During this review period, CCD extended approximately \$201 million in community development loans. The majority, \$142 million or 71 percent, of these extensions were new loans or relationships. The remaining \$59 million, or 29 percent, were renewals of existing facilities. Most loans were made in the New York, N.Y. MSA with approximately 82 percent of the total dollars residing exclusively in this area. In addition, CCD originated four standby letters of credit with a community development purpose totaling approximately \$3 million.

The following table categorizes community development lending by purpose and evidences a strong commitment to community development activities.

Community Development Lending During the Current Evaluation Period

	Number	\$(000)
Affordable Housing	26	104,990
Economic Development	20	32,327
Community Development Services	80	64,072
TOTAL	126	201,389

CCD’s commitment to community reinvestment is evident and has resulted in the creation of approximately 15,300 units of affordable housing; 14,100 specifically benefited LMI individuals.

Geographic Distribution

Citibank’s New York geographic distribution of residential and motor vehicle loans reflects acceptable performance, with business loans more evenly distributed based on location of businesses. Essentially, the bank made loans in all geographies in its assessment areas. While the bank did not make all types of loans in every census tract, there were no conspicuous gaps in the distribution. The geographic distribution has a strong correlation to the location of the bank’s offices. More specific information on geographic distribution is provided in the Appendix.

Distribution by Borrower Characteristics

Citibank's distribution of residential and motor vehicle loans to borrowers of different income levels is relatively lower to LMI borrowers, than to middle- and upper-income borrowers. The distribution of small business loans to businesses of different sizes and lower amounts is good compared to the demographics of the businesses and the bank's market share of small businesses. The bank's level of motor vehicle lending to low-income families is below the percentage of low-income families in the market. However, the bank's percentage of motor vehicle lending to moderate-income families is more than double the percentage of moderate-income families. More specific information on distribution by borrower characteristics is provided in the Appendix.

Innovative or Flexible Lending Practices

The bank has a variety of loan programs. Some of the loan products are tailored to the specific communities in the marketplace. Citibank has developed products with a certain degree of flexibility.

INVESTMENT TEST

The bank's level of investments in the New York Marketplace is excellent. With over \$88 million in qualified investments within the bank's assessment areas, fifty-nine percent (\$52 million) represent funds used for affordable housing. Included in the total and augmenting the bank's strong level of participation in affordable housing and economic development, is \$6.9 million in qualified grants and contributions.

The New York marketplace affords numerous opportunities and unique avenues for investments, and Citibank has been a leader in seeking and participating in these opportunities as well as creating strategic partnerships for maximum leverage. Refer to the individual MSA discussions for examples of leadership, complex and leveraging efforts stemming from strategic alliances.

SERVICE TEST

Retail Banking Services

Citibank's delivery system is accessible to substantially all portions of its assessment areas in the New York marketplace. It is an acknowledged leader in banking technology and a major portion of the motor vehicle banking is transacted through nontraditional banking systems. In addition to the branches, the bank has a network of ATMs, automated and staffed telephone banking services, direct deposit, internet and personal computer, and bill payments as alternative delivery systems for its services.

No branches were closed in LMI census tracts during the evaluation period. Four branches were converted to Citibank Banking Centers (CBCs) in moderate-income census tracts; no branches in low-income census tracts were converted.

The bank has 146 branches within the New York marketplace, and 22 percent are in LMI census tracts. LMI census tracts comprise 28 percent of all census tracts in the assessment area. However, in the New York City MSA, 38 percent of low-income families live in middle- or upper-income census tracts, and 56 percent of moderate-income families live in middle- or upper-income census tracts. Approximately 49 percent of the branches serve areas that include LMI census tracts. Branching hours are reasonable and designed to meet the needs of the specific communities where the branches are located.

Citibank has 48 full service ATMs at off-premise locations. Twelve percent of the ATMs are in LMI census tracts. These accept deposits, dispense cash, transfer funds between accounts, and assist in bill paying, and purchasing securities and mutual funds.

Bank at Work is a program used by employers in the New York marketplace to provide banking services for employees. With direct deposit of an employee's pay, the bank offers a special checking account, special credit card offers, and discounted points on some credit products. In addition the employee is provided access to Citicorp Investment Services, no-fee PC Banking Service, no-fee Bill Payment Service, and no-fee ATM transactions. The service is used by 43,479 customers in the bank's assessment areas. Twenty-six percent of the households participating in this program live in LMI census tracts.

The bank is a leader in the development and use of technology that gives customers a variety of options for conducting banking transactions. Only 53 percent of the bank's consumer banking transactions are conducted at branches (20 percent) and ATMs (33 percent). Forty-three percent of all consumer transactions are conducted at the bank's own ATMs, compared with 48 percent of all consumer transactions by LMI customers. Automated and staffed phone transactions, direct deposits, and preauthorized transfers have identical percentages of use by all customers and LMI customers. Twenty percent of all consumer transactions are conducted by personal computer, compared with 12 percent of LMI customer transactions.

The bank recently opened a branch in the Bronx that will be a prototype for future branches. It uses current technology to provide services with interactive video, scanners, information terminals, and ATMs. Personnel are on site to provide technical assistance. Community services are provided in a meeting room in the facility. This branch is opening about ten accounts a day, which exceeds the normal branching activity.

Community Development Services

Throughout the assessment areas, Citibank employees serve on boards and committees of community organizations that help provide community development services. Many of these activities involve extending technical or managerial assistance.

Management presented workshops at numerous times to educate the public on various aspects of the bank's products and services, or general banking and business issues. With the New York City's preponderance of home renters, there is a special challenge to generating home loans. Management discovered that there are two categories of potential borrowers: those who want to become homeowners, and those who have not considered it. In response to these circumstances, we identified 359 specific mortgage programs that the bank presented throughout the community during this evaluation period. These consisted of educational programs for prospective homebuyers and consultation services for branch customers. The programs provided technical services and/or credit counseling for affordable housing and first time homebuyers. The program activity, which included seminars, individual consultations, and mortgage fairs, increased significantly in 1997 and 1998 from prior years.

The bank is involved with Small Business Development Centers in all nine counties within its two assessment areas, as well as business resource centers in two communities. Over 100 seminars were conducted throughout the marketplace for small businesses. The bank seeks partnerships with not-for-profits to promote business opportunities in LMI communities.

Citibank has developed a unique program, the Community Development Institute, to respond to small community development corporations' needs for staff development and long range planning. The program includes teaching credit skills, how to manage projects, and how to accomplish organizational development. The Institute also provides summer fellowships and internships for students attending the New School for Social Research and at the Columbia University Institute for Nonprofit Management. The bank has sponsored eight students in this program.

Information on Assessment Areas Reviewed

Metropolitan Statistical Areas

Description of Institution's Operations in the New York, N.Y. MSA (#5600)

This MSA consists of the counties in New York City, and Westchester, Rockland, and Putnam Counties. Citibank's assessment area incorporates the whole MSA except Putnam County. This is the bank's predominant retail banking market. The financial services industry is centered in the city, and has provided substantial economic benefits to the area. However, unemployment in the city is very high compared to both national statistics and other major metropolitan areas. The area has a population of 8,462,905 with 2,478 census tracts. Only 31 percent of all housing units is owner occupied. There are

229 thousand small businesses and 37 thousand businesses with sales more than \$1 million. Additional demographic information about the assessment areas is contained in tables in the Appendix of this document.

Conclusions about Performance Tests in New York, N.Y.

Lending Test

Lending Activity

Citibank originated an adequate number of loans commensurate with its size and complexity (as detailed in the table below).

LENDING TEST: New York MSA # 5600							
Loan Type	#	\$ (million)	CT	Low % of #	Moderate % of #	Middle % of #	Upper % of #
			B				
Residential Real Estate (HMDA)	12,932	\$1,870	CT	2.9%	8.2%	21.9%	67.0%
			B	3.8%	10.4%	16.0%	58.1%
Small Business	11,522	1,018	CT	4.4%	12.8%	20.0%	61.4%
Motor vehicle	19,293	279	CT*	6.9%	13.2%	36.0%	43.8%
			B*	11.6%	35.2%	28.5%	22.3%
Community Development	102	164					
Total Lending	43,849	\$3,331					

* Level of (B) is not available or unclassified data.

Geographic Distribution

The bank’s geographic distribution of all HMDA reported products is weak. Citibank’s performance in LMI areas is below its overall performance and its peer’s performance.

The geographic distribution of small business loans reflects good penetration throughout MSA 5600. Bank lending activity approximates the market performance in the low-, moderate- and middle-income tracts in 1997, the latest year when market data is available. The bank performed better than the market in the upper-income tracts where more than half (52 percent) of all small businesses are located.

In addition to the bank’s performance, an affiliate made a \$67 million multi-family loan. The loan is for 59 buildings, of which nine are in a moderate-income census tract.

Distribution by Borrower Characteristics

The bank's dispersion of home purchase and refinance loans based on borrower income is adequate compared to market and the bank's overall performance. The dispersion of home improvement loans is not as strong, but still considered adequate.

The distribution of small business loans reflects good penetration among businesses of different sizes, particularly to businesses with revenues equal to or less than \$1 million. Such loans are considered more responsive to the needs of small businesses. Eighty-one percent of the small business loans Citibank originated were of this size in 1997, compared to 87 percent by the market.

Community Development Loans

The majority of the community development loans discussed in the New York State rating (above), are in this MSA. This volume of lending represents strong performance.

Investment Test

With this MSA representing the vast majority of the bank's New York marketplace, the qualified investments of \$75.8 million in the MSA is strong. The bank's major investments in this MSA consist of participation in the New York Equity Fund (NYEF)-2000 series I and II (\$30 million). This fund is a joint venture partnership formed by the National Equity Fund and Enterprise Social Investment Corp. to syndicate Low Income Housing Tax Credit projects in New York City. The Fund invests in formerly city-owned housing projects. In addition to the investment, the bank has made direct loans to the fund representing another \$21 million in program financing.

The bank has also invested in NYEF-95 Series I and II. The bank's \$20 million investment in these series (still on the bank's books) resulted in approximately 390 units of affordable housing.

Another investment involves participation with the NYC Housing Partnership. Equity investments amount to over \$11 million, and direct loans of over \$70 million were also made to the partnership.

Citibank has also played a major role in the creation of the New York Community Investment Company (CIC). The CIC is a Community Development Corporation that serves as a vehicle for small companies to obtain equity financing not available through conventional sources, or through government sponsored or guaranteed loan programs. To date, the bank has invested over \$1 million in the CIC.

The bank has developed a unique facility to fund community development financial institutions and organizations who otherwise are not permitted to have equity capital. The bank has created the Equity Equivalent product, which is a subordinated long-term loan that can be used by organizations to leverage the additional debt necessary to expand their lending capacities. Citibank created this facility, which has since been used by other banks. Two organizations in New York City have received Equity Equivalent investments, totaling \$900 thousand.

Augmenting the bank's strong investment performance in the MSA is \$6.3 million in qualified grants and contributions.

Service Test

Citibank's delivery system is accessible to substantially all portions of its assessment areas in the MSA. As noted above, the bank also provides a wide variety of alternative delivery channels. The bank has 120 branches, and 25 percent are in LMI census tracts, which comprise 31 percent of all census tracts in the assessment area. However, in this assessment area, 38 percent of low-income families live in middle- or upper-income census tracts, and 56 percent of moderate-income families live in middle- or upper-income census tracts. Considering the location of households, the branches and alternative delivery systems are readily accessible to essentially the whole assessment area. Branching hours are reasonable and designed to meet the needs of the specific communities where the branches are located. The bank has 42 full service ATMs at off-premise locations. Fourteen percent of the ATMs are in LMI census tracts.

During this evaluation period the bank closed two branches; one in an upper-income census tract and the other in the International Arrivals Building at Kennedy Airport. The latter facility was consolidated with another branch at the airport. Two CBCs were closed: one was consolidated with a full service branch 100 feet away, the other was in an upper-income census tract in Staten Island. Two branches were relocated; one was moved from an upper- to a lower-income census tract in the Bronx that now provides parking and an improved facility.

Description of Institution's Operations in the Nassau/Suffolk, N.Y. MSA (#5380)

This MSA consists of Nassau and Suffolk Counties, commonly known as Long Island. Citibank's assessment area incorporates the whole MSA. The bank does not have as large a presence in this market as it does in New York City. The assessment area is more suburban in character and the economy is largely supported by service industries. Unemployment on the island is much lower than in the New York MSA. The area has a population of 2,609,212 with 582 census tracts. There are 92 thousand small businesses and 11 thousand businesses with sales more than \$1 million. Additional demographic information about the assessment areas is contained in tables in the Appendix of this document.

Conclusions about Performance Tests in Nassau/Suffolk

Lending Test

Lending Activity

Citibank originated, in the Nassau-Suffolk MSA, an amount of loans commensurate with its size in the market. The following table reflects the loans in this market:

LENDING TEST: Nassau-Suffolk MSA # 5380							
Loan Type	#	\$ (million)	CT	Low % of #	Moderate % of #	Middle % of #	Upper % of #
			B				
Residential Real Estate (HMDA)	5,703	\$680	CT	0.1%	15.8%	62.3%	21.8%
			B	7.5%	20.6%	21.6%	35.1%
Small Business	2,374	190	CT	0.0%	7.0%	64.6%	28.4%
Motor vehicle	8,930	128	CT*	0.1%	12.6%	72.6%	14.5%
			B*	32.6%	32.6%	19.4%	12.7%
Community Development	8	4					
Total Lending	17,015	\$1,002					

Income Level of Census Tracts

Income Level of Borrower

unavailable or unclassified data

Geographic Distribution

The geographic distribution of loans reflects weak penetration throughout the MSA for all HMDA reported products and business loans, and an adequate penetration for motor vehicle loans.

Distribution by Borrower Characteristics

The distribution of HMDA reported loans based on borrower income is reasonable compared to the percentage of families in each income category, especially with moderate-income families. Small business lending based on size of companies is similar to the aggregate market lending.

Community Development Loans

Eight community development loans amounting to \$4 million were originated in this MSA, and an additional 16 loans benefited both MSAs in New York. Considering the more limited opportunities for these loans in this MSA, performance is not inconsistent with the overall state performance.

Investment Test

The bank's volume of investments at \$12.2 million is adequate considering the limited opportunity. Investment opportunities in the MSA are highly sought after and very limited. Availability of Low Income Housing Tax Credits is extremely limited. Of the \$40 million in tax credits allocated or reserved in the state during the assessment period, less than 10 percent (\$3.7 million) went to

Nassau/Suffolk. The bank has purchased approximately \$12 million in Mortgage Backed Securities. Qualifying grants and contributions in the MSA amounted to \$115 thousand.

Service Test

Although Citibank has relatively fewer branches on Long Island than in New York City, the bank's delivery system is accessible to substantially all portions of the assessment area. As noted above, the bank also provides a wide variety of alternative delivery channels. Considering the location of households, the branches and alternative delivery systems are accessible to essentially the whole assessment area. The bank has 26 branches, of which 20 are located in Nassau County. Citibank ranks sixth in number of branches and deposits in Nassau County. In Suffolk County it ranks 17th in number of branches and 14th in deposits.

Eight percent of the branches are in LMI census tracts, which comprise 14 percent of all census tracts. In this assessment area, 74 percent of low-income families live in middle- or upper-income census tracts, and 82 percent of moderate-income families live in middle- or upper-income census tracts. Branching hours are reasonable and designed to meet the needs of the specific communities where the branches are located. Citibank has six full service ATMs at off-premise locations in the assessment area; none are in LMI census tracts. During this evaluation period the bank did not open or close any branches in this assessment area.

Territory Rating

CRA Rating for Commonwealth of Puerto Rico: Satisfactory

The lending test is ~~Rated~~ Satisfactory

The investment test is ~~Outstanding~~ Satisfactory

The service test is ~~High~~ Satisfactory

- < Residential lending lags aggregate market performance in LMI geographies, and is identical to the market in lending to LMI individuals.
- < Investment opportunities are limited, but the amount invested in the one available facility is substantial.
- < Grants and contributions are substantial and especially focused on community development, affordable housing, and education.
- < The bank's branches, in combination with alternative delivery systems, effectively serve the community.

Description of Institution's Operations in Puerto Rico

Puerto Rico is one of the four islands known as the Greater Antilles. It has a population of 3.7 million. One-half of the population is concentrated in the San Juan metropolitan area.

Citibank's assessment areas include the San Juan and Caguas MSAs, portions of three other MSAs, and the small island of Culebra. The three partial MSAs that are assessment areas are as follows: the Arecibo MSA (Arecibo and Hatillo); the Mayaguez MSA (Cabo Rojo, Hormigueros and Mayaguez); and the Ponce MSA (Ponce). The assessment areas have a population of 2.6 million and 715 thousand households. The business focus is small business, residential, and consumer lending, and 16 branches serve the area. Additional demographic information about the assessment areas is contained in tables in the Appendix of this document.

Most employment is in the manufacturing sector. The leading industries are pharmaceuticals, chemical, and machinery and equipment. At this time 42 percent of the gross domestic product consists of manufacturing, as many U.S. companies have established facilities in Puerto Rico pursuant to tax incentive programs. As these tax incentives are being phased out, the government is promoting growth in the service and tourism industries.

The median cost of housing is very high compared to median family incomes, and housing costs are increasing faster than incomes. Therefore, the bank has identified a need to provide and support affordable housing, no matter the income levels of borrowers. This is consistent with credit needs

articulated by community groups. The government has identified the cost of affordable housing to be \$64 thousand, which is beyond the means of those who are classified as having low and moderate incomes. Because more land is available in middle-income census tracts, most of the affordable housing is built in those geographies.

According to bank data, most of the small businesses in the area have annual revenues of less than \$1 million, and many are located in LMI tracts. The bank accepts this as an indication of a need for small business credit.

Puerto Rico has a competitive banking environment. It is served by several commercial banks and nine savings banks with total deposits of \$23 billion. Several foreign banks also have a presence on the island. Banco Popular has a dominant market position. Citibank is the third largest bank (it will be fourth after pending mergers). The bank's total deposits are \$2.7 billion, of which \$1.1 billion are consumer deposits. Other leading lenders are Banco Santander, Banco Bilbao Vizcaya, and First Bank of Puerto Rico. The leading residential lenders are Banco Popular, Banco Santander, R & G Mortgage Corp/R&G Premier Bank of Puerto Rico, HF Mortgage Bankers, and Doral Financial Corporation.

Conclusions about Performance Tests in Puerto Rico

Scope of Review:

The data contained in this evaluation is for the period from June 30, 1996 to May 31, 1998 unless otherwise noted. Full scope reviews were made of three of the bank's assessment areas: San Juan, Caguas, and Mayaguez MSAs. The distribution of lending was consistent with each other, although the volumes were substantially greater in the San Juan MSA. Limited scope reviews were made of the Ponce, Arecibo, and Culebra assessment areas. Except for Culebra, which has a very small population, lending and investment patterns were consistent with the rest of the bank's performance in Puerto Rico.

LENDING TEST

Lending Activity

Citibank provides a wide variety of products that are responsive to the credit needs of Puerto Rico. During this evaluation period, the bank made nearly 5,000 residential loans. Of this total, 2,268 were home purchase loans totaling \$273 million, which represented 46 percent of the bank's total residential lending. The bank also made 1,912 home improvement loans for \$21 million; 776 refinancing loans for \$743 million; and, four multi-family loans. It also made 354 small business loans for \$40 million, and 10 community development loans totaling \$27 million.

Essentially, the bank made loans in all geographies in its assessment areas. The bank's lending trends in

Puerto Rico are very positive. From 1996 to 1997, residential lending increased significantly, by 965 percent (from 306 loans to 3,259). Small business lending increased 1,237 percent, and motor vehicle loans increased 44 percent. Loans originated outside the bank's assessment areas consist of 8.5 percent of the residential loans, 3 percent of the small business loans, and 8 percent of the motor vehicle loans.

Geographic Distribution

Citibank's distribution of residential, small business and motor vehicle loans reflects satisfactory penetration throughout its assessment areas. There are no conspicuous gaps in the bank's lending patterns.

The bank's residential lending in LMI geographies is satisfactory. Approximately one percent of owner occupied units are in low-income geographies and approximately 20 percent are in moderate-income geographies. During this assessment period, Citibank made 15 percent of its residential loans in these areas. The incidence of home ownership in these geographies is low because of the high cost of housing compared to incomes, and most available land area is in middle-income census tracts. The bank's community development loan and investment portfolios also provided support to the creation of affordable housing in LMI areas in the MSA.

In 1997, the most recent year for which aggregate market data is available, Citibank had a 5 percent market share of residential loans in LMI census tracts. Fifteen percent of the bank's loans were in LMI geographies, while the aggregate market's distribution was 20 percent in these census tracts.

Citibank's penetration of small business loans in LMI census tracts is satisfactory. Citibank made 17 percent of its small business loans in these areas. Bank information suggests that its distribution of small business loans was comparable to aggregate market lending.

The bank's distribution of motor vehicle loans is reasonable; it is slightly lower than the demographics for LMI geographies.

Distribution by Borrower Characteristics

The bank's distribution of residential and motor vehicle loans to borrowers of different income levels is proportionally lower to LMI borrowers, than to middle- and upper-income borrowers. The distribution of small business loans to businesses of different sizes and lower amounts is good.

The proportion of residential loans made to LMI borrowers relative to local demographics lags the potential market because of the relatively higher cost of affordable housing. Approximately 41 percent of the families in the assessment areas are LMI. In total, Citibank originated 6 percent of its residential loans to these individuals, which is identical to the percentage of loans made by all lenders, according to 1997 aggregate market data. The bank's percentage of distribution of loans to LMI borrowers was higher in 1997 than in 1996, as residential lending increased significantly.

Citibank is effectively helping to meet the credit needs in the assessment area by making loans to small businesses and small loans to businesses. The bank made 73 percent of these loans to small businesses (businesses with revenues less than \$1 million). In addition, 63 percent of its loans were for amounts less than \$100 thousand.

The bank's level of motor vehicle lending to LMI borrowers is adequate when compared to demographic patterns. Citibank made 20 percent of its motor vehicle loans to LMI borrowers. Demographic data shows that 41 percent of the families are LMI. Motor vehicle loans account for 66 percent of the bank's total consumer lending.

Innovative or Flexible Lending Practices

Citibank offers flexible home purchase and home improvement (secured and unsecured) loan programs that benefit LMI borrowers. These programs were developed internally and have flexible underwriting criteria and/or other enhancements. The loans originated under these programs are included in the data for HMDA reportable and motor vehicle loans presented in this evaluation.

Community Development Lending

Community development investment activity is limited in Puerto Rico. Very little private sector community development exists, and most funding for affordable housing is accomplished through a government agency. However, community development lending enhances the bank's affordable residential and small business lending performance. Citibank has committed \$86 million through ten qualified community development loans in the assessment areas. The total amount extended to date is \$27 million. The majority of the loans are for affordable housing projects in targeted LMI neighborhoods and for affordable housing at all income levels. These loans were made using various vehicles such as loans to community development corporations (CDCs) and partnerships with for-profit and nonprofit developers.

One affordable housing project loan, which was issued before this evaluation period, has a current outstanding balance of \$13 million. Three loans in the amount of \$24 million are pending. Two of these are to finance medical centers which serve primarily LMI individuals.

INVESTMENT TEST

Investment opportunities in Puerto Rico are limited by the fact that the Government Development Bank finances public corporations. The financing is funded by revenue bonds under trust agreements and bonds or notes under loan agreements. This centralized effort limits the public debt offerings. The bank has made substantial investments in the one available facility.

One of the public corporations that directly approaches the private sector for community development is the Puerto Rico Housing Bank and Finance Agency. The only qualified investments issued since 1996 have been housing related, and Citibank has sought qualified direct investments through

governmental, syndicated and third party sources. To this end, the bank has purchased public housing bonds issued by the agency since 1994.

The bank purchased \$21 million of the Housing Bank and Finance Agency bonds during this evaluation period. Outstanding balances from these and prior purchases are \$19.8 million.

Investment tax credits in the amount of \$3.9 million were purchased from the National Development Council. These were credits derived from investments attributed to Puerto Rico.

Citibank has also increased the amount of grants and contributions during this evaluation period. Most of the grants have been given to organizations that provide community development, affordable housing, or educational opportunities for LMI areas or individuals. During the evaluation period \$9 thousand was contributed in 1996, \$161 thousand in 1997, and \$365 thousand to date in 1998, for a total of \$535 thousand.

SERVICE TEST

Retail Banking Services

Citibank's delivery system is accessible throughout its assessment areas. Access to financial services is provided through the branch network, ATMs, loan by phone, bill payment services, personal computers, and the Internet. The bank has 16 branches and 35 ATMs in Puerto Rico. Of the 16 branches, five are in LMI census tracts. Business hours are reasonable. During this evaluation period, the bank closed four branches, of which one was in a moderate-income census tract. No branches were closed in a low-income census tract.

Citibank offers a budget checking, savings, and a debit card based checking account. The budget checking and debit card accounts offer lower minimum balance requirements and smaller monthly fees. Maintenance fees can be waived if the customer maintains a balance at an amount lower than that required for the traditional checking account. These accounts provide customers access to all existing alternative delivery systems at no additional charge.

The bank's most extensive branch network, including ATMs, is in the San Juan assessment area. This assessment area represents more than 50% of the Commonwealth's population and approximately 75% of the bank's lending activity. The remaining five assessment areas have one or two branches. At least one ATM is at each branch. Each assessment area has access to the full complement of alternative delivery systems discussed above.

Community Development Services

Within each assessment area, Citibank officers and employees serve on the boards of organizations that help provides community development services. They also work with Commonwealth and municipal government agencies to develop partnerships between community organizations, government agencies

and the banking community. These efforts help to build community infrastructure and capacity for community organizations and local governments, and provide technical assistance to community organizations. Citibank educates the public about financial services, the use of technology, budgeting, and affordable housing.

Information on Assessment Areas Reviewed

Metropolitan Statistical Areas

Description of Institution's Operations in San Juan, PR MSA

This MSA consists of San Juan and 29 other municipalities which surround the city. The assessment area has a population of 1.8 million, which represents half of the population of Puerto Rico. It also represents 64 percent of the population of the bank's assessment areas and accounts for a large majority of the bank's lending activity. The assessment area has 429 census tracts; 14 are low-income and 120 are moderate-income. The median family income is \$16,100, with 25 percent of the families classified as low-income and 16 percent moderate-income. Fifty-eight percent of the households live below the poverty level. The median value of housing is \$152 thousand. The housing stock is 63 percent owner-occupied, with 16 percent of the owner-occupied homes located in LMI geographies. Demographic data shows 490 thousand households, with 34 percent residing in LMI census tracts. There are 8,663 small businesses. Competitively, Citibank ranks third in this market. Seventy-four percent of the bank's residential lending and 82 percent of the small business lending occurs in this MSA. The CRA performance in the San Juan MSA has the greatest impact on the evaluation of the overall CRA performance in Puerto Rico.

Conclusions about Performance Tests in San Juan, PR

Lending Test

Lending Activity

The following table details lending volume for the loans we reviewed during this evaluation period, which adequately serves the market.

LENDING TEST: San Juan MSA #7440							
Loan Type	#	\$ (million)	CT	Low % of #	Moderate % of #	Middle % of #	Upper % of #
			B				
Residential Real Estate (HMDA)	3,668	\$322	CT	1%	14%	33%	52%
			B	2%	4%	8%	86%
Motor vehicle	23,946	353	CT*	2%	17%	31%	46%
			B*	3%	17%	21%	39%
Small Business	398	88	CT	4%	13%	27%	56%
Community Development	10	27					
Total Lending	28,022	\$790					

. Income Level of (CT) Census Tracts

. . . Income Level (B) Borrower

0% due to unavailable or unclassified data.

Geographic Distribution

The distribution of the bank's HMDA reported products is adequate. In 1997, Citibank was the fourth leading home purchase lender in the market with a total market share of 7 percent. It ranked fourth in lending to LMI census tracts with a 5 percent share. The leading lender has a dominant share of the total market. During the evaluation period, geographic distribution of residential lending was adequate as the bank originated 15 percent of its residential loans in LMI census tracts, compared to the aggregate market's 22 percent.

Penetration ratios for small business and motor vehicle loans are reasonable. Seventeen percent of the small business loans were in LMI census tracts during the evaluation period while 19 percent went to borrowers residing in LMI census tracts.

Distribution by Borrower Characteristics

The distribution of residential loans to individuals of different income levels is encumbered by high poverty levels and the lack of affordable housing. However, 6 percent of the residential loans went to LMI borrowers, which is identical to the origination rate for all lenders.

The distribution of small business loans reflects good penetration among businesses of different sizes, particularly to businesses with revenues less than \$1 million. Seventy-two percent of the loans were made to businesses with revenues less than \$1 million, and 62 percent were made in amounts less than \$100 thousand.

Twenty percent of the motor vehicle loans were to LMI borrowers, which is adequate.

Community Development Loans

Ten community development loans were originated in the San Juan MSA during the evaluation period for which the bank committed \$86 million. Actual funds extended to date are \$26 million. These contributed to the development of affordable housing by providing financing for several projects.

Investment Test

Citibank has made extensive investments in Puerto Rico that primarily fund affordable housing efforts throughout the island, including the San Juan MSA. Refer to the Investment Test for the commonwealth. Of those investments, \$3.9 million in housing tax credits exclusively benefit the San Juan MSA. Also, \$100,033 of the charitable contributions and grants have been given to organizations that benefit the San Juan area.

Service Test

Retail Banking Services

Citibank's most extensive delivery system is in the San Juan assessment area and it is accessible to the entire assessment area. The bank has nine branches and 25 ATMs in this MSA. Five of the branches are in LMI census tracts. Business hours are reasonable. During this evaluation period, the bank closed two branches. Neither branch was in a LMI census tract.

Citibank has 27 ATMs; all but one are at the branches in San Juan. Approximately 30% of the ATMs are in LMI census tracts. They provide access to deposit, bill payment, loan payment, account transfer, and cash services.

Description of Institution's Operations in Caguas, PR MSA

This MSA consists of Caguas, Cayey, Cidra, Gurabo and San Lorenzo. The assessment area has a population of 280,000. There are 60 census tracts; none are low-income and 15 are moderate-income. The median value of housing is \$93,000 and the economy has been improving.

Unemployment is lower than in the commonwealth as a whole. Demographic data shows 82 thousand households, with 22 percent residing in moderate-income census tracts. The median family income approximates \$15 thousand, with 24 percent of the families low-income and 17 percent moderate-income. Fifty-six percent of the households live below the poverty level. Sixty-seven percent of the housing stock is owner-occupied, with 20 percent of the owner-occupied homes located in moderate-income geographies. Competitively, the market is dominated by another large bank, and several other banks and local financial institutions are also active in the market. About 8 percent of the bank's lending occurs in this market.

Conclusions about Performance Tests in Caguas, PR

Lending Test

The following table details lending volume for the loans we reviewed during this evaluation period. The volume is commensurate with the bank's size in the market.

LENDING TEST: Caguas MSA # 1310							
Loan Type	#	\$ (million)	CT	Low % of #	Moderate % of #	Middle % of #	Upper % of #
			B				
Residential Real Estate (HMDA)	330	\$16	CT	NA	19%	49%	32%
			B	3%	6%	10%	81%
Motor vehicle	3,858	54	CT*	NA	14%	48%	32%
			B*	3%	17%	25%	43%
Small Business	37	5	CT	NA	14%	73%	13%
Community Development	0	0					
Total Lending	4,225	\$75					

NA) No loans reviewed (CT) in Caguas MSA

Income Level (B) Borrower

) unavailable or unclassified data

Geographic Distribution

The bank's distribution of HMDA reported loans is reasonable. In 1997, Citibank was the ninth home purchase lender in the market with a total market share of 4 percent. However, the bank ranked fifth in lending to LMI census tracts with a 4 percent share. The leading lender has a dominant share of the total market. Residential lending by geographies is satisfactory as the bank originated 19 percent of its residential loans in moderate-income census tracts, compared to the aggregate market's 16 percent.

Penetration ratios for small business and motor vehicle loans are reasonable. Fourteen percent of each category went to borrowers in moderate-income census tracts.

Distribution by Borrower Characteristics

The distribution of residential loans to individuals of different income levels is encumbered by high poverty levels and the lack of affordable housing. However, 9 percent of the bank's residential loans went to LMI borrowers; compared with the aggregate market's 7 percent.

The distribution of small business loans reflects good penetration among businesses of different sizes, particularly to businesses with revenues less than \$1 million. Seventy-two percent of the loans were made to businesses with revenues less than \$1 million, and 67 percent were made in amounts less than \$100 thousand.

Twenty percent of the motor vehicle loans were to LMI borrowers, an adequate penetration of lending to LMI borrowers.

Investment Test

Citibank has made extensive investments in Puerto Rico that primarily fund affordable housing efforts throughout the island, including the Caguas MSA. Refer to the Investment Test for the commonwealth. Also, \$10,000 of the charitable contributions and grants have been given to organizations that directly benefit the Caguas area.

Service Test

Retail Banking Services

Access to financial services is provided through the bank's branch and ATM in a middle income census tract and the assessment area's central business region; loans by phone and through arrangements with local motor vehicle dealers; bill payment services; personal computers; and the Internet. The ATM provides access to deposit, bill payment, loan payment, account transfers, and cash services. During this evaluation period, the bank neither opened nor closed any branches in the assessment area.

Description of Institution's Operations in Mayaguez, PR MSA

This assessment area consists of Mayaguez, Cabo Rojo and Hormigueros. The MSA also includes Anasco, San German and Sabana Grande, which are not included in the bank's assessment area. The assessment area has a population of 154,000. There are 46 census tracts; four are low-income and five are moderate-income. Demographic data shows 49 thousand households, with 19 percent residing in LMI census tracts. The median family income is \$12,500, with 6 percent of the population residing in low-income and 12 percent in moderate-income geographies. Fifty-eight percent of the households live below the poverty level. The median value of housing is \$114,000. Fifty-seven percent of the housing stock is owner-occupied. Mayaguez has an improving economy, particularly as the Cabo Rojo area has become the second leading tourist center in the commonwealth. There has been a significant increase in the cost of land because of the increasing tourism activity and high value housing developments. About 3 percent of the bank's lending is in this market.

Conclusions about Performance Tests in Mayaguez, PR

Lending Test

The following table details lending volume for the loans we reviewed during this evaluation period. The volume is commensurate with the bank's size in the market.

LENDING TEST: Mayaguez MSA # 4840							
Loan Type	#	\$ (million)	CT	Low % of #	Moderate % of #	Middle % of #	Upper % of #
			B				
Residential Real Estate (HMDA)	160	\$ 7	CT	5%	9%	48%	38%
			B	2%	3%	9%	86%
Motor vehicle	1,491	16	CT*	3%	9%	48%	34%
			B*	1%	14%	24%	46%
Small Business	18	12	CT	0%	17%	50%	33%
Community Development	0	0					
Total Lending	1,669	\$35					

Income Level of (C) Census Tracts Income Level (B) Borrower

unavailable or unclassified data.....

Geographic Distribution

The bank's geographic distribution of HMDA loans is reasonable. In 1997, Citibank was the fourth leading home purchase lender in the market with a total market share of 4 percent. It also ranked fourth in lending to LMI census tracts with a 7 percent share. The leading lender has a dominant share of the total market. HMDA reportable lending by geographies is satisfactory as the bank originated 10 percent of its residential loans in moderate-income census tracts, compared with the market's 8.5 percent.

Penetration ratios for small business loans are reasonable. Seventeen percent of the loans were in moderate-income census tracts, which account of 19 percent of the geographies. Motor vehicle lending is adequate as 12 percent went to borrowers residing in LMI census tracts.

Distribution by Borrower Characteristics

The distribution of residential loans to individuals of different income levels is encumbered by high poverty levels and the lack of affordable housing. However, 6.5 percent of the bank's residential loans went to LMI borrowers, which compares favorably to the aggregate market's 3.3 percent.

The distribution of small business loans reflects good penetration among businesses of different sizes, particularly to businesses with revenues less than \$1 million. Fifty-three percent of the loans were made to businesses with less than \$1 million, and 59 percent were made in amounts less than \$100 thousand. Motor vehicle lending is adequate as fifteen percent of the motor vehicle loans were to LMI borrowers.

Investment Test

Citibank has made extensive investments in Puerto Rico that primarily fund affordable housing efforts throughout the island, including the Mayaguez MSA. Refer to the Investment Test for the commonwealth. Also, \$31,250 of the charitable contributions and grants have been given to organizations that benefit the Mayaguez area.

Service Test

Retail Banking Services

Access to financial services is provided through the bank's two branches and ATMs in the central business area; loans by phone; through arrangements with local motor vehicle dealers; bill payment services; personal computers; and the Internet. The ATMs provide access to deposit, bill payment, loan payment, account transfer, and cash services. Business hours are reasonable and the loan by phone program offers extend daily and Saturday hours. One branch and ATM are in a moderate-income census tract. During this evaluation period, the bank closed one branch in a high-income census tract.

PUBLIC EVALUATION

LENDING, INVESTMENT, AND SERVICE DATA FOR AREAS NOT REVIEWED USING THE PROCEDURES

	1	2	3	4	5	6	7	8	9	10	11
State: Puerto Rico AA	% of LMI CTs	% of families in LMI CTs	% Owner Occupied units in LMI CTs	% \$ Total Loans* in LMI CTs	% # HMDA Loans in LMI CTs	% # HMDA Loans to LMI Borrowers	% of Small Businesses & Farms** in LMI CTs	% # Loans to Small Bus. & Farms**	% of Branches in LMI CTs	# of Investment s (Most benefit all AAs)	\$ Investment s
Arecibo #0470	31%	14%	12%	12%	12%	8%	NA	88%	0%	1	\$1,250
Ponce #6360	30%	25%	18%	17%	17%	6%	NA	73%	50%	6	\$200,146
Culebra #9999	0%	0%	0%	0%	0%	19%	0%	100%	0%	1	\$1,250
Total State	29%	22%	25%	15%	15%	6%	NA	72%	31%	4	\$21,000,000

all business and small farm loans.
 annual revenues less than \$1 million.

CRA performance in the Arecibo, Ponce, and Culebra assessment areas is not inconsistent with the bank's performance in the San Juan, Caguas, and Mayaguez assessment areas.

Territory Rating

CRA Rating for The Virgin Islands: Satisfactory

The lending High Satisfactory

The investment Outstanding:

The service High Satisfactory

- < The patterns of lending in LMI geographies and to LMI individuals compares very favorably to other lenders.
- < Small business lending is very responsive to local credit needs.
- < Despite limited investment opportunities, Citibank has made substantial investments in housing bonds.
- < The bank's single branch, in combination with alternative delivery systems, effectively serves the entire community.

Description of Institution's Operations in the Virgin Islands

Citibank's assessment area in the Virgin Islands is the island of St. Thomas, which it serves with one branch. This is a relatively small part of the bank's total market. The assessment area has a population of 48 thousand and 15 thousand households. The island is not part of an MSA. The branch offers a full range of banking products and services. The median family income is \$31 thousand. Nineteen percent of the families are low-income and 16 percent are moderate-income. There are no low-income census tracts, and 44 percent of the census tracts are moderate-income. Financing small businesses and the construction of single family housing have been identified as credit needs. Additional demographic information about the assessment areas is contained in tables in the Appendix of this document.

The island is a self-governing territory of the United States, and its residents are U.S. citizens. The economy is dependent on tourism. Employers include local and federal governments, and service and retail industries. The median cost of housing is very high compared to median family incomes. In addition, 19 percent of the households in moderate-income census tracts have incomes below the poverty level. As a result, the ability to purchase a home is extremely limited for this segment of the market.

Community development investment activity is very limited in the Virgin Islands. Very little private sector community development exists, and most funding for affordable housing and community development is accomplished through a government agency. Banking in the Virgin Islands is dominated by Chase Manhattan Bank, Banco Popular, and ScotiaBank, which have 80 percent of the banking assets. Citibank has a relatively minor market presence with \$63 million in deposits, of which \$32 million are consumer deposits.

Conclusions about Performance Tests in the Virgin Islands

Scope of Review:

The data contained in this evaluation is for the period from June 30, 1996, to October 26, 1998.

LENDING TEST

Lending Activity

Citibank provides a wide variety of products that are responsive to the credit needs of the area, as illustrated in the following table. The bank's lending trends are positive. From 1996 to 1997, residential lending increased from eight loans to 90. One small business loan was made in 1996, but 13 were originated in 1997. Motor vehicle lending increased from a few loans in 1996 to 57 within the assessment area in 1997. All residential loans, 90 percent of the small business loans, and all motor vehicle loans were originated in the assessment area.

LENDING TEST: Territory of the Virgin Islands							
Loan Type	#	\$ (million)	CT	Low % of #	Moderate % of #	Middle % of #	Upper % of #
			B				
Residential Real Estate (HMDA)	114	\$7	CT	NA	27	37	36
			B	8	15	23	54
Motor vehicle	81	2	CT*	NA	33	17	22
			B*	10	19	16	18
Small Business	20	2	CT	NA	45	33	22
Community Development	3	1					
Total Lending	218	\$12					

(None) No low- or middle-income borrowers in St. Thomas

Income Level of Borrower

*Distribution does not add to 100% due to unavailable or unclassified data.

Geographic Distribution

Citibank's distribution of residential and small business loans reflect strong penetration throughout its assessment areas, with an adequate distribution for motor vehicle loans. There are no conspicuous gaps in the bank's lending patterns.

The bank's residential lending in moderate-income geographies is good. Approximately 39 percent of owner occupied units are in moderate-income geographies. During this assessment period, Citibank made 27 percent of its residential loans in these areas. This compares to 20 percent made in these geographies by the aggregate market.

The penetration of small business loans in moderate-income geographies is excellent, as Citibank made 45 percent of its small business loans in these areas.

The bank's distribution of motor vehicle loans is adequate. Approximately, 54 percent of the population resides in moderate-income areas, and the bank made 33 percent of its loans in these geographies.

Distribution by Borrower Characteristics

The bank's distribution of residential, small business and motor vehicle loans to borrowers of different income levels and to businesses of different sizes is satisfactory.

The proportion of residential loans made to LMI borrowers relative to local demographics is good. Approximately 34 percent of the families in the St. Thomas assessment area are LMI. Citibank originated 23 percent of its residential loans to these individuals, while all banks made 11 percent of their loans to LMI households in 1997.

Citibank effectively serves the credit needs of small businesses. Eighty percent of the business loans went to small businesses (businesses with revenues less than \$1 million). Seventy-five percent of the loans were for amounts less than \$100 thousand.

The bank's volume of motor vehicle lending to LMI borrowers is reasonable when compared to demographic patterns. Twenty-nine percent of its loans went to LMI borrowers; 34 percent of the families are LMI.

Innovative or Flexible Lending Practices

Citibank offers flexible home purchase and home improvement (secured and unsecured) loan programs which benefit LMI borrowers. These programs were developed internally and have flexible underwriting criteria and/or other enhancements. The loans originated under these

programs are included in the data for HMDA reportable and motor vehicle loans presented in this evaluation.

Community Development Lending

Citibank made three qualified community development loans in the assessment area, totaling \$1 million. The majority of the loans were for business development efforts in targeted LMI neighborhoods and rural areas. The loans have enhanced the bank's small business lending performance.

The bank also committed \$150 thousand to a community foundation to supplement a federal grant to develop entrepreneurship programs for welfare recipients. The program will provide a Micro-Loan Pool to make loans of up to \$10 thousand to fund self-sufficient enterprises and other business ventures.

INVESTMENT TEST

Citibank's record of making qualified investments in the Virgin Islands was strong. Investment opportunities are limited because of the size of the market and the relatively small presence of the bank in the Virgin Islands. Despite the limited opportunities for investments, the bank purchased \$2.3 million bonds issued by a government authority to develop local affordable housing.

One investment was committed during the period in the amount of \$250 thousand and will be used to provide financial resources to businesses in or relocating to the Virgin Islands, through a CDC. This investment was supplemented by a loan of identical size. The purpose of the program is to help small enterprise become mainstream commercial businesses.

During the evaluation period Citibank made \$53,500 in qualified grants to three organizations in the assessment area.

SERVICE TEST

Retail Banking Services

Citibank's branch and ATM in St. Thomas are accessible to the whole assessment area. Access to financial services is provided through the bank's branch and ATM in a moderate-income geography in the central business district. The bank's loans by phone and bill payment programs, personal computers, and the Internet provide additional access to financial services. The ATM provides access to deposit, bill payment, loan payment, account transfer, and cash services. Business hours are reasonable and the loan by phone program offers extended daily and Saturday hours. During this evaluation period, the bank neither opened nor closed any branches in the Virgin Islands.

Community Development Services

Within this assessment area, Citibank officers and employees serve on the boards of organizations and work with the local government agencies that help provide community development services. These efforts help build community infrastructure and capacity for community organizations and local governments and provide technical assistance to community organizations. Citibank educates the public about financial services, the use of technology, budgeting, and affordable housing.

Territory Rating

CRA Rating for the Territory of Guam: Satisfactory

The lending test is ~~High~~ Satisfactory

The investment test is ~~Low~~ Satisfactory

The service test is ~~High~~ Satisfactory

- < Overall lending is strong with a good distribution of borrowers of different income levels.
- < Investment volume is adequate, considering the limited opportunities.
- < Within the limits of the branching law, the bank effectively serves the entire community.

Description of Institution's Operations in Guam

Guam is an unincorporated Territory of the United States. The bank's assessment area consists of the entire island, which has a population of 156 thousand. Guam is not an MSA; consequently, there are no census tracts. LMI areas are not identified in the census data. Various income levels of the population are spread throughout the island villages. Median income is \$55 thousand. Additional demographic information about the assessment areas is contained in tables in the Appendix of this document.

The population is very diverse, which is approximately 38 percent indigenous Chamorros, 23 percent Filipino, and 14 percent Caucasian. Micronesians, Koreans, Chinese, Japanese and African-Americans, respectively, comprise less than 5 percent of the population.

Local cultures and weather have influenced the housing situation in Guam. Living together in the same house or grouping of houses is normal for several generations of extended families. The high costs of building and maintaining homes have reinforced these living arrangements. The island is also subject to the threat of typhoons, and for a house to be insurable it must be built of reinforced concrete. Thus, the cost of new housing is very high. Most affordable houses are of substandard construction, which owners are not able to insure or finance. Median housing value is \$141 thousand.

Other than a local chapter of the Habitat for Humanity there are no community-based organizations committed to developing affordable housing. Citibank works with Habitat to encourage more construction activity by the group, and a local officer serves on the board of directors. Opportunities for community development investment are limited.

Relative to the size of the population there are many banks on Guam. In addition to 14 banks, there are 20 finance companies and three brokerage houses. A very high portion of the population (approximately 85 thousand residents) uses banking services. The Bank of Guam, First Hawaiian Bank, Bank of Hawaii, First Savings and Loan, and Hong Kong Shanghai Bank provide the most competition. By local law Citibank is limited to one main office and one branch. It ranks fourth in terms of deposits and second in lending. As of September 30, 1998, loans totaled \$356 million and deposits were \$142 million.

Conclusions about Performance Tests in Guam

LENDING TEST

Lending Activity

Citibank originated a significant volume of loans. There are limited sources for market data. The Guam Bankers Association consolidated report was released in June 1998. This report showed that Citibank, the fourth largest in deposits, ranked second in originating loans in Guam.

LENDING TEST: Guam							
Loan Type	#	\$ (million)	B	Low % / #	Moderate % / #	Middle % / #	Upper % / #
Residential Real Estate (HMDA)	532	\$67	B	7%	29%	36%	28%
				36	154	190	146
Small Business	202	32	B	NA	NA	NA	NA
Motor vehicle	2,091	33	B	62%	18%	7%	3%
				1,294	384	137	66
Community Development	0	0					
Total Lending	2,825	\$132					

Income Level (B) Borrower Not available

Geographic Distribution

There is no available census tract information on Guam. As a result, there is no analysis of the geodistribution of loan originations.

Distribution by Borrower Characteristics

Overall distribution is good, particularly in motor vehicle loans.

Innovative or Flexible Lending Practices

Some programs and products have underwriting flexibility which allows credit extension to first-time homebuyers, or borrowers with no credit history. As a result, during the evaluation period, Citibank originated 537 loans amounting to \$64 million.

INVESTMENT TEST

The level of qualified investments in Guam is adequate considering the very limited opportunities. Qualified investments consist of a \$100 thousand grant to the Pacific Island Small Business Development Center Network.

SERVICE TEST

Retail Banking Services

Local law restricts the bank to one main office and one branch. The bank provides an alternative service with the CitiPhone Banking Center in the main office. This allows existing and potential customers to use a telephone to apply for a loan, inquire about products and services, and conduct banking transactions. Through September 1998, the bank received five thousand personal loan applications by phone. In addition, the Automated Voice Response (AVR) handles between five and ten thousand calls and transactions per month.

Community Development Services

There is limited opportunity for providing community development services. However, Citibank is actively involved in promoting affordable housing efforts, and participates in educational efforts for potential home purchase applicants. A local chapter of Habitat for Humanity was established recently, and completed construction of its first house this year. We identified six programs, which the bank sponsored or participated in, that provided credit counseling to participants for mortgage applications. The bank's employees serve on boards and committees of organizations in Guam which help provide community development services. Many of these activities involve extending technical or managerial assistance.

Appendix

SCOPE OF EXAMINATION

Time Period Reviewed	October 1, 1996 to September 30, 1998	
Financial Institution		Products Reviewed
Citibank, N.A. New York City, NY		HMDA reportable, small business, motor vehicle, and community development loans. Investments.
Affiliate(s)	Affiliate Relationship	Products Reviewed
Citicorp Foundation	Holding company affiliate	Grants and contributions.
Citicorp Mortgage, Inc.	Bank subsidiary	Twenty-one percent of the home purchase mortgages claimed by the bank were originated by the mortgage company.

Citicorp Mortgage, Inc. became a bank subsidiary during the examination (previously it was a subsidiary of the bank's holding company). CMI is in sound financial condition and capably supports the bank's CRA lending efforts. Other bank operating subsidiaries are of minor significance.

DEMOGRAPHIC TABLES

Demographic Information for Full-Scope Assessment Area: New York City, #5600						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts/BNAs)	2,478	13	18	33	34	2
Population by Geography	8,462,905	15	20	30	35	
Owner-Occupied Housing by Geography	1,061,103	2	8	30	60	
Businesses by Geography	308,385	7	16	23	52	21
Farms by Geography	1,831	1	6	20	72	> 1
Family Distribution by Income Level	2,052,204	25	16	18	41	
Median Family Income HUD Adjusted Median Family Income for 1998 Households Below the Poverty Level	=\$37,515 =\$49,800 =16.0 %	Median Housing Value Unemployment Rate (Dec-31, 1997)		=\$195M = 8.6%		

Source: 1990 U.S. Census and 1998 HUD updated MFI.

Demographic Information for Full-Scope Assessment Area: Nassau/Suffolk, #5380
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Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts/BNAs)	583	< 1	14	66	18	2
Population by Geography	2,609,212	< 1	15	68	17	
Owner-Occupied Housing by Geography	687,506	0	12	69	19	
Businesses by Geography	117,540	< 1	14	66	20	
Farms by Geography	2,617	0	17	66	17	
Family Distribution by Income Level	690,401	17	19	26	38	
Median Family Income HUD Adjusted Median Family Income for 1998 Households Below the Poverty Level	= \$56,726 = \$70,200 = 4.0%	Median Housing Value Unemployment Rate (Dec-31, 1997)				= \$207M = 3.7%

Source: 1990 U.S. Census and 1998 HUD updated MFI.

Demographic Information for Full-Scope Assessment Area: Puerto Rico						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts/BNAs)	612	3	26	37	30	4
Population by Geography	2,6 million	3	25	45	27	
Owner-Occupied Housing by Geography	555,000	1	24	44	31	
Businesses by Geography	11,985	na	na	na	na	
Farms by Geography	NA					
Family Distribution by Income Level	NA					
Median Family Income HUD Adjusted Median Family Income for 1998 Households Below the Poverty Level	= \$ NA = \$15,183 = NA	Median Housing Value Unemployment Rate				= \$50M = NA

Source: 1990 U.S. Census and 1998 HUD updated MFI.

Demographic Information for Full-Scope Assessment Area: Territory of the Virgin Islands						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts/BNAs)	16	0	44	25	25	6
Population by Geography	58,000	0	54	29	17	
Owner-Occupied Housing by Geography	6,397	0	40	33	27	
Businesses by Geography	NA					
Farms by Geography	NA					
Family Distribution by Income Level	NA					
Median Family Income HUD Adjusted Median Family Income for 19XX Households Below the Poverty Level	= \$ NA = \$31,178 = 19%	Median Housing Value Unemployment Rate			= \$144M = NA	

Source: 1990 U.S. Census and 1998 HUD updated MFI.
 * St. Thomas Island only.

Demographic Information for Full-Scope Assessment Area: Territory of Guam						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts/BNAs)	None	na	na	na	na	
Population by Geography	156,127					
Owner-Occupied Housing by Geography	16,969					
Businesses by Geography	na					
Farms by Geography	na					
Family Distribution by Income Level	na					
Median Family Income HUD Adjusted Median Family Income for 19XX Households Below the Poverty Level	= \$ NA = \$55,620 = NA%	Median Housing Value Unemployment Rate (Dec- 31, 1997)			= \$141.365 = 9.2%	

Source: 1990 U.S. Census and 19XX HUD updated MFI. Territory is not an MSA; there are no census tracts.

LENDING TABLES

LENDING VOLUME		State: New York		Assessment Period: October 1, 1996 to September 30, 1998						
MSA/Assessment Area:	Residential		Small Business		Consumer - Auto Loans		Community Development		Total Loans	
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)
MSA 5600	12,932	1,869,922	11,522	1,018,270	19,293	278,586	103*	170,023*	43,850	3,336,801
MSA 5380	5,703	680,446	2,374	189,608	8,930	127,993	8*	4,021*	17,015	1,002,068
TOTAL: New York AA	18,635	2,550,368	13,896	1,207,878	28,223	406,579	127*	207,048*	60,881	4,371,873

* 12 community development loans aggregating \$31 million benefit both MSAs are included in the total AA numbers, but not in the MSA-level numbers.

Geographic Distribution: HMDA		State: New York		Assessment Period: October 1, 1996 to September 30, 1998													
MSA/Assessment Area:	Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Overall Market Rank*	Market Share*					Total Loans # originated by		
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Over all	Low	Mod	Mid	Upp	Market	Bank	
HOME PURCHASED																	
MSA 5600	2.0%	0.9%	8.0%	4.1%	29.8%	15.8%	60.2%	79.2%	3	3.3	0.9	1.6	1.9	4.3	78,502	2,620	
MSA 5380	0.1%	0.0%	11.8%	12.9%	68.7%	61.2%	19.4%	25.9%	9	2.4	0.0	2.0	2.2	3.3	45,980	1,104	
TOTAL: New York AA	1.3%	0.7%	9.5%	6.6%	45.1%	28.7%	44.1%	64.0%	4	3.0	0.9	1.8	2.1	4.1	124,482	3,724	
HOME IMPROVEMENT																	
MSA 5600	2.0%	7.2%	8.0%	17.2%	29.8%	35.5%	60.2%	40.1%	2	11.1	8.4	8.0	7.9	14.2	6,918	768	
MSA 5380	0.1%	0.1%	11.8%	24.5%	68.7%	62.0%	19.4%	13.4%	6	4.9	0.0	1.9	4.5	9.3	6,856	333	
TOTAL: New York AA	1.3%	5.0%	9.5%	19.4%	45.1%	43.6%	44.1%	31.9%	4	8.0	8.3	4.6	5.6	13.0	13,774	1,101	
REFINANCE																	
MSA 5600	2.0%	0.9%	8.0%	4.0%	29.8%	15.6%	60.2%	79.3%	5	2.8	0.3	1.1	1.6	4.0	34,094	940	
MSA 5380)	0.1%	0.1%	11.8%	10.3%	68.7%	64.3%	19.4%	25.3%	9	2.1	0.0	2.1	2.0	2.7	24,772	517	
TOTAL: New York AA	1.3%	0.6%	9.5%	6.2%	45.1%	32.1%	44.1%	61.0%	6	2.5	0.3	1.5	1.8	3.7	58,866	1,457	

..... (*) Based on 1997 Aggregate HMDA Data only.

.....

Borrower Distribution: HMDA		State: NEW YORK				Assessment Period: October 1, 1996 to September 30, 1998										
MSA/Assessment Area:	Low-Income Families		Moderate-Income Families		Middle-Income Families		Upper-Income Families		Overall Market Rank**	Market Share**					Total Loans # originated by	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	Market	Bank
HOME PURCHASED																
MSA 5600	25.2%	0.7%	15.3%	7.1%	18.3%	16.8%	41.2%	68.0%	3	3.3	2.1	4.5	3.3	4.5	78,502	2,620
MSA 5380	16.4%	3.2%	19.3%	22.2%	26.3%	24.8%	38.1%	39.8%	9	2.4	2.8	3.6	2.2	3.5	45,980	1,104
TOTAL: New York AA	23.0%	1.4%	16.3%	11.4%	20.3%	19.0%	40.4%	60.0%	4	3.0	2.6	3.9	2.8	4.3	124,482	3,724
HOME IMPROVEMENT																
MSA 5600	25.2%	10.0%	15.3%	18.1%	18.3%	17.5%	41.2%	32.2%	2	11.1	11.4	9.7	9.1	12.9	6,918	768
MSA 5380	16.4%	14.7%	19.3%	18.0%	26.3%	15.7%	38.1%	22.2%	6	4.9	2.8	3.9	3.5	6.9	6,856	333
TOTAL: New York AA	23.0%	11.4%	16.3%	18.1%	20.3%	16.9%	40.4%	29.1%	4	8.0	6.1	6.0	5.8	10.6	13,774	1,101
REFINANCE																
MSA 5600	25.2%	1.5%	15.3%	6.7%	18.3%	12.9%	41.2%	73.1%	5	2.8	0.9	2.0	2.4	4.3	34,094	940
MSA 5380	16.4%	5.6%	19.3%	20.6%	26.3%	24.0%	38.1%	42.7%	9	2.1	2.3	2.4	1.9	3.2	24,772	517
TOTAL: New York AA	23.0%	2.9%	16.3%	11.4%	20.3%	16.6%	40.4%	62.8%	6	2.5	1.7	2.2	2.1	4.0	58,866	1,457

..... (*) As a percentage of loans with borrower income information available. No information was available for 0.1% of loans originated by BANK.
..... (**) Based on 1997 Aggregate HMDA Data only.

Geographic Distribution: SMALL BUSINESS					State: New York		Assessment Period: October 1, 1996 to September 30, 1998									
MSA/Assessment Area:	Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Overall Market Rank*	Market Share*					Total Loans* # originated by	
	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Over all	Low	Mod	Mid	Upp	Market	Bank
MSA 5600	7.1%	4.4%	15.9%	12.8%	23.1%	20.0%	51.7%	60.8%	4	6.9	6.2	6.3	6.3	7.3	80,008	5,501
MSA 5380	0.1%	0.0%	13.5%	7.0%	65.9%	64.6%	20.5%	28.4%	10	3.5	0.0	1.7	3.5	4.5	33,167	1,163
TOTAL: New York AA	5.2%	3.6%	15.2%	11.8%	34.9%	27.6%	43.1%	1.7%	4	5.9	6.2	5.0	4.8	6.9	113,175	6,664

(*) Based on 1997 Aggregate Small Business Data only.

Borrower Distribution: SMALL BUSINESS				State: New York		Assessment Period: October 1, 1996 to September 30, 1998				
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less			Loans by Original Amount Regardless of Business Size			Market Share****		Total Loans in 1997 # originated by	
	% of Businesses*	% BANK Loans**	% Market Loans***	< \$100,000	\$100,000 to \$250,000	> \$250,000	All	Revenues \$1 million or less	Market	BANK
MSA 5600	74%	41%	39.2%	9,381	1,560	581	6.8	7.1	80,008	1,161
MSA 5380	78%	38%	42.9%	1,981	303	90	3.5	3.1	33,167	5,497
TOTAL: New York AA	75%	40%	40.3%	11,362	1,863	671	5.9	5.8	113,175	6,658

(*) As a percentage of businesses with known revenues.

(**) As a percentage of loans with revenue information available. No information was available for 32.7% of loans originated by BANK.

(***) The market consists of all other Small Business reporters in BANK's assessment area and is based on 1997 Aggregate Small Business Data only.

(****) Based on 1997 Aggregate Small Business Data only.

Geographic Distribution: CONSUMER- Motor Vehicle		State: New York		Assessment Period: October 1, 1996 to September 30, 1998				
MSA/Assessment Area/ by TYPE of LOANS	Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts	
	% Families	% BANK Loans	% Families	% BANK Loans	% Families	% BANK Loans	% Families	% BANK Loans
MOTOR VEHICLE LOANS								
MSA 5600 (New York, excl. Putnam Co.)	13.8%	6.9%	19.7%	13.2%	30.9%	36.0%	35.7%	43.8%
MSA 5380 (Nassau-Suffolk)	0.1%	0.1%	13.5%	12.6%	68.1%	72.6%	18.3%	14.5%
TOTAL: New York AA	10.3%	4.8%	18.1%	13.0%	40.2%	47.6%	31.3%	34.5%

Borrower Distribution: CONSUMER-Motor Vehicle		State: NEW YORK		Assessment Period: October 1, 1996 to September 30, 1998				
MSA/Assessment Area:	Low-Income Families		Moderate-Income Families		Middle-Income Families		Upper-Income Families	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*
MOTOR VEHICLE LOANS - 3% of this type of consumer loans did not have borrower income information								
MSA 5600 (New York, excl. Putnam Co.)	25.2%	11.6%	15.3%	35.2%	18.2%	28.5%	41.3%	22.3%
MSA 5380 (Nassau-Suffolk)	16.4%	32.6%	19.3%	32.6%	26.3%	19.4%	38.1%	12.7%
TOTAL: New York AA	23.0%	18.2%	16.3%	34.4%	20.3%	25.6%	40.5%	19.3%

(*) As a percentage of loans with borrower income information available.