



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

June 5, 2006

Community Reinvestment Act **Performance Evaluation**

Citibank, N.A.
Charter Number: 1461

399 Park Avenue, 5th Floor
New York, NY 10043

Office of the Comptroller of the Currency

Large Bank Supervision
250 E Street, S.W.
Mail Stop 6-1
Washington, DC 20219

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

Table of Contents

OVERALL CRA RATING	2
DEFINITIONS AND COMMON ABBREVIATIONS	3
DESCRIPTION OF INSTITUTION	7
SCOPE OF THE EVALUATION	9
FAIR LENDING REVIEW	11
STATE RATING	12
STATE OF NEW YORK	12
COMMONWEALTH OF PUERTO RICO	29
TERRITORY OF GUAM.....	39
APPENDIX A: SCOPE OF EXAMINATION	A-1
APPENDIX B: SUMMARY OF STATE RATINGS	B-1
APPENDIX C: MARKET PROFILES FOR FULL-SCOPE AREAS	C-1
APPENDIX D: TABLES OF PERFORMANCE DATA	D-1

Overall CRA Rating

Institution’s CRA Rating: This institution is rated “**Outstanding**”.

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

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

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating are:

- Excellent volume of lending in the bank’s primary assessment areas.
- Good geographic distribution of loans.
- Good distribution of loans by borrower income.
- Community Development (CD) lending had a positive impact on the lending test.
- Product innovation and flexibility had a positive impact on the lending test.
- An excellent level of Community Development investments.
- Citibank’s delivery systems are accessible to all portions of the full-scope assessment areas (AA).
- Citibank is a leader in providing community development services that are responsive to the needs of the bank’s assessment areas.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

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

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

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

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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

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

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an

employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

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

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

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

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

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

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

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

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

Tier One Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Description of Institution

Citibank, N.A. (Citibank) is a full-service commercial bank, providing consumer and commercial banking services globally. As of December 31, 2005, Citibank had total assets of \$706 billion. Net loans represent 55% of total assets. Foreign loans, financial institution loans, and other loans represent 74% of total loans. The breakdown of domestic loans includes residential real estate loans (18%), commercial loans (25%), consumer loans (28%) and credit cards (29%).

Citibank is a subsidiary of Citicorp Holdings Inc. (Citicorp), which is headquartered in New York City. As of December 31, 2005, Citicorp's total assets were \$751 billion. Customers have access to a full range of product offerings, including student loans, credit cards, and global cash management services some of which are provided by bank affiliates. Despite the fact that some of the bank's affiliates are nationwide lenders, CRA consideration was only given for those loans made in the bank's assessment areas (AAs). See Appendix A for detailed information. Although activities from several affiliates were considered in our evaluation of Citibank's CRA performance, the level of activity and therefore the contribution to the bank's overall CRA performance differed dramatically by affiliate. As an example, 94.6% of the dollars and 88% of the number of HMDA loans were provided by the bank and the affiliate, Citicorp Mortgage. The regulation requires that when mortgage lending from one affiliate is considered, mortgage lending from all affiliates that perform such lending in the bank's AA is required to be considered regardless of its volume. As a result, the mortgage lending activity from the bank's United States affiliates, CitiMortgage, Inc., Citibank USA NA, CitiFinancial Mortgage Corporation (CFMC) and CitiFinancial Inc. (CFI), as well as CMFC Inc, CitiFinancial Services of Puerto Rico, and Associates International Holding in Puerto Rico were included in this analysis.

On August 30, 2003, the assets of Citibank New York State (CBNYS) were merged into Citibank N.A. From that time forward, CBNYS's 22 financial centers in the upstate New York region within Erie, Niagara and Monroe Counties were operated under Citibank N.A. Citibank exited the upstate New York market due to the lack of an effective presence and agreed to sell its branches to M&T Bank. The transaction closed in July 2006.

Domestically, the bank has interstate retail operations with 261 branches in New York, Puerto Rico, and Guam. The major markets are New York City and Nassau and Suffolk Counties on Long Island (within New York State) and San Juan, Puerto Rico. The bank offers conventional home mortgage loans and a full range of business and consumer loans.

Citibank was rated "Outstanding" at its last CRA evaluation dated June 9, 2003.

Citicorp Holdings Inc. is a subsidiary of Citigroup. Citibank represents a significant portion of Citigroup's business. Citigroup is the largest financial services company in the U.S. with assets of \$1.5 trillion. It has three major lines of business: consumer financial services, including insurance; corporate and investment banking services; and, investment management and private banking services. Citigroup's primary business focus is providing global financial services to businesses, individuals, and governments. The holding company's Global Consumer Bank Division provides retail-banking services in many parts of the world. Various Citigroup subsidiaries and affiliates, as indicated in Appendix A, provide loans and other products for Citigroup's banking customers.

As of June 30, 2005, Citibank reported Tier 1 capital of \$43 billion. We have allocated capital to the domestic operations of the bank based on domestic deposits as a proportion of foreign deposits. Domestic deposits of \$131 billion are approximately 26% of total deposits; thus, the resulting allocated Tier 1 capital is \$11.1 billion.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation of the bank's lending performance covered the time period from January 1, 2003 to December 31, 2005. During this timeframe, the U.S. Office of Management and Budget redefined the boundaries of the Metropolitan Statistical Areas (MSAs) and further created Metropolitan Divisions within MSAs. This changed some of the demographic information in Citibank's assessment areas (AAs). As a result of these changes, evaluation of the bank's performance under the Lending Test was conducted in two parts. This allowed for information collected in 2003 to be compared to the boundaries and demographics in effect for 2003. Lending activity for 2004 and 2005 was compared to the 2000 Census Data with the official geographic adjustments. Thus, under the Lending Test, the narrative comments address the bank's performance for each of these periods (2003 and 2004-2005). However, note that the Standardized tables in this report only contain data for the 2004-2005 time period. Community development lending, community development investments, and retail and community development services were evaluated for the period June 9, 2003 through June 5, 2006.

Citibank did not originate a substantial number of multifamily loans, except in the New York AA during the 2004-2005 timeframe. The bank did not originate a substantial number of small farm loans in any of its AAs and therefore these loans were not analyzed. Small farm lending and multifamily home lending are not primary business lines of the bank.

Data Integrity

Examiners tested the accuracy of the bank's reported data used in this evaluation. This testing revealed only minor errors in the New York State CRA and mortgage data, none of which made the data unreliable for analysis. Based on reviews conducted by the Federal Reserve Bank of New York, the mortgage data for the Puerto Rican affiliates was deemed to be unreliable and those affiliates were required to correct the data and refile those Home Mortgage Disclosure Act (HMDA) reports. While not required to report HMDA data, the mortgage information provided by Guam was found to be inaccurate and required correction during the examination. Community development loans, investments, and services were also reviewed to ensure their qualification and found to be reliable. All data issues identified were corrected and we were able to use the data in our evaluation.

Selection of Areas for Full-Scope Review

In each state, commonwealth and territory where the bank has an office, a sample of AAs within that state was selected for full-scope reviews. Refer to the "Scope" section under each state rating for details regarding how the areas were selected and why they are representative of the state or area as a whole.

Ratings

The bank's overall rating is a blend of the state ratings. However, performance in New York was weighted considerably more than any of the other areas and this performance drives the

overall rating. Over 94% of the bank's lending activity, 97% of deposits, and 93% of branches are concentrated in New York.

The state ratings are based primarily on those areas that received full-scope reviews. As discussed, more weight was placed on the 2004-2005 period in the analysis. Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

Fair Lending or Other Illegal Credit Practices Review

Issuance of this Performance Evaluation was delayed due to discussions surrounding certain fair lending issues noted at an affiliate of the bank. Some of this affiliate's lending activities were considered in this evaluation. The underlying issues have been satisfactorily addressed by the affiliate, although discussions continue regarding the original practices. As a result, the Performance Evaluation is being issued without consideration of the practices of the affiliate.

State Rating

State of New York

CRA Rating for New York: Outstanding
The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Excellent lending activity in the bank's AAs.
- The overall geographic distribution of loans is good.
- The overall distribution of loans by borrower income is good.
- Community Development (CD) lending had a positive impact on the Lending Test.
- Product innovation and flexibility had a positive impact on the lending test.
- Citibank has an excellent level of investments.
- The bank's branches are accessible to geographies and individuals of different income levels.
- Citibank is a leader in providing community development services that are responsive to the needs of the bank's AAs.

Description of Institution's Operations in New York

Citibank is the second largest deposit-taking financial institution in New York, with 18% of the State's total deposit base (FDIC Summary of Deposits, June 2005). JPMorgan Chase Bank ranks first with 26%. Other large banks ranking behind Citibank, which are major competitors, include HSBC Bank USA (9%), Bank of New York (5%) and North Fork Bank (5%). Citibank operates 242 branches within the State with the majority of the branches being in the New York AA. Approximately 97% of the bank's deposits and 94% of reportable loans are in the State of New York, thus driving the overall rating.

Refer to the Market Profiles for the State of New York in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in New York

We performed two full-scope and two limited-scope reviews of the bank's AAs located in New York. The full-scope reviews include the New York AA and the Nassau/Suffolk AA, and limited scope reviews were performed on the Buffalo AA and the Rochester AA. The New York AA was weighted more heavily based on the concentration of deposits from this area. In evaluating the bank's lending performance, more weight was placed on small loans to businesses compared to home mortgage lending. This is based on the number of loans as a percentage of the total reportable loans in New York. Within home mortgage lending, more weight was placed on home purchase and home refinance as this represented 47% and 48%, respectively, of all home mortgage lending in New York. Additionally, we gave consideration to the volume of multifamily home loans originated in the 2004-2005 evaluation period in the New York AA. Both small loans to businesses and home purchase lending are identified credit needs of the areas.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in New York is rated "Outstanding". Based on full-scope reviews, the bank's performance in the New York AA and the Nassau-Suffolk AA is excellent.

Lending Activity

The bank's overall lending activity in the New York and Nassau-Suffolk AAs is excellent.

Refer to Table 1 Lending Volume in the State of New York section of Appendix D for the facts and data used to evaluate the bank's lending activity.

In 2003 for the New York AA, Citibank originated and purchased 61,690 loans totaling \$5.7 billion. By number of originations, 65% were small loans to businesses and 35% were HMDA reportable home loans. For HMDA reportable loans, 63% were for home mortgage refinance, 35% were for home purchase. Approximately 2% were for home improvement and multifamily loans.

In 2004-2005 for the New York AA, Citibank originated and purchased 129,802 loans totaling \$13.1 billion. By number of originations, 73% were small loans to businesses and 27% were HMDA reportable home loans. For HMDA reportable loans, 60% were for home purchase, 34% were for home mortgage refinance and 6% were for home improvement. Less than 1% of HMDA reportable loans were for multifamily loans. The rising interest rate environment from 2004-2005 resulted in a decline in the demand for home mortgage refinances during that same period. There were 222 community development loans totaling \$542 million made in the New York AA during the evaluation period, which represents 4% of the total dollar volume of loan originations made during that period.

In 2003 for the Nassau-Suffolk AA, Citibank originated and purchased 23,512 loans totaling \$2.2 billion. By number of originations, 60% were small loans to businesses and 40% were HMDA reportable home loans. For HMDA reportable loans, 71% were for home mortgage refinance, 27% were for home purchase and 2% were for home improvement.

In 2004-2005 for the Nassau-Suffolk AA, Citibank originated and purchased 53,575 loans totaling \$4.3 billion. By number of originations, 72% were small loans to businesses and 27% were HMDA reportable home loans. For HMDA reportable loans, 49% were for home mortgage refinance, 41% were for home purchase and 10% were for home improvement. The rising interest rate environment from 2004-2005 resulted in a decline in the demand for home mortgage refinances from 2003. There were 27 community development loans totaling \$63 million made in the Nassau-Suffolk AA during the evaluation period, which represents 1% of the total dollar volume of loan originations made during the same period.

Market Share

New York Assessment Area

In the New York AA, Citibank ranked second in deposit market share, based on the June 30, 2005 FDIC Summary of Deposits. Citibank ranked in the top three lenders for overall market share in home mortgage lending based on 2004 HMDA data. The New York AA is highly competitive with over 600 lenders competing for home mortgage products.

Home Purchase

Citibank ranked in the top three lenders for market share of home purchase lending. Competition in this AA is strong with 216 lenders making home purchase loans during the evaluation period.

Home Refinancing

The bank ranked in the top three lenders for market share of home refinances. Competition is again strong with 533 lenders making home refinance loans during the evaluation period.

Home Improvement

The bank ranked in the top three lenders for market share of home improvement lending. Competition is strong with 219 lenders making home improvement loans during the evaluation period.

Small Business

Citibank ranked in the top five lenders for market share of small loans to businesses in the New York AA, based on 2004 data. A significant portion of the small loans to businesses is credit card loans. Citibank, partnered with its affiliates, is one of the largest credit card lenders in the country.

Nassau-Suffolk Assessment Area

In the Nassau-Suffolk AA, Citibank ranked third in deposit market share, based on the June 30, 2005 FDIC Summary of Deposits. Citibank ranked in the top five lenders for overall market share in home mortgage lending, based on 2004 HMDA data. The Nassau-Suffolk AA is highly competitive with over 500 lenders competing for home mortgage products.

Home Purchase

In the Nassau-Suffolk AA, Citibank ranked in the top five lenders for market share of home purchase lending. Competition in the Nassau-Suffolk AA is strong with almost 400 lenders making home purchase loans during the evaluation period.

Home Refinancing

In the Nassau-Suffolk AA, Citibank ranked in the top five lenders for market share of home refinances. Competition in the Nassau-Suffolk AA is strong with 437 lenders making home refinance loans during the evaluation period.

Home Improvement

In the Nassau-Suffolk AA, Citibank ranked in the top five lenders for market share of home improvement lending. Competition in the Nassau-Suffolk AA is strong with 181 lenders making home improvement loans during the evaluation period.

Small Business

Citibank ranked in the top five lenders for market share of small loans to businesses in the Nassau-Suffolk AA, based on 2004 data. A significant portion of the small loans to businesses is credit card loans. Citibank, partnered with its affiliates, is one of the largest credit card lenders in the country.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans in the New York AA is good. This is based on an excellent distribution of home mortgage loans and an adequate distribution of small loans to businesses in the New York AA.

The overall geographic distribution of loans in the Nassau-Suffolk AA is good. This is based on excellent distribution of home mortgage loans and good distribution of small loans to businesses in the Nassau-Suffolk AA.

Home Mortgage Loans

Refer to Tables 2, 3, 4 and 5 in the State of New York section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

New York AA

Citibank's geographic distribution of home mortgage loans in the New York AA is excellent.

For 2004-2005 for all home purchase and home improvement loans, Citibank's performance in low-income geographies in the New York AA exceeds the demographic comparators over the evaluation period. For home refinance loans, Citibank's performance in low-income geographies exceeds the demographic comparator over the evaluation period. Citibank's market share for all home mortgage loans in low-income geographies is below the overall market share. For 2003, Citibank's market share of home refinance and home improvement loans in low-income geographies exceeds the overall market share. The bank's market share for home purchase loans in low-income geographies substantially meets the overall market share.

For all home mortgage loans, Citibank's performance in moderate-income geographies in the New York AA exceeds the demographic comparators for 2004-2005 and exceeds the demographic comparators for moderate-income geographies for 2003. For 2004-2005, Citibank's market share for home improvement lending exceeds the overall market share while home purchase and home refinance loans are below the overall market share. For 2003, Citibank's market share for home refinance loans substantially meets the overall market share while the market share of home purchase and home improvement loans is below the overall market share.

In 2004 and 2005, the bank originated a significant number of multi-family loans in the New York AA. The bank's performance in the low- and moderate-income geographies exceeds the demographic comparators and its market share for multi-family loans exceeds its overall market share. There were not enough multi-family loans originated in 2003 to make a meaningful comparison.

Nassau-Suffolk AA

Citibank's geographic distribution of home mortgage loans in the Nassau-Suffolk AA is excellent.

In the Nassau-Suffolk AA, our analysis was based on performance in the moderate-income geographies. The level of owner-occupied housing in the four low-income geographies is very low. The low level of owner-occupied housing limits the opportunities for home mortgage related lending in the low-income geographies. Therefore, the analysis of geographic distribution was given nominal weight in developing conclusions in those geographies.

For 2003-2005, Citibank originated a high level of mortgage loans in moderate-income geographies within the Nassau-Suffolk AA. The bank's performance exceeds the demographic comparator in moderate-income geographies. Citibank's market share of home mortgage loans within moderate-income geographies was near to or exceeded the bank's overall market share.

There were not enough multi-family loans in the Nassau-Suffolk AA to conduct a meaningful analysis.

Small Loans to Businesses

Refer to Table 6 in the State of New York section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

New York AA

Citibank's geographic distribution of small loans to businesses in the New York AA is adequate.

In 2004 and 2005, Citibank's small loans to businesses in low-and moderate-income geographies in the New York AA are lower than the percentage of businesses located in those geographies. The market share of Citibank's small loans to businesses in these geographies is below the overall market share. The bank's performance in 2003 is similar to its 2004 and

2005 performance. However, it was noted that Citibank's percentage of small loans to businesses, as well as market share, in low and moderate-income geographies increased over the evaluation period, consistent with an increase in the overall market share and percentage of businesses located in those geographies.

Nassau-Suffolk AA

Citibank's geographic distribution of small loans to businesses in the Nassau-Suffolk AA is good.

Our analysis was based on the bank's 2004 and 2005 performance in the moderate-income geographies. Opportunities for lending in low-income geographies are limited. Only 0.69% or 1,816 businesses are located in these geographies. Therefore, an analysis was not conducted in those geographies. The percentage of small loans to businesses in moderate-income geographies is near to the percentage of businesses located in those geographies. Citibank's market share of small loans to businesses in moderate-income geographies substantially meets the bank's overall market share. In 2003, the bank's performance was consistent with its performance in 2004 and 2005.

Lending Gap Analysis

Maps detailing Citibank's lending activity did not reveal any unexplained conspicuous gaps in the geographic distribution of these loans.

Inside/Outside Ratio

This portion of the evaluation was performed at the bank level. During the evaluation period, Citibank originated a substantial majority (92%) of its loans in the AAs. Citibank originated 89% of its HMDA loans and 96% of its small loans to businesses in the AAs. This analysis included all reportable loans originated by Citibank only, and does not include extensions of credit by affiliates. This performance was factored into the overall analysis of the geographic distribution of lending by income level of geography.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level in the New York AA is good. This is based on good distribution of home mortgage lending and excellent distribution of small loans to businesses within the New York AA.

The overall distribution of loans by income level in the Nassau-Suffolk AA is excellent. This is based on excellent distribution of home mortgage lending and excellent distribution of small loans to businesses within the Nassau-Suffolk AA.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the State of New York section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

New York AA

Citibank's distribution of home mortgage loans to low- and moderate-income (LMI) borrowers in the New York AA is good.

The percentage of home mortgage lending to low-income borrowers for 2003-2005 was significantly lower than the percentage of low-income families in the AA. For moderate-income borrowers, the percentage of home mortgage lending was also low compared to the percentage of moderate-income families in the AA. The limited availability and lack of affordability of owner-occupied housing units in the New York AA provides limited opportunities for homeownership and related mortgage lending. Furthermore, the median home price in the New York AA is \$528,000. Given that the median family income is \$29,000 or less for low-income residents and \$30,000 to \$47,000 for moderate-income residents in the New York AA, homeownership options are limited. Eighteen percent of the households in the AA live below the poverty level. The barriers in making home mortgage loans to low- and moderate-income individuals were considered in our analysis and conclusions.

However, Citibank's market share for home purchase loans to low and moderate-income borrowers significantly exceeded the overall market share over the evaluation period. The bank's market share for home refinance loans exceeded the overall market share for low and moderate-income borrowers over the evaluation period. The bank's market share for home improvement loans to low-income borrowers exceeds the overall market share over the evaluation period. The bank's market share for home improvement loans to moderate-income borrowers exceeds the overall market share for 2003-2005.

Nassau-Suffolk AA

Citibank's distribution of home mortgage loans to low- and moderate-income borrowers in the Nassau-Suffolk AA is excellent.

The percentage of home mortgage lending to low-income borrowers was significantly less than the percentage of low-income families in the AA throughout the evaluation period. The high cost of housing in the Nassau-Suffolk AA makes limited options available for affordable homeownership. The median home price in the Nassau-Suffolk AA is \$475,000, which limits housing options for many low-income borrowers. Median family income is \$45,000 or less for low-income residents in the Nassau-Suffolk AA. However, it was noted that Citibank's market share for home purchase and home refinance loans to low-income borrowers exceeds the overall market share over the evaluation period. The barriers in making home mortgage loans to low- and moderate-income individuals were considered in our analysis and conclusions.

For 2003, the percentage of all home mortgage loans to moderate-income borrowers exceeds the percentage of moderate-income families in the AA. For 2004-2005, the percentage of home refinance and home improvement loans exceeds the percentage of moderate-income families in the AA. The percentage of home purchase loans to moderate-income borrowers in the AA is near to the percentage of moderate-income families in the AA. There was a notable decline in the percentage of home purchase and home refinance loans made to moderate-income families from the 2003 to 2005. This is attributed to home price escalation, which

reduced affordable home purchases and rising interest rates, which reduced the overall volume of home refinancings. The bank's market share for home purchase, home improvement and home mortgage refinance loans exceeds the overall market share for 2003-2005.

Small Loans to Businesses

Refer to Table 11 in the State of New York section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

New York AA

The distribution of small loans to businesses of different sizes in the New York AA is excellent.

In the New York AA for 2004 and 2005, the percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) exceeds the percentage of small businesses in the AA. A majority of the small loans to businesses are credit card loans issued through Citibank or its affiliates. Business revenue data was not available for 20% of the credit card loans to small businesses as approval of such loans is generally based on credit bureau scoring rather than analysis of business revenue. In 2003, the percentage of small loans to small businesses is slightly less than the percentage of small businesses in the AA.

A substantial majority, 97%, of Citibank's small loans to businesses in the New York AA were for \$100,000 or less. The bank's market share to businesses with revenue of \$1 million or less exceeded its overall market share in 2003 but was below the overall market share for 2004-2005.

Nassau-Suffolk AA

The distribution of small loans to businesses of different sizes in the Nassau-Suffolk AA is excellent.

In the Nassau-Suffolk AA, the percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) for 2004-2005 exceeds the percentage of small businesses in the AA. A majority of the small loans to businesses are credit card loans issued through Citibank or its affiliates. In 2003, the percentage of small loans to small businesses was near to the percentage of small businesses in the AA.

A substantial majority, 98%, of Citibank's small loans to businesses in the Nassau-Suffolk AA were for \$100,000 or less. The bank's market share to businesses with revenue of \$1 million or less exceeded its overall market share in 2003 but was below the overall market share for 2004-2005.

Community Development Lending

Refer to Table 1 Lending Volume in the State of New York section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all Community Development (CD) loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans,

including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

The level and type of CD lending had an overall positive effect on the Lending Test rating for each New York full scope AA. Citibank originated a high volume of CD loans during this rating period, increasing by just over 31% the volume of the previous rating period. The loan products provided have been flexible and responsive to the CD needs of this AA.

During this rating period Citibank provided 222 CD loans exceeding \$542 million in the NY AA. Citibank placed most of its CD loan emphasis on community service initiatives (39%) and affordable housing (33%) for LMI individuals; both identified as vital needs in this AA. The high cost of residential real estate throughout this AA supports the need for CD lending activities that provide and support affordable housing. Loans supporting the revitalization of communities comprised 16% of the total and the balance, 12%, went to economically benefit small businesses.

The 27 CD loans made in the more affluent Nassau Suffolk AA totaled just below \$63 million with the predominate purpose being LMI housing refurbishment.

Community development for-profit and non-profit organizations are well-developed, savvy, sophisticated and very active in the AAs. Citibank works with a wide variety of local CD organizations to increase affordable housing, promote economic development, revitalize communities and provide much needed social services. Citibank offers these organizations a wide range of flexible, complex and innovative lending products and services to aid them in their community development endeavors.

Many of the large affordable housing, mixed-use development and redevelopment projects as well as other CD projects financed by Citibank are complex and contain multiple financing components, including grants, donations, tax credits, construction financing, credit enhancements, and permanent financing. These large complex projects require the bank to foster effective coordination amongst government entities, financial institutions, nonprofit organizations, developers, and others in order to help ensure project success.

Citigroup also works to support small businesses in the community. The bank works closely with government agencies as well as grassroots organizations supporting small businesses with lending products as well as technical assistance.

Following are some highlights of Citibank's recent CD lending:

- Citibank provided \$18.4 million in construction financing and \$30.6 million in permanent financing for a 134,000 square-foot shopping center in the Bronx. The New Horizons Mall and Pathmark Superstore opened to the public in July 2004. This project is the first of its kind in this neighborhood. The development was accomplished through the collaborative efforts of the "Mid-Bronx Desperadoes" a non-profit organization created by five women in 1974 seeking to reverse neighborhood deterioration in their community; the Local Initiatives Support Corporation, and Citibank. Anchored by a full-service Pathmark supermarket, the New Horizons Mall has created hundreds of permanent jobs, the majority of which are going to residents of this LMI area.

- Citibank is working with The Fifth Avenue Committee, a leading area non-profit to develop a unique affordable housing project in Brooklyn which will allow for home ownership in a LMI area. Red Hook Homes is a 91-unit affordable co-op development in Brooklyn's Red Hook neighborhood. Citibank has provided \$10.8 million in construction financing thus far.
- The bank created "Fund for Innovation Predevelopment Lines of Credit" a new program for non-profit community developers to use during the crucial early-stage financing for the development of affordable and special needs housing; community-based commercial facilities; and supportive service facilities, including daycare, healthcare, and educational centers for low- and moderate-income persons. This program grew out of Citigroup's "Partners in Progress Program" under which the company recognizes and partners with leading non-profit organizations over a multi-year period. "Fund for Innovation" loans have a below-market rate of three percent for up to three years. Applicants use the financing to fund predevelopment expenses such as those incurred through feasibility studies, options, contracts and site acquisition, as well as for engineering, architectural and legal fees. During the examination period, Citigroup Community Development made three "Fund for Innovation" loans totaling \$1.1 million.

Other Loan Data

Citibank provided for consideration 22 letters of credit totaling approximately \$338 million that were used to support projects which qualified as community development. Many of these letters of credit support affordable housing related initiatives, allowing for the successful completion of the projects at a lower cost to the borrowers.

Citibank uses the strength of its market rating and presence to provide credit enhancements (letters of credit or L/C's) for CD projects that could not otherwise obtain reasonably priced financing in the marketplace. Citibank has also introduced the use of interest rate caps and swaps to assist the borrower with more favorable interest rates and ultimately lower expenses for the project.

Product Innovation and Flexibility

Product innovation and flexibility had a positive impact on the Lending Test in the NY AA. In partnership with Federal and local programs, Citibank continues to offer a wide variety of remarkably flexible lending programs for low- and moderate-income homebuyers. One significant innovation was the expansion of Association of Community Organizations for Reform Now ("ACORN") Housing Corporation, into the New York market. The ACORN concept and product originated in California in 1998. In late 2004, as part of the national partnership between Citigroup and ACORN, a new, improved, exclusive mortgage product was developed to replace the original ACORN-Cal Fed mortgage product. One reason for the success of the ACORN program is the extensive training requirements for bank representatives and the ACORN partners, as well as, the Citibank underwriting and processing teams on how to use the product. Only low- and moderate-income borrowers who have successfully completed ACORN Housing's homeownership education program in Citibank's markets are eligible for the product. Significant features of the product include flexible identification and credit guidelines, expanded debt ratios, premium pricing and no mortgage insurance requirement. Citibank has made 14 ACORN loans for \$2.8 million since implementing the ACORN program in this assessment area.

Below are three key areas where management has demonstrated innovation by creating enhancements to the bank's CD lending products:

Interest Rate Caps: Citibank was instrumental in using interest rate caps, together with bond credit enhancements to reduce the interest expense of several CD projects. While it is not direct lending, the effect is improvement in the project's finances, thereby reducing subsidy amounts required of the public agency for the project. This innovative credit enhancement product was introduced in 2003 and has assisted numerous projects.

Private Placements: Citibank pioneered the use of Private Placements to finance CD projects in 2005. When projects are too small for a bond offering by the city or state, Citibank arranges to purchase the bonds directly and hold them. Since the bonds are privately placed with Citibank, underwriting and legal fees are avoided.

Targeting Section 202 Property refinances: Citibank has refinanced Section 202 properties through providing long-term credit enhancements for tax-exempt bonds. Section 202 of the National Housing Act has been the Federal government's primary method of producing affordable elderly multi-family housing since 1959. Many of the 207,000 units of affordable senior housing created by the program are now aging, burdened by high-interest rate debt and in need of recapitalization. In light of that fact, HUD issued regulations allowing the projects to be refinanced and syndicated, drawing upon the low-income housing tax credits that accompany tax-exempt bonds. Provisions for the letters of credit used for these and other Section 8 projects require the bank to account for the risk that the Federal Housing Assistance Payment contracts ("HAPs"), which subsidize the rents, may not be renewed. The number and dollar amount of these refinances are not available.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Citibank's performance under the Lending Test in the Rochester and Buffalo NY MSAs is not inconsistent with the bank's overall "Excellent" performance under the Lending Test for the State of New York.

Refer to the Tables 1 through 11 in the State of New York section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in New York is rated "Outstanding". Based on full-scope reviews, the bank's performance in the New York AA is excellent and performance in the Nassau/Suffolk AA is good.

Refer to Table 14 in the State of New York section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

In the New York AA, Citibank has made qualified investments during the assessment period totaling \$404.6 million. When coupled with prior period investments that continue to provide value to the AA, Citibank has 732 qualified investments in this AA, totaling \$688.4 million.

Significant investments in the New York AA are primarily for Low Income Housing Tax Credits. Citibank made in excess of \$361 million in these tax credits during the current period. Investment in these tax credits, for which there is a national market, is critical to the provision of affordable housing throughout the country. In New York, these credits have provided support for several developments in Manhattan, Brooklyn, and The Bronx. All of these developments provide affordable housing for low- and moderate-income tenants.

During the assessment period, Citibank also made three investments, totaling \$5.1 million, in “New Markets Tax Credits” in the New York AA. These investments support commercial revitalization of neighborhoods, in much the same way that Low Income Housing Tax Credits support affordable housing.

In addition, Citibank has made numerous qualified grants and contributions in the New York AA during the assessment period. These investments provide funding for a variety of qualified purposes such as homebuyer and other financial education and a variety of services provided to low- and moderate-income persons.

In the Nassau/Suffolk AA, Citibank has made qualified investments during the assessment period totaling \$17.7 million. When coupled with prior period investments that continue to provide value to the AA, Citibank has 164 qualified investments in this AA, totaling \$46.4 million.

Investments during the assessment period consist of targeted securities backed by affordable mortgages and Low Income Housing Tax Credits. The latter has facilitated the financing of affordable housing and needed services for low-income single persons who are suffering from mental illness. A major grant in the Nassau/Suffolk AA is to a not-for-profit developer and facilitator of affordable housing. This grant will defray certain costs of developing affordable housing in the communities of Bay Shore, Patchogue, Brookhaven, Islip, Babylon, Hempstead, and Long Beach. Other grants and contributions have benefited several other qualified organizations that support affordable housing and financial education efforts targeted to low- and moderate-income persons.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the investment test in the Buffalo AA is not inconsistent with the bank’s overall “Outstanding” performance under the investment test in the State of New York. Performance in the Rochester AA is weaker than the bank’s overall performance in the State of New York. The weaker performance is due primarily to a notably lower level of investments consisting primarily of grants and contributions. This AA represents a very small percentage (0.44%) of deposits in New York State; therefore weaker performance did not adversely affect the overall State rating.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in New York State is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in both its New York AA and Nassau-Suffolk AA is good.

Retail Banking Services

Refer to Table 15 in the State of New York section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Citibank's delivery systems are accessible to all portions of the full-scope AAs. Citibank data indicates that low to moderate-income individuals account for over 40% of all withdrawals/deposits made at Citibank automatic teller machines (ATMs).

In the New York AA, the distribution of Citibank's branches in low- and moderate-income geographies is less than the population living in such geographies. However, when giving consideration to branch locations that are in close proximity to low- and moderate-income geographies, the accessibility of Citibank branches to low- and moderate-income geographies improves.

Several of Citibank's financial centers that are not located in LMI census tracts nonetheless are accessible and serve LMI populations and geographies. Besides being within walking distance of these low- and moderate-income geographies, many financial centers are located in areas with easy accessibility by subway or bus. Also, many of these financial centers are located in busy business districts where people work or in commercial strip malls where local residents go to shop. Similarly in Westchester, there is a financial center that is located in a shopping center with heavy foot traffic by LMI shoppers and a bus stop directly across the street. The shopping center contains several stores that draw LMI populations for shopping. There are five financial centers in Manhattan that fit the above criteria, five in Brooklyn, one in the Bronx, four in Queens, and three in Westchester County. Of these 18 financial centers, seven are located near to and/or service low income geographies and people and eleven are located near to and/or service moderate income geographies and people.

In the Nassau/Suffolk AA, the distribution of Citibank branches in moderate-income geographies is below the distribution of the population living in such geographies. There are no branches located in the four low-income geographies in this AA. In addition, on Long Island there are three financial centers serving LMI and new immigrant communities but they are not located in LMI census tracts. These financial centers are located on commercial strips adjacent to major highways and the population served by these financial centers is primarily comprised of the residents from the nearby LMI communities.

Traditional branch services are augmented by a variety of alternative delivery channels, including Citibank's ATM network, CitiPhone Banking, Citibank Online and Citibank at Work. With the exception of Citibank at Work, there is no data on the effectiveness of these

alternative delivery systems, and no significant weight was given to these systems. Internal data indicates that Citibank at Work has proven an effective means of providing banking services to low- and moderate-income individuals in the New York AA.

The bank's ATMs enhance the bank's overall delivery of services to its AAs. There are over 700 ATMs in the New York AA. Citibank data indicates that low-income households account for almost 15% of all Citibank withdrawals/deposits.

Recently, Citibank struck a deal to put its name on ATMs located in 7-Eleven convenience stores around the USA. There are now 259 7-Eleven ATMs in New York State that have Citibank's name on them. 13.5% of these 7-Eleven ATMs are located in moderate-income geographies. A key service that Citibank provides at these ATMs is the waiver of the surcharge for cash withdrawals for Citibank customers. In addition, Citibank customers can make transfers between Citibank checking and savings accounts and can get account details for no fee at 7-Eleven's ATMs. Citibank's branding of the ATMs in New York and the waiver of this surcharge went into effect during the evaluation period.

Citibank's hours and services offered throughout the full-scope AAs do not vary in a way that inconveniences certain portions of the AAs, particularly low- and moderate-income geographies and individuals. Hours and services are good in the New York AA and excellent in the Nassau/Suffolk AA.

In the New York AA, the majority of the branches have Saturday hours and extended hours on Thursdays (77% open Saturdays and 80% extended Thursday hours). Two branches in the Chinatown section of the City have Sunday office hours. Both are located in a low-income geography. The Sunday branch hours indicate management's commitment to serve the needs of the local community.

In the Nassau/Suffolk AA, all branches in moderate-income geographies have extended hours on Thursday and are open on Saturdays. Approximately 92% of all the branches have Saturday hours and over 93% have extended Thursday hours. The branches that do not have extended Thursday hours and/or are closed on Saturdays are located in either middle- or upper-income geographies.

Citibank offers unbanked low- and moderate-income populations, particularly Latinos and other new immigrants, products and services tailored to meet their specific needs. For example, Citigroup Access Account, launched in 2003, offers a low-cost option for customers. This "checkless" transaction account has no minimum balance to open or maintain, and its monthly \$3 fee is waived with direct deposit or a \$25 contribution to savings via AutoSave. Account holders receive an ATM card with MasterCard debit capability. In addition, real-time fund transfers can be sent to Mexico for as little as \$5 per transfer. Transfers to other designated countries in Europe and Asia are also attractively priced. Additionally, a secured credit card is available, enabling those without a credit history to have access to credit.

Through certain non-profit partners, such as "Together in America", Citibank offers product packages tailored to meet the needs of the unbanked, including free checking accounts, low-cost international money transfers, discounts on home mortgages, and access to credit. To further assist unbanked immigrant populations, in particular, Citibank offers selected bilingual collateral and loan applications, accepts the Mexican "matricula consular" as a valid form of

primary identification for opening accounts and offers low cost money transmitting options.

For the Nassau/Suffolk AA, there were two opened sites in 2005 and one in 2006. All three were in upper-income census tracts. In the New York AA, there were five closed sites during the evaluation period – one in 2003 in a moderate income census tract, three in 2004 (one in moderate income census tract, one in a middle income census tract and one in an upper income census tract) and one in 2005 in a middle income census tract. The two sites located in the moderate-income census tracts were consolidated into nearby branches also located in moderate-income census tracts.

Community Development Services

Citibank is a leader in providing community development services to its full-scope AAs. The bank's performance in the New York and Nassau/Suffolk AAs is excellent.

In both the New York and Nassau/Suffolk AAs, Citibank partners with numerous locally based non-profit community organizations that provide CD services to this community. Citibank has partnered with approximately 92 non-profit organizations (67 in the New York AA and 25 in the Nassau/Suffolk AA) that provide various CD services. Citibank provides technical, financial and training resources to its partners to enhance their effectiveness in serving their clients.

During the evaluation period, Citibank provided and coordinated several CD services to enhance the efficiency of organizations with a partnering relationship that benefits both AAs. The following are highlights of these partnering arrangements:

National Development Council (NDC)

Citibank partners with the NDC, which in turn provides training courses and project development assistance to non-profits. NDC is a non-profit corporation specializing in economic and housing development finance. NDC works with communities throughout the U.S. providing technical assistance, professional training, and investments in affordable housing, small business credit and direct developer services to non-profit organizations. In an effort to strengthen and develop non-profit performance and effectiveness, Citibank supports NDC in conducting educational seminars on economic and affordable housing developments in Citibank markets. During 2004 and 2005, NDC provided a total of 22 training sessions to more than 600 attendees across our marketplaces.

NeighborWorks® Center for Homeownership Education & Counseling (NCHEC)

NCHEC's "Train-the-Trainer" course is the only national, HUD-recognized homeownership counseling certification course for non-profit organizations in the country. Those completing the course can develop, manage and implement effective homeownership education and counseling programs at their individual organizations. The organizations also become qualified as HUD-Approved Housing Counseling Agencies, which enables them to access support from HUD Housing Counseling funds. By hosting the course in its offices and covering the entire cost of the training, Citibank makes this training available to representatives from non-profits who might otherwise be unable to afford to attend this training program. In 2005, Citibank supported the training and facilitated the certification of nearly 30 homeownership counselors, strategic partners and community partners in the Downstate New York area via these "place-based" training sessions.

Citibank has developed a series of financial education seminars, offered through its financial centers in both the New York and Nassau/Suffolk AAs, covering topics such as homeownership and small business development. Additionally with the help of community partners, the bank offers financial education to assist unbanked and under-banked consumers and small business owners in understanding what credit products are available to them. Following are examples of these programs:

National Urban League (“NUL”)

NUL is one of the nation's oldest and largest community-based organizations devoted to empowering African-Americans to enter the economic and social mainstream. In 2004, NUL, its affiliate staff, and Citigroup employees were trained to deliver a financial education program for low-income adults using the Citigroup Financial Education Curriculum. NUL views this program as part of a continuum of services that helps its clients reach homeownership, create wealth, broaden employment opportunities and further their education. During 2004 and 2005, 2,500 clients (of which 2,000 were LMI) received the financial education training, and 76 Citigroup volunteers participated. In the first quarter of 2006, nine Citigroup employees acting as representatives of the bank trained 278 participants.

The New York City NUL affiliate focused on training adults and used all of the modules in the curriculum: Basic Banking, Savings & Investing, and Credit. More than 700 participants (almost all of whom were from LMI households) received financial education from 37 Citigroup employees acting as representatives of the bank, drawn from Citibank and the Citigroup African Heritage Network in 2004 and 2005.

Operation HOPE, Inc. (“OHI”)

OHI is a national non-profit self-help organization that seeks to bring economic self-sufficiency and revitalization to America's inner city LMI communities. It accomplishes this through on-going collaborations and long-term partnerships with leading government, private sector, and community organizations. As part of this program, OHI delivers financial education to low- and moderate-income students utilizing the Citigroup Financial Education Curriculum. In New York City, 80 Citibank employees acting as representatives of the bank taught 1,360 students in 2004, and in 2005, 69 Citibank employees taught 989 attendees.

Latina Style Business Series

This is a national business series that concentrates on assisting Latina entrepreneurs by providing direct business advice from corporate business leaders. Citibank small business experts delivered seminars and provided information on banking services and also helped to establish Citibank as the bank of choice for small business lending. Specific areas covered include financing, technology, communications, insurance, support services, investments and procurement opportunities. In July 2003, 327 people attended the business conference in New York. A Citigroup employee presented “Balancing your checkbook... and your life.” In 2004, in the New York Tri-state region, there were 150 attendees (of which 100 were from LMI households). A Citibank employee delivered a presentation on “Access to Capital.”

In addition to the financial support and training opportunities that the bank offers to non-profits that serve LMI communities, it also plays an active role in the management of these

organizations through service on Boards of Directors. By placing a Citigroup employee in a governing position, the bank can better help that organization access Citibank products and the programs and expertise needed to ensure the organization's long-term stability and continued growth.

One hundred employees of Citibank, or its affiliated companies, occupy board seats with 93 community organizations in the New York and Nassau/Suffolk AAs (77 in New York and 23 in Nassau/Suffolk), including: South Bronx Overall Economic Development Corporation helping low- and moderate-income families in the South Bronx by providing direct services and rebuilding infrastructure; ASPIRA of New York helping low- and moderate-income Hispanic youth through education; Neighborhood Opportunity Fund helping CDCs transform low- and moderate-income neighborhoods; Queens Overall Economic Development Corporation working with small businesses; and CDCLI working with low- and moderate-income people to obtain affordable housing and create small businesses on Long Island.

Conclusions for Areas Receiving Limited-Scope Reviews

Upstate New York

Based on limited-scope reviews, the bank's performance under the Service Test in the Buffalo and Rochester AAs is weaker than bank's overall good performance under the Service Test in NYC/Long Island.

Citibank had 20 branches in its Upstate New York assessment areas. Three of these branches are located in LMI census tracts. In the Rochester AA, there was one closed site in a low income census tract during the evaluation period. Traditional branch services are augmented by a variety of alternative delivery channels, including a proprietary ATM network, CitiPhone Banking and Citibank Online. There is no data on the effectiveness of these alternative delivery systems, and no significant weight was given to these systems.

Commonwealth Rating

Commonwealth of Puerto Rico

CRA Rating for Puerto Rico: Outstanding
The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: Outstanding

The major factors that support this rating:

- The overall lending activity in the bank's AA is excellent.
- The geographic distribution of home mortgage loans is good and the geographic distribution of small business loans is adequate.
- The distribution of home mortgage loans by borrower is good and the distribution of loans to small business is adequate.
- The level of Citibank's community development lending is excellent, and it had a positive impact on the Lending Test.
- Citibank's level of investments is excellent.
- The bank's branches are readily accessible to geographies and individuals of different income levels.
- Citibank is a leader in providing community development services that are responsive to expressed needs in the bank's AAs.

Description of Institution's Operations in Puerto Rico

Citibank operates 16 branches and 41 ATMs on the island of Puerto Rico with \$3.1 billion in deposits as of June 30, 2005. It ranks seventh on the island in terms of deposits, but operates significantly fewer branches than its competitors. Citibank has four AAs including a significant portion of the San Juan MSA, the entire Fajardo and Mayaguez MSAs, and a portion of the Ponce MSA. Puerto Rico provides less than three percent of the bank's deposits, thus having a minor impact on the overall rating.

The bank's primary business focus is mortgages, including home purchase, refinance and home improvement. Particular emphasis is placed on home improvement loans as a means of helping to meet affordable housing credit needs.

Refer to the Market Profiles for the Commonwealth of Puerto Rico in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Puerto Rico

The San Juan AA was chosen for full-scope review due to the concentration of population, lending volume, and deposits. The ratings within each test are based primarily on the results of the evaluation of performance in the full-scope AA. Because the bank's primary business is mortgages, specifically home improvement loans, HMDA lending received more weight than small business lending. Home improvement lending received more weight than home purchase and home refinancing lending in our analysis. Limited-scope reviews were conducted for the Fajardo, Mayaguez, and Ponce AAs. Performance in the limited-scope review AAs was considered where performance materially differed from the full-scope review area.

The bank reported no small farm loans during the evaluation period. Therefore, Tables 7 and 12 were excluded. The single multi-family housing loan originated during the evaluation period is not sufficient to allow for a meaningful analysis.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Puerto Rico is rated "Outstanding". Based on full-scope reviews, the bank's performance in the San Juan AA is excellent.

Lending Activity

Refer to Tables 1 Lending Volume in the Commonwealth of Puerto Rico section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Lending activity reflects an excellent responsiveness to credit needs, considering the bank's business strategy and its limited branch network in Puerto Rico. According to FDIC data as of June 30, 2005, Citibank had a 6.40% deposit market share in the San Juan Puerto Rico AA, ranking seventh among 11 financial institutions operating there. Based on 2004 HMDA aggregate data, Citibank is the second largest home improvement lender in the AA with a 10% market share. The bank's business strategy has been to emphasize home improvement lending to meet affordable housing needs. Citibank's market share of home purchase loans, refinance loans and small loans to businesses is low, but consistent with the bank's business strategy for this market.

In 2003 for the AA, Citibank originated and purchased 4,884 loans totaling \$442 million. By number of originations, 96% were HMDA reportable home loans and 4% were small loans to businesses. For HMDA reportable loans, 43% were for home mortgage refinance, 36% were for home improvement and 21% were for home purchase.

In 2004-2005 for the AA, Citibank originated and purchased 10,919 loans totaling \$976 million. By number of originations, 93% were HMDA reportable home loans and 7% were small loans to businesses. For HMDA reportable loans, 39% were for home mortgage refinance, 32% were for home improvement and 29% were for home purchase. The rising interest rate

environment from 2004-2005 resulted in a decline in the demand for home mortgage refinances during that same period. There were 7 community development loans totaling \$87 million made in the San Juan Puerto Rico AA during the evaluation period, which represents 8.9% of the total dollar volume of loan originations made during the same period.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans in the San Juan Puerto Rico AA is good. This is based on a good distribution of home mortgage loans and an adequate distribution of small loans to businesses in the AA.

Home Mortgage Loans

Refer to Tables 2, 3, and 4 in the Commonwealth of Puerto Rico section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Citibank's geographic distribution of home mortgage loans in the San Juan Puerto Rico AA is good.

Home improvement lending in low-income geographies within the San Juan Puerto Rico AA exceeds the demographic comparators over the evaluation period. For home refinance and home purchase loans, the bank's performance was lower than the demographic comparators in 2003 and near to the demographic comparators in 2004-2005 for low-income geographies. Home mortgage lending opportunities—particularly for home purchase or home refinance loans—are limited in low-income geographies due to the low number of owner-occupied housing units. Citibank's market share of home improvement loans within low-income geographies exceeds the bank's overall market share for 2003-2005. Home refinance lending in low-income geographies exceeds the overall market share for 2003 and exceeds the overall market share for 2004-2005. Home purchase lending in low-income geographies was below the overall market share in 2003 but exceeds overall market share in 2004-2005.

Home improvement lending in moderate-income geographies within the San Juan Puerto Rico AA was near to the demographic comparators in 2004-2005 and exceeded the comparators in 2003. For home refinance and home purchase loans, the bank's performance was lower than the demographic comparators. Citibank's market share of home improvement loans within moderate-income geographies exceeded the overall market share in 2004-2005 and substantially meets the market share in 2003. The market share of home refinance loans within moderate-income geographies exceeds the overall market share while home purchase lending was below than the overall market share for 2003 but meets the overall market share for 2004-2005.

Small Loans to Businesses

Refer to Table 6 in the Commonwealth of Puerto Rico section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Citibank's geographic distribution of small loans to businesses in the Puerto Rico AA is adequate.

The percentage of Citibank's small loans to businesses in low and moderate-income geographies is lower than the percentage of businesses located in those geographies during the 2003-2005 evaluation period. Citibank's market share of small loans to businesses in low and moderate-income geographies is also lower than the bank's overall market share for 2003-2005. The economic downturn in Puerto Rico during the evaluation period has resulted in decreased business enterprises.

Lending Gap Analysis

Maps detailing Citibank's lending activity did not reveal any unexplained conspicuous gaps in the geographic distribution of these loans.

Inside/Outside Ratio

This analysis was performed at the bank level rather than by state. Please refer to the comment under the State of New York rating.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level in the San Juan Puerto Rico AA is good. This is based on a good distribution of home mortgage lending and an adequate distribution of small loans to businesses within the AA.

Home Mortgage Loans

Refer to Tables 8 and 9 in the Commonwealth of Puerto Rico section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Citibank's distribution of home mortgage loans to low- and moderate-income borrowers in the San Juan Puerto Rico AA is good.

Issues of availability and affordability of owner-occupied housing units in the AA limits opportunities for homeownership and related mortgage lending. The median home price in the San Juan Puerto Rico AA is \$90,000, which puts homeownership out of reach for low and moderate-income persons in the AA. Median family income is \$10,000 or less for low-income residents and \$11,000 to \$17,000 for moderate-income residents. We considered these barriers in lending to low- and moderate-income persons in our analysis. Based on the critical need for home improvement financing, Citibank has emphasized home improvement loans as a means of meeting affordable housing needs in Puerto Rico.

The percentage of home mortgage lending to low-income borrowers for 2003-2005 was significantly lower than the percentage of low-income families in the AA. For moderate-income borrowers, the percentage of home mortgage lending was also low, with the exception of home improvement lending. Home improvement lending exceeded the percentage of moderate-income families in the AA for 2003 and exceeded the comparator for 2004-2005. Citibank's

market share for home improvement and home refinance loans to low and moderate-income borrowers significantly exceeded the overall market share over the evaluation period. The market share of home purchase loans was below the overall market share over the evaluation period.

Small Loans to Businesses

Refer to Table 11 in the Commonwealth of Puerto Rico section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The distribution of small loans to businesses of different sizes in the San Juan Puerto Rico AA is adequate.

In the San Juan Puerto Rico AA, the percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) was less than the percentage of small businesses in the AA. A substantial majority of Citibank's small loans to businesses in the Puerto Rico AA were for \$100,000 or less. In Puerto Rico, Citibank extends most of its small loans to businesses through small business credit cards. The bank's market share to businesses with revenue of \$1 million or less was below the overall market share for 2004-2005. A reliable conclusion regarding the bank's lending to small businesses for 2003 could not be drawn since the vast majority of the loans did not have revenue data. The bank does not collect revenue data as part of its underwriting process. Banks are not required to report revenue information if they do not collect it as part of their underwriting criteria.

Community Development Lending

Refer to Table 1 Lending Volume in the Commonwealth of Puerto Rico section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Citibank's level of community development lending had a positive impact on the Lending Test. Citibank originated 7 loans totaling \$87.6 million in the San Juan AA. These are loans to local organizations and businesses that perform community development efforts in the AAs.

Despite a serious need for additional affordable housing, efforts to fund LMI housing have been hindered by declining government subsidy programs, high construction costs, infrastructure limitations and the fact that many housing occupants lack title to the land on which they live. Through community groups, Citibank has been effective in providing several smaller loans for the purpose of construction, thereby concentrating revitalization in support of companies or organizations that provide employment and promote micro-entrepreneur programs for LMI residents.

Examples include:

- In 2005, the bank provided refinancing of \$44.9 million to a local food retailer recognized as one of the lowest-priced retailers in the industry. This company operates over 32 stores in Puerto Rico, many of which are located in or near LMI areas. This

loan provides economic development by supporting permanent job creation and retention for low- and moderate-income persons.

The food retailer supports local small farmers and agro-entrepreneurs by purchasing their goods. Additionally, its marketing department provides micro-entrepreneurs with technical assistance and support for label and packaging design in an effort to make its products more attractive to the market. Furthermore, it provides local micro-entrepreneurs with a distribution channel for products through the supermarket chain.

- Citibank Puerto Rico provided \$15 million of a \$162 million secured term facility for a local restaurant. The company owns 170 fast food outlets, with 2,900 employees, of which 80 percent are low- and moderate-income persons. This is one of the few corporations creating jobs for low- and moderate-income people in the AA. This loan provides economic development by supporting permanent job creation and retention for low- and moderate-income persons.

Product Innovation and Flexibility

Citibank provides flexible home mortgage and home improvement loan products that assist low- and moderate-income borrowers in securing credit. Citibank has partnered with government agencies and with state and local housing authorities to offer several products and subsidy programs that meet the mortgage financing needs of Puerto Rican communities. This is accomplished by promoting and providing effective homebuyer education and counseling, permitting flexibility in underwriting guidelines, allowing borrowers to access local subsidy programs, and monitoring and evaluating program effectiveness in relation to community lending goals.

Two specific products for this market are the Affordable Mortgage and Home Improvement Loan products, which have flexible underwriting criteria allowing higher debt ratios of up to 65%. The unsecured home improvement product features extended repayment schedules of up to 10 years, which, when combined with a higher debt ratio feature, reportedly makes it the most flexible home improvement product on the market.

During the evaluation period, Citibank originated 48 Affordable Mortgage Loans for \$1.6 million and 897 Affordable Home Improvement Loans totaling \$4 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Fajardo, Mayaguez, and Ponce AAs is weaker than the bank's overall ("lending test rating") performance under the lending test in the Commonwealth of Puerto Rico given the market presence of Citibank. In the Fajardo, Mayaguez, and Ponce AAs, the bank's volume of lending had no meaningful impact on the analysis or conclusions. Refer to the Tables 1 through 11 in the Commonwealth of Puerto Rico section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Puerto Rico is rated "Outstanding".

Based on full-scope reviews, the bank's performance in the San Juan AA is excellent. Regional investments, with benefit throughout the Commonwealth, enhanced the overall Investment Test rating for Puerto Rico.

Refer to Table 14 in the Commonwealth of Puerto Rico section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, Citibank originated 29 qualified investments, totaling \$4.3 million, in the San Juan AA. An investment in Low Income Housing Tax Credits, in the amount of \$4 million, supports an affordable housing project providing 42 units of housing for low-income senior citizens in San Juan. Rents for the residents are subsidized by the government of Puerto Rico. The remaining investments in San Juan consist of grants and contributions to a variety of organizations and projects supporting primarily affordable housing and educational efforts targeted to low- and moderate-income persons. In addition, consideration was given to the ongoing impact that investments made prior to the current evaluation period had within the assessment area. The remaining balance on five prior period investments as of the first quarter 2006 was \$24 million.

In Puerto Rico, Citibank continues to make numerous investments that are regional in scope and have potential to benefit communities throughout the San Juan AA and the Commonwealth. During this assessment period, the bank made three investments totaling over \$12 million. Eight prior period regional investments totaled over \$31 million and continue to have impact and/or potential benefit.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Fajardo, Mayaguez, and Ponce AAs is weaker than the bank's overall "Outstanding" performance in the Commonwealth of Puerto Rico. Investments in those AAs are minimal, although performance is enhanced by regional investments with potential to benefit these AAs. The weaker performance did not adversely impact the overall Commonwealth rating.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

Citibank's performance under the Service Test in Puerto Rico is rated "Outstanding."

Retail Banking Services

Refer to Table 15 in the Commonwealth of Puerto Rico section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system.

Citibank's delivery systems are readily accessible to geographies and individuals of different income levels. The percentage of branches in low-income geographies in the San Juan AA exceeds the percentage of population residing there. There is one financial center located in the low-income and one in the moderate-income geography. Several financial centers that are not located in LMI census tracts also serve LMI populations and geographies. For example, two financial centers are located on one of the main commercial districts of San Juan, and as a result, draw from a very wide geographic area for banking services and cater to many LMI workers. Also, the Arecibo financial center is located in a middle-income census tract but its proximity to several moderate-income census tracts results in it serving a large LMI population, which resides near the financial center.

Citibank offers a full range of banking products and services, including low-cost checking and savings accounts tailored to meet the needs of low- and moderate-income customers. Services, including business hours, in the San Juan AA do not vary in a way that inconveniences low- and moderate-income geographies or individuals.

Traditional branch services are augmented by a variety of alternative delivery channels, including Citibank's ATM network, CitiPhone Banking, Citibank Online and Citibank at Work. There is no data on the effectiveness of these alternative delivery systems, and no significant weight was given to these systems. There are 41 financial center based ATMs and seven Citibank ATMs based at Citibank at Work participating companies.

There were no branch openings, closings or conversions during the evaluation period (July 1, 2003 – March 31, 2006).

Community Development Services

Citibank provides an excellent level of community development services, taking a leadership position. During the evaluation period, the bank provided community development services to a large number of groups and organizations in the San Juan AA. The primary goal of the bank's community development service program is to increase access to bank services by focusing on credit and improving credit readiness. These services are especially targeted to individuals and families from LMI households that require assistance with financial and credit management, and to the non-profit organizations that serve these consumers.

The bank considers community-based non-profits to be an important bridge in its efforts to deliver financial services in LMI neighborhoods. The bank has developed several programs that are designed to build capacity and leadership within the non-profit community development sector.

For individuals, they have a program of financial education seminars that are delivered by Citibank staff. Citibank employees serve as board members for a number of Puerto Rico-based community development organizations. Employees, acting as representatives of the bank, volunteer during work hours for programs that benefit LMI populations. Citibank staff also serves as task force members on important community initiatives, such as financial

literacy programs for youth. The bank also promotes the active participation of senior management in community events and encourages them to make visits to the community. This increases senior management's awareness of community needs, thereby enabling them to incorporate those needs into their business decisions.

In April 2005, Citigroup launched the Citigroup Financial Education Curriculum Training Program, an online training program available to Citigroup employees and non-profit partners, whose programs benefit low- and moderate-income people. The online program is complemented by an optional in-class facilitation skills course, offered through Citibank's training department. Both the online and in-class training programs are available to Citigroup employees and non-profit partners. Through this program, the non-profit groups are provided a curriculum and facilitator's guide to teach financial education to the low- and moderate-income people and families that use their services.

During the examination period, the bank sponsored 738 outreach events, reaching more than 23,683 people. Some examples of these services are as follows:

Association for Enterprise Opportunity ("AEO")

AEO is the national association of community-based organizations that provide entrepreneurial education, access to capital, and support to aspiring and active low-income entrepreneurs. In June 2005, Citibank sponsored and facilitated AEO's first Regional Training Institute ("RTI") in Puerto Rico. At the suggestion of the Citibank Community Relations Director, the RTI was conducted in Spanish. The attendance was the highest in the history of AEO RTIs, surpassing 160 participants and included practitioners, educators, community leaders, and national and local government workers.

San Juan NHS

Citibank has provided San Juan NHS with training on housing development, and staff from its Mortgage Unit and financial centers have provided first-time homebuyer counseling and financial management seminars to the communities the group serves. The Mortgage Unit has also bought mortgages from the NHS portfolio. In addition, the CCD lender in Puerto Rico helped the group write a proposal for Community Development Financial Institution ("CDFI") certification that was approved, and he also serves on the Board of Directors.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Ponce AA is not inconsistent with the bank's overall "Outstanding" performance under the Service Test in the Commonwealth of Puerto Rico. In the Fajardo and Mayaguez AAs the bank's performance is weaker than the bank's overall performance in the Commonwealth. The bank has a limited presence in these two AAs as there is only a single branch in each AA and both of these branches are located in upper income geographies. The weaker performance in the Fajardo and Mayaguez AAs had no impact on the overall conclusions because Fajardo and Mayaguez have a relatively small percentage of deposits (0.22% and 0.99%, respectively).

Territory Rating

Territory of Guam

CRA Rating for Guam:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	Satisfactory

The major factors that support this rating include:

- Good lending activity in the AA.
- Adequate geographic distribution of home mortgage loans.
- Good borrower income distribution of home mortgage loans.
- Community Development (CD) lending had a positive impact on the Lending Test.
- Product innovation and flexibility had a positive impact on the Lending Test.
- Good level of community development investments.
- Delivery systems are reasonably accessible to geographies and individuals of different income levels within the AA.
- Citibank has provided an adequate level of community development services that are responsive to the needs of the bank's AA.

Description of Institution's Operations in Guam

Refer to the Market Profile for the Territory of Guam in Appendix C for detailed demographics and other performance context information for the AA that received a full-scope review.

Citibank has a limited presence in Guam with only one full service branch and five ATM locations in the AA. Competition in Guam is intense. Bank of Hawaii, Bank of Guam, First Hawaiian Bank, and Citibank, the four largest banks on Guam, collectively hold over 89% of the deposits. Economic conditions in Guam play a significant role in the bank's business strategy in the AA. An extended economic downturn has caused the bank to limit its commercial lending (i.e., small business lending). The bank's strategy has been to maintain its commercial loan portfolio and consider resuming growth when the economy shows signs of recovery.

Scope of Evaluation in Guam

The AA in Guam is comprised of MSA 99999, which encompasses the entire island and was therefore chosen for a full-scope review.

The branch in Guam offers only home purchase loans, not refinances or home improvement loans, which eliminated Tables 3 and 4, as well as Tables 9 and 10. The bank reported no small farm loans during the evaluation period. Therefore, Tables 7 and 12 are eliminated. The low volume of multi-family housing loans originated during the evaluation period is not sufficient enough for a meaningful analysis, which eliminated Table 5.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Guam is rated "High Satisfactory". Based on full-scope review, the bank's performance in the Guam AA is good.

Lending Activity

Refer to Table 1 Lending Volume in the Territory of Guam section of Appendix D for the facts and data used to evaluate the bank's lending activity.

The volume of loans originated in Guam demonstrates a good responsiveness to the credit needs of the AA. Banking competition in Guam is highly competitive. Based on the June 30, 2005 FDIC Summary of Deposits, Citibank ranked fourth with a 13% market share. Information obtained from recent individual bank CRA Performance Evaluations reveal that Citibank ranked first during the evaluation period in the origination of real estate loans. All real estate loans originated by Citibank were home purchase loans. No market share data is available as Guam is not subject to HMDA reporting.

Small loans to businesses represent 8% (45) of the total loans originated in the AA during the evaluation period. Citibank has limited growth in small business lending given the prevailing economic environment in Guam. Business size is not an underwriting criterion for many of the loans, particularly for business credit cards and renewals. Market share information for the origination of small loans to businesses was not performed. More weight was given to the bank's home mortgage lending.

Distribution of Loans by Income Level of the Geography

The distribution of home mortgage loans by the income level of the geography is adequate. An analysis of the distribution of small loans to businesses was not performed due to the limited number of loans made and the lack of comparative business demographic information for Guam.

Home Mortgage Loans

Refer to Table 2 in the Territory of Guam section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations.

All home mortgage loans originated during the evaluation period were for home purchase. For 2004-2005, the percentage of home purchase loans in low-income geographies exceeded the percentage of owner-occupied units in the geographies. The percentage of home purchase loans in moderate-income geographies was less than the percentage of owner-occupied units in the geographies. For 2003, the percentages of home purchase loans in both low- and moderate-income geographies were less than the percentage of owner-occupied units in the geographies.

Small Loans to Businesses

Refer to Table 6 in the Territory of Guam section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

This analysis was not performed because of the limited number of small loans to businesses and the lack of business demographic information for Guam.

Lending Gap Analysis

Maps detailing Citibank's lending activity did not reveal any unexplained conspicuous gaps in the geographic distribution of these loans.

Inside/Outside Ratio

This analysis was performed at the bank level rather than by state. Please refer to the comment under the State of New York rating.

Distribution of Loans by Income Level of the Borrower

The distribution of home mortgage loans by the income level of the borrower is good. An analysis of the distribution of small loans to businesses was not performed. Small loans to businesses represent 8% (45) of the total loans originated in the AA during the evaluation period. Citibank has limited growth in small business lending given the prevailing economic environment in Guam. Business size is not an underwriting criterion for many of the loans, particularly for business credit cards and renewals. Revenues were obtained for only 46% of the small loans to businesses originated during the evaluation period. Market share information for the origination of small loans to businesses was not performed. More weight was given to the bank's home mortgage lending.

Home Mortgage Loans

Refer to Table 8 in the Territory of Guam section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

For 2003-2005, the percentage of home purchase loans to low-income borrowers is less than the percentage of low-income families in the geographies. The high cost of housing in Guam makes limited options available for affordable homeownership. The median home price on the island is \$150,000, which limits housing options for many low-income borrowers. Median family income is \$24,000 or less for low-income residents in Guam, with 22% of the population living below the poverty level. The barriers in making home mortgage loans to low-income individuals were considered in our analysis and conclusions. The percentage of home purchase loans to moderate-income borrowers is near to the percentage of moderate-income families in the geographies. Market share information is not available.

Small Loans to Businesses

Refer to Table 11 in the Territory of Guam section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

This analysis was not performed because of the limited number of small loans to businesses made and the lack of business demographic information for Guam.

Community Development Lending

Refer to Table 1 Lending Volume in the Territory of Guam section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Community Development Lending

Refer to Table 1 Lending Volume in the Territory of Guam section of Appendix D for the facts and data used to evaluate the bank's level of community development lending.

CD lending had a positive effect on the Lending Test rating. Guam is a challenging location for CD lending as the building industry continued to decline during the examination period in terms of both projects and revenues. The bank originated one CD loan totaling \$13 million to support the construction of 108 LMI housing units. These single family homes are affordable to families earning no more than 60% of the average median income. The project is located in the Municipality of Dededo in the north central section of Guam, in a neighborhood referred to as Machanao.

Product Innovation and Flexibility

Product innovation and flexibility had a positive impact on the Lending Test rating. The bank provides numerous affordable mortgage products as well as government sponsored products to address the credit needs of the AA. Products are available to all members of the community, with special efforts made to meet the needs demonstrated in LMI segments.

The bank continues to provide affordable mortgage loan financing through a government

guaranteed loan program strictly for LMI individuals. Citibank has been the leading provider of loans through the USDA Guaranteed Rural Housing Program on Guam for the last three years, booking 54 percent of all such loans in this market during the examination period. The bank made 231 loans totaling nearly \$28 million during this examination period.

In addition to the Rural Development Loans, Citibank also offers a selection of affordable mortgages that meet almost every need, including those of first-time homebuyers and borrowers from LMI households. Citibank's portfolio mortgage products are designed to assist homebuyers with flexible credit criteria, low down-payment options and lower costs, making it easier to qualify for a mortgage. Some of these include:

- No cash reserve requirements for single-family dwellings;
- Higher debt burden ratio and housing ratio than other banks in the market;
- Recognition of alternative sources of income; and
- Unsecured personal loans to assist with down-payments and closing costs.

To ensure that loan facilities for LMI households on Guam are affordable, Citibank also offers:

No Closing Cost Option: The bank offers a no closing cost option to cater to the needs of LMI households who are already experiencing a financial burden with down-payment and other costs associated with home purchase. Customers have an option to choose this plan and pay only third-party expenses such as escrow, title guarantee, and recording costs. In some cases, the reduction in the upfront cost makes the difference in whether or not a person is able to purchase a home.

Typhoon Insurance Waivers: In an effort to help borrowers comply with typhoon insurance requirements on residential properties, Citibank has made available other options in order to satisfy requirements for typhoon protection in lieu of 100 percent co-insurance. Options include installation of metal storm shutters certified to handle winds up to 180 miles per hour in velocity or a cash deposit of an amount that would be adequate to repair interior damage.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Guam is rated "High Satisfactory". Based on full-scope reviews, the bank's performance in the Guam non-metropolitan area is good.

Refer to Table 14 in the Territory of Guam section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Citibank has made investments in the Guam AA in excess of \$2.2 million. The community development investment environment in Guam is extremely challenging. Local community based organizations lack the sophistication to create their own investment opportunities, and there are no major U.S.-based organizations with a significant presence on the Island. Additionally, there is little government support to create the infrastructure needed to develop a

vibrant community development investment industry. As a result, there are very few opportunities for investments, with several banks competing for those opportunities as they arise.

Citibank renewed its \$100,000 deposit in a low-income designated credit union where the majority of the membership earns less than 80% of the area median income. Additionally, the bank has made five other qualified investments, the most significant of which is a \$2 million investment in Low Income Housing Tax Credits that supports an affordable rental housing project in Dededo. The project contains 107 housing units that are rented to individuals whose incomes are at or below 60% of the area median.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Guam is rated "Satisfactory."

Retail Banking Services

Refer to Table 15 in the Territory of Guam section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system.

Citibank's delivery systems are reasonably accessible to geographies and individuals of different income levels.

The CBNA assessment area in Guam is comprised of MSA 99999, which encompasses the entire Island. Citibank has been serving the needs of the local community on Guam for more than 35 years.

Citibank has one full-service branch located centrally in Hagatna (a middle-income geography), five ATMs at four ATM locations (three off-site locations), and ten Quick Pay locations. These locations are distributed throughout the Island. Because 65 percent of the island's economy is dependent on tourism, Citibank also installed an ATM at the Arrival Lounge of Guam International Airport in September 2005 to cater to both the local population as well as tourists arriving in Guam. Citibank is the only bank to have an ATM in the airport's Arrival Lounge. All Citibank ATMs in Guam are bilingual (English and Japanese) to cater to both the local market as well as Japanese tourists arriving in Guam.

Citibank also has four Citicard Banking Centers (ATM locations) on Guam. To service the needs of customers, it has a number of alternative delivery systems, which include Citibank Online, CitiPhone and ten external service centers called QuickPay located within partner retail premises. There is no data on the effectiveness of these alternative delivery systems, and no significant weight was given to these systems.

Guam has a diverse population that consists of various ethnic communities. In addition, most residents have families either in the mainland U.S. or in the Philippines. To help communities retain ties and serve their financial needs, Citibank launched Citibank Global Transfer Services in February 2006. This online feature allows customers to transfer money to friends and family

with a Citibank account anywhere in the world with the click of the mouse, from the comfort of their home or office, at any time of the day or night.

In 2004, Citibank launched a new savings account catering to the needs of LMI households. The minimum relationship balance requirement was dropped from \$10,000 to \$100 and the account offered a high interest rate of 2.25 percent to encourage savings for these households.

Community Development Services

Citibank provides an adequate level of community development services throughout the AA. The bank partners with several established community development organizations to provide services that target low- and moderate-income individuals and activities that promote economic development. Community development services provided by the bank are highlighted below:

Citibank worked with the American Bankers Association Education Foundation (ABAEF) to present two financial education programs, Teach Children to Save program and the Get Smart about Credit Day program. While originally a once-a-year program, both programs were able to be expanded to be presented year-round because of Citibank employees, acting as representatives of the bank, who teach these programs during work hours. Both programs are directed to low- and moderate-income youths and individuals. Additionally since 2003, Citibank Guam, in cooperation with the Guam Banker's Association, has participated in the annual National Teach the Children to Save Day, and 39 Citibank employees have taught 779 students since inception of this program.

In 2003 and 2004, Citibank became a participating employer in the Department of Youth Affairs Internship Program. The purpose of the program is to train young adults, whose household income is below \$20,000 a year, in different industries on the Island. Citibank accepted four trainees in 2003 and six in 2004.

Citibank provides support through its employees, acting as representatives of the bank, for the Big Brothers Big Sisters of Guam (BBBSG), which is a non-profit organization. Its mission is to provide quality volunteer and professional mentoring services for low- and moderate-income children and youth, and to assist them in achieving their highest potential as they grow to become responsible men and women. The service utilizes the support of mentors in one-to-one relationships with at-risk youth. Citibank Guam employees adopted a local school and 18 Citibank employees, ranging from branch staff to senior management, chose 18 "Littles" as their protégées. Collectively, Citibank employees have logged a total of 769 hours under this program.

In addition to the community development services listed above, six members of Citibank's staff hold membership on the board of directors for seven various organizations in Guam that provide community development services.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed: Lending Test (excludes CD loans): 1/1/2003 to 12/31/2005, Investment and Service Tests and CD loans: 6/9/2003 to 6/05/2006		
Products Reviewed: Small business, small farm, home purchase, home improvement, home refinance, and CD loans, investments and services.		
Financial Institution: Citibank, N.A., New York, NY		
Affiliate	Affiliate Relationship	Products Reviewed
Citimortgage, Inc	Holding Company	HMDA mortgage loans
CitiFinancial Mortgage Inc	Holding Company	HMDA mortgage loans
CitiFinancial Company (DE)	Holding Company	HMDA mortgage loans
CitiFinancial Services of Puerto Rico	Holding Company	HMDA mortgage loans
CFMC Inc	Holding Company	HMDA mortgage loans
CMFC Inc	Holding Company	HMDA mortgage loans
Citibank USA NA	Holding Company	Small loans to businesses
Associates International Holding	Holding Company	HMDA mortgage loans
Assessment Area		Type of Exam
New York		
New York MD #36444 (excluding Putnam County)		Full-Scope
Nassau/Suffolk MD #30444		Full-Scope
Rochester MSA #40380		Limited Scope
Buffalo MSA #15380		Limited Scope
Puerto Rico		
San Juan MSA #41980 (majority of MSA)		Full-Scope
Fajardo MSA #21940		Limited-Scope
Mayaguez MSA #32420		Limited-Scope
Ponce MSA #38660 (Ponce Municipado only)		Limited-Scope
Guam		
Guam MSA #99999		Full-Scope

Appendix B: Summary of State Ratings

RATINGS Citibank, N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
Citibank, N.A.	Outstanding	Outstanding	High Satisfactory	Outstanding
New York	Outstanding	Outstanding	High Satisfactory	Outstanding
Puerto Rico	Outstanding	Outstanding	Outstanding	Outstanding
Guam	High Satisfactory	High Satisfactory	Satisfactory	Satisfactory

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

Appendix C: Market Profiles for Full-Scope Areas

State of New York Full-Scope Areas

New York AA

Demographic Information for Full Scope Area: New York						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2,496	13.30	25.48	28.49	30.25	2.48
Population by Geography	9,218,490	14.88	28.26	25.76	30.93	0.19
Owner-Occupied Housing by Geography	1,181,359	2.64	13.84	28.80	54.72	0.00
Business by Geography	628,618	7.21	18.64	20.87	52.22	1.06
Farms by Geography	3,587	2.34	8.03	18.73	70.62	0.28
Family Distribution by Income Level	2,178,560	28.14	15.77	16.63	39.45	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	956,775	25.36	37.83	23.68	13.13	0.00
Median Family Income HUD Adjusted Median Family Income for 2005		49,461 57,650	Median Housing Value (1Q06 National Association of Realtors)		\$528,000	
Households Below Poverty Level		18%	Unemployment Rate (est. May 2006)		4.60%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census, 2005 HUD updated MFI, Bureau of Labor Statistics

Citibank has defined this AA to include seven counties in the New York-Wayne-White Plains MD #35644 including The Bronx, Queens, Kings, New York, Richmond, Rockland, and Westchester Counties. All of these counties are within New York State. The portion of the AA, commonly referred to as New York City, accounts for 89% of the total geographies and 87% of the population in the AA. The AA meets legal requirements and does not arbitrarily exclude any low- or moderate-income geographies.

As of June 30, 2005, Citibank ranked second in deposit market share and branch network in the AA. Deposits in the AA of \$118 billion represent 90% of total domestic deposits (with the inclusion of Puerto Rico and Guam). Included within the AA and total domestic deposits are approximately \$43 billion from the bank's affiliate, Citigroup Global Markets (formerly Salomon Smith Barney). As of the date of this evaluation, Citibank operated 149 branches in the AA. Major competitors include JPMorgan Chase, HSBC, Bank of New York, and North Fork Bank.

New York City (NYC) is home to a diversified mix of businesses. Many national and international corporations are headquartered in NYC. Historically, the downtown area has been dominated by the financial services industry. Industries operating in the midtown area include advertising, publishing, and garment production. The retail sector is a major employer

along with health and social care. In addition, light manufacturing and the wholesale trades provide a significant level of job opportunities in The Bronx.

The NYC economy is rebounding from the weakened conditions it suffered caused by the 2001 terrorist attacks. Tourism, a major contributor to the NYC economy, was negatively impacted and has had a ripple effect on other industries and services. In addition, the volatility on Wall Street impacted both the local and national economies.

Economic conditions showed signs of improvement in mid-2004 and continue to improve. Renewed profitability at Wall Street's largest firms has led to an increase in hiring. Along with the securities industry, leisure/hospitality and retail trade are driving growth in the area. The only drags on growth are the manufacturing and the transportation/utilities industries. The unemployment rate continues to fall and is now near pre-recession lows. As of May 2006, the AA unemployment rate of 4.6% slightly exceeds the overall national and New York State rates which are both at 4.4%.

Slightly more than 38% of the geographies within the AA are defined as low- and moderate-income. The substantial majority of these tracts are located within three boroughs of NYC - Manhattan, The Bronx, and Brooklyn. Additionally, these boroughs combined account for 98% of the low-income geographies in the entire AA. The level of owner-occupied housing in these boroughs combined is considered low at 20.64% and is even less within the low- and moderate-income geographies. Most of the housing is rental in these boroughs, given the large number of multifamily dwellings.

Housing prices within the AA remain strong and continue to rise. The median price of housing in the AA is now estimated to be \$528,000 making home ownership difficult for most low- and moderate-income individuals. In Manhattan, where condominiums and co-operative apartments are the predominant housing stock, prices also remain strong. Also, the high level of households below the poverty level makes home ownership difficult.

Two community contacts consisting of a community development corporation and a housing organization were conducted during this evaluation. The development of affordable housing is the most critical need of NYC at present. The decrease in publicly owned housing stock and the budget cutbacks of the last two years have resulted in a heightened reliance upon private acquisitions and construction as a primary source of new affordable housing development. Consequently, there is a heavier reliance on private financing and participation in the development of affordable housing. The contacts also indicated there are ample opportunities for financial institutions to support the community development activities of local organizations.

Nassau/Suffolk AA

Demographic Information for Full Scope Area: Nassau Suffolk AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	597	0.67	14.07	62.81	19.77	2.68
Population by Geography	2,753,913	0.76	16.02	64.36	18.86	0.01
Owner-Occupied Housing by Geography	733,628	0.22	12.21	66.17	21.40	0.00
Business by Geography	263,228	0.69	12.55	62.49	24.26	0.01
Farms by Geography	5,276	0.45	15.62	66.03	17.89	0.00
Family Distribution by Income Level	712,551	18.03	18.61	24.19	39.18	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	261,056	1.25	22.16	65.10	11.48	0.00
Median Family Income HUD Adjusted Median Family Income for 2005		76,221	88,850	Median Housing Value (1Q06 National Association of Realtors)	\$475,000	
Households Below Poverty Level		5%		Unemployment Rate (Est. May 2006)	3.9%	

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 2000 US Census, 2005 HUD updated MFI, and Bureau of Labor Statistics

This AA consists of the entire Nassau/Suffolk MD #35004 and is commonly referred to as Long Island. The AA meets legal requirements and does not arbitrarily exclude any low- or moderate-income geographies. Citibank operates 74 branches in the AA and is ranked third with 10.39% of the deposit market share (based on the June 30, 2005, FDIC Summary of Deposits). This AA contains 6% of the bank’s total domestic deposits (with the inclusion of Puerto Rico and Guam). The bank operates in a very competitive environment. North Fork Bank leads the competition with 21% of the deposit market share and \$16.5 billion in deposits in this AA. Other major competitors are JPMorgan Chase, Astoria FS&LA and Washington Mutual.

Housing prices have remained strong with the median value rising to over \$475,000. This makes home ownership extremely difficult for low- and moderate-income individuals.

The area’s well-diversified economy has helped control unemployment rates which have experienced a declining trend since 2003. As of May 2006, the unemployment rate of 3.9% was below both the New York State and national average of 4.4%. The North Shore Long Island Jewish Health System and other healthcare providers are the largest employers.

Three community contacts were conducted during this evaluation with representatives of affordable housing and small business development corporations. These organizations all identified the shortage of affordable housing as a critical need within the AA. Generally, there is no shortage of businesses financing, and credit was described as readily available. There is a need to develop more streamlined approaches to providing very small loans to businesses and there is a strong need for technical assistance for small business owners. The contacts also indicated that ample opportunities exist for local financial institutions to support the

community development work of area organizations.

COMMONWEALTH OF PUERTO RICO

San Juan AA

Demographic Information for Full Scope Area: San Juan						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	502	3.39	25.30	39.24	32.07	0.00
Population by Geography	2,336,515	2.60	24.85	40.80	31.75	0.00
Owner-Occupied Housing by Geography	564,244	1.04	23.64	41.07	34.25	0.00
Business by Geography	25,798	3.08	21.52	27.13	48.26	0.00
Farms by Geography	170	8.24	25.29	31.18	35.29	0.00
Family Distribution by Income Level	621,405	26.15	15.35	15.39	43.11	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	257,887	4.64	32.84	42.70	19.82	0.00
Median Family Income HUD Adjusted Median Family Income for 2005		17,917 20,900	Median Housing Value Unemployment Rate (2000 US Census)		90,081 5.01%	
Households Below Poverty Level		43%				

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census, 2005 HUD updated MFI, and Bureau of Labor Statistics

The San Juan AA represents Citibank’s largest AA in Puerto Rico and includes the entire MSA. The economy has been impacted by the slowdowns in the U.S. and global economies. Economic growth in 2005 was 2.3 percent, a decrease of 0.5 percentage points versus 2004. Over the same period, inflation increased 4.7 percentage points, from 8.9 percent in 2004 to 13.6 percent in 2005.

The 1996 elimination of Section 936 of the Internal Revenue Code, which provided significant tax incentives to U.S. manufacturers operating on the Island, continues to impact the business climate. Manufacturing companies have scaled back and it has been difficult for Puerto Rico to attract new companies, with the exception of big box retailers. The unemployment rate has experienced volatility and as of February 2006, has increased to 11.4 percent. Jobs created in the last five years have been primarily at lower salary levels.

In Puerto Rico, income levels are low, and housing costs are high. A comparison of housing prices with income levels shows that owner-occupied housing is most often beyond the financial means of low- and moderate-income families. In the San Juan MSA, where income is the highest, the 2005 HUD adjusted median income is \$20,900. At most, a low-income family would earn \$10,450 and a moderate-income family would earn \$16,720. Government-sponsored affordable housing in the San Juan MSA is priced at \$70,000 with an increase in downtown areas up to \$100,000. The FHA mortgage loan limit, which is based on market prices, is \$200,160. Such disparity results in a limited number of home purchase or refinance loans to low- and moderate-income borrowers in Puerto Rico.

For the last decade, Puerto Rico has concentrated its affordable housing resources on the construction of new units with selling prices from \$70,000 to \$100,000, by providing subsidies

to both developers and individuals. However, even this sum may not be affordable to many low- and moderate-income families. The volume of such housing made available in any given year is limited. Therefore, many low- and moderate-income families living in rural areas have built or improved houses on their own initiative. To that end, home improvement lending has become an alternative means of providing housing credit in Puerto Rico. Such lending allows families to build and/or expand their houses little by little. It also provides a way to give housing credit to families that may not have title to their land, despite having occupied their houses for many years. In addition, home improvement lending assists in rehabilitating housing in poor communities. Given the above factors, Citibank choose to place an emphasis on home improvement loans as a means of meeting affordable housing needs in Puerto Rico.

Two community contacts consisting of a community development corporation and a housing organization were conducted during this evaluation. Decent affordable housing is a significant unmet need in San Juan. The cost of a build-able lot in San Juan has increase \$30,000 over the past few years driving the cost to develop one unit of affordable housing in San Juan up from \$90 - \$100,000 per unit to almost \$120,000. There is also a need for homebuyers' financial education either provided by or financed by the local financial institutions. The contacts also indicated there are ample opportunities for financial institutions to support the community development activities of local organizations.

TERRITORY OF GUAM

Demographic Information for Full Scope Area: Guam						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	56	5.36	7.14	57.14	17.86	12.50
Population by Geography	154,805	0.04	7.32	76.60	16.04	0.00
Owner-Occupied Housing by Geography	18,747	0.04	6.44	73.20	20.32	0.00
Business by Geography	0	0.00	0.00	0.00	0.00	0.00
Farms by Geography	0	0.00	0.00	0.00	0.00	0.00
Family Distribution by Income Level	32,367	27.45	16.89	18.75	36.92	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	14,350	0.08	9.50	77.92	12.50	0.00
Median Family Income		41,229	Median Housing Value (Est)		\$150,000	
HUD Adjusted Median Family Income for 2005		47,100	Unemployment Rate (March 2004 Guam Department of Labor estimate)		7.7%	
Households Below Poverty Level		22%				

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 US Census and 2005 HUD updated MFI

Guam, an unincorporated territory of the United States, is the largest and southernmost island of the Mariana Archipelago in the Pacific Ocean and is subject to U.S. law. The bank’s AA consists of the entire island. According to the U.S. Census Bureau, the population of Guam reached 154,805 in 2000, an increase of 16% from 1990 when the population was 133,152. The population is diverse although almost 37% represent indigenous Chamorros and 26% are Filipinos. Caucasians, Chinese, Japanese and Koreans constitute the remaining population. Various income levels are spread throughout the island municipalities or districts.

The economy of Guam is dependent upon U.S. federal and military spending and on tourism. However, with the reduction in U.S. military presence globally over the past decade, Guam has had to rely even more on the tourism industry for economic growth. Tourism accounts for 60% of the total business revenue and private sector employment according to the Guam Comprehensive Economic Development Strategy. Guam’s economy is tied very closely to the performance of the Asian economy. More than 90% of Guam’s tourists come from Asia and 60% of its trading partners are from the Asia Pacific Rim. The tourism industry was negatively impacted by the major devaluation of Asian currencies and a corresponding decline in Asian consumer confidence in the early part of the decade. Additionally, the island is still recovering from the affects of major natural disasters (typhoons and an earthquake) over the last several years and the SARS virus.

The Guam Department of Labor, Bureau of Labor Statistics announced that the March 2004 unemployment rate was 7.7%, a decrease from the 11.4% percent reported in March 2002. Recent gains in employment are largely due to typhoon recovery construction projects and recovery from previously depressed levels.

The Island's economic outlook is improving with higher numbers of tourist arrivals and the anticipation of a scheduled military build up on Guam starting in 2007. Guam received 1.2 million tourists in 2005, still lower than the peak arrivals of 1.4 million in 1996. Average hotel room rates remain lower than the high of \$130 in 1996, but are increasing. The Guam Visitors Bureau reports the number of tourists visiting Guam has been on the rise, but the average spent per tourist is down to \$550 from a high of \$1000 in earlier years.

The median home price in Guam is in excess of \$150,000. The 2006 HUD updated median family income is \$48,400. It should be noted that HUD groups together several Pacific Islands under MSA 99999. The median household income, as per the Guam Department of Labor, is lower. Additionally, as of the 2000 census bureau, an estimated 22% of the households in Guam are below the poverty level.

According to available data, extending loans is challenging. The high cost of building and the slow economy make affordable housing, small business growth, and financial education the primary needs of the community. Finally, due to a lack of infrastructure, community development opportunities are limited.

Appendix D: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

Table 12. Borrower Distribution of Small Loans to Farms - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Tables of Performance Data

State of New York

Commonwealth of Puerto Rico

Territory of Guam

Table 1. Lending Volume

LENDING VOLUME		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area (2005):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Nassau Suffolk	26.52	14,722	3,627,054	38,803	621,071	23	121	27	62,981	53,575	4,311,227	6.47
New York	64.26	34,943	10,784,649	94,622	1,793,880	15	85	222	542,441	129,802	13,121,055	92.70
Limited Review:												
Buffalo	5.42	3,323	264,526	7,607	107,333	18	101	8	18,861	10,956	390,821	0.39
Rochester	3.79	1,814	159,065	5,837	110,778	2	12	10	10,922	7,663	280,777	0.44

* Loan Data as of December 31, 2005. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from June 09, 2003 to June 05, 2006.

*** Deposit Data as of June 30, 2005. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME		Geography: NEW YORK		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005	
MA/Assessment Area (2005):	Other Unsecured Consumer Loans [*]		Other Optional Loans (Letters of Credit supporting Community Development)*		
	#	\$ (000's)	#	\$ (000's)	
Full Review:					
Nassau Suffolk	0	0	0	0	
New York-2005	0	0	22	337,739	
Limited Review:					
Buffalo-2005	0	0	1	4,187	
Rochester (Monroe)-2005	0	0	0	0	

^{*} The evaluation period for Optional Product Line(s) is from January 01, 2004 to December 31, 2005.

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Nassau Suffolk	6,098	20.40	0.22	0.43	12.21	20.97	66.17	60.97	21.40	17.63	4.83	3.52	5.02	4.59	5.48
New York	20,979	70.18	2.64	4.08	13.84	14.88	28.80	22.65	54.72	58.39	9.63	8.26	7.82	7.20	11.73
Limited Review:															
Buffalo	1,857	6.21	4.34	2.21	13.17	16.21	51.87	55.20	30.61	26.39	4.83	4.63	6.81	5.34	3.47
Rochester (Monroe)	961	3.21	4.90	2.71	10.71	19.35	42.44	47.14	41.95	30.80	3.41	3.06	4.74	3.65	2.69

* Based on 2004 Peer Mortgage Data (Eastern)

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005					Market Share (%) by Geography [*]				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total [*]	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans						
Full Review:																
Nassau Suffolk	1,427	36.60	0.22	0.42	12.21	16.82	66.17	70.57	21.40	12.19	5.67	12.50	4.81	5.83	6.14	
New York	1,931	49.53	2.64	3.73	13.84	16.88	28.80	29.05	54.72	50.34	7.90	4.59	8.35	6.64	8.91	
Limited Review:																
Buffalo	382	9.80	4.34	4.97	13.17	15.18	51.87	59.95	30.61	19.90	7.27	9.01	8.82	7.80	4.97	
Rochester (Monroe)	159	4.08	4.90	6.92	10.71	20.13	42.44	40.88	41.95	32.08	3.56	6.67	4.25	3.11	3.35	

^{*} Based on 2004 Peer Mortgage Data (Eastern)

^{**} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE												Geography: NEW YORK				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total*	% Owner Occ Units**	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
Full Review:																				
Nassau Suffolk	7,189	34.70	0.22	0.40	12.21	20.10	66.17	66.74	21.40	12.76	3.80	3.73	3.80	3.87	3.46					
New York	11,755	56.74	2.64	3.14	13.84	15.20	28.80	27.33	54.72	54.33	5.68	4.08	4.59	4.68	6.89					
Limited Review:																				
Buffalo	1,081	5.22	4.34	3.15	13.17	13.04	51.87	55.04	30.61	28.77	3.08	4.47	4.08	3.19	2.44					
Rochester (Monroe)	694	3.35	4.90	5.33	10.71	15.27	42.44	43.95	41.95	35.45	2.60	2.68	3.41	2.85	2.12					

* Based on 2004 Peer Mortgage Data (Eastern)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005					Market Share (%) by Geography				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
Full Review:																
Nassau Suffolk	8	3.46	3.51	12.50	27.94	0.00	58.07	75.00	10.49	12.50	0.74	10.00	0.00	0.00	0.00	
New York	220	95.24	19.21	33.18	29.94	40.91	19.71	9.09	31.13	16.82	2.06	3.82	2.33	0.67	1.25	
Limited Review:																
Buffalo	3	1.30	18.07	33.33	14.71	0.00	43.80	66.67	23.42	0.00	0.69	25.00	0.00	0.00	0.00	
Rochester (Monroe)	0	0.00	18.11	0.00	18.99	0.00	39.32	0.00	23.58	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2004 Peer Mortgage Data (Eastern)

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005							
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Nassau Suffolk	38,800	26.62	0.69	0.50	12.55	12.29	62.49	62.53	24.26	24.68	16.89	18.33	15.74	16.03	17.34
New York	93,604	64.23	7.21	5.10	18.64	16.56	20.87	21.83	52.22	56.51	18.64	17.06	17.38	17.69	19.09
Limited Review:															
Buffalo	7,504	5.15	9.87	7.60	13.20	11.93	44.86	47.13	29.96	33.34	15.85	16.85	16.46	15.33	15.14
Rochester (Monroe)	5,834	4.00	13.15	10.64	13.52	12.46	37.61	39.72	35.63	37.18	14.85	16.29	13.90	14.92	13.67

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2005).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS												Geography: NEW YORK					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography										
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp						
Full Review:																					
Nassau Suffolk	23	39.66	0.45	0.00	15.62	26.09	66.03	34.78	17.89	39.13	6.49	0.00	11.54	3.47	8.70						
New York	15	25.86	2.34	6.67	8.03	13.33	18.73	33.33	70.62	46.67	1.58	2.08	0.77	2.01	1.75						
Limited Review:																					
Buffalo	18	31.03	1.57	0.00	5.13	27.78	59.08	44.44	33.61	27.78	9.63	0.00	80.00	7.69	4.44						
Rochester (Monroe)	2	3.45	3.75	0.00	6.77	0.00	43.13	0.00	46.35	100.00	4.76	0.00	0.00	0.00	5.88						

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: NEW YORK								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total*	% Families***	% BANK Loans****	% Families ¹	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Nassau Suffolk	6,098	20.37	18.03	3.53	18.61	18.25	24.19	30.94	39.18	47.27	5.62	9.27	7.26	4.46	5.79
New York	21,019	70.22	28.14	0.88	15.77	7.76	16.63	16.84	39.45	74.51	12.24	22.30	18.68	12.37	11.63
Limited Review:															
Buffalo	1,857	6.20	20.37	16.15	18.07	30.85	22.08	29.74	39.48	23.27	5.75	8.47	6.58	5.98	3.93
Rochester (Monroe)	961	3.21	19.73	12.74	17.14	35.85	21.71	30.89	41.41	20.52	3.76	4.50	4.56	4.16	2.37

* Based on 2004 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 5.0% of loans originated and purchased by bank.

*** Percentage of Families is based on the 2000 Census information.

**** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: NEW YORK								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total [*]	% Families ^{***}	% BANK Loans ^{****}	% Families ²	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Nassau Suffolk	1,427	36.57	18.03	8.16	18.61	25.81	24.19	36.10	39.18	29.93	5.65	6.86	6.36	5.73	4.71
New York	1,934	49.56	28.14	3.59	15.77	10.78	16.63	20.54	39.45	65.09	8.34	11.41	8.94	8.07	8.18
Limited Review:															
Buffalo	382	9.79	20.37	21.05	18.07	32.37	22.08	24.74	39.48	21.84	7.89	11.41	10.19	7.50	4.69
Rochester (Monroe)	159	4.07	19.73	15.82	17.14	41.14	21.71	24.05	41.41	18.99	3.68	3.58	4.09	3.72	3.26

^{*} Based on 2004 Peer Mortgage Data (Eastern)

^{**} As a percentage of loans with borrower income information available. No information was available for 3.6% of loans originated and purchased by bank.

^{***} Percentage of Families is based on the 2000 Census information.

^{****} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

² Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE							Geography: NEW YORK				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ³	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Nassau Suffolk	7,189	34.67	18.03	8.32	18.61	25.64	24.19	33.60	39.18	32.44	3.39	5.33	3.88	2.92	3.14
New York	11,770	56.77	28.14	2.24	15.77	10.03	16.63	21.36	39.45	66.37	6.03	8.76	7.23	5.35	6.04
Limited Review:															
Buffalo	1,081	5.21	20.37	15.64	18.07	26.68	22.08	27.60	39.48	30.09	2.56	5.51	2.94	2.27	1.87
Rochester (Monroe)	694	3.35	19.73	20.00	17.14	24.22	21.71	26.44	41.41	29.33	1.78	2.73	1.56	1.84	1.62

* Based on 2004 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 17.9% of loans originated and purchased by bank.

*** Percentage of Families is based on the 2000 Census information.

**** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

³ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: NEW YORK			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005	
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total	% of Businesses	% BANK Loans ****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Nassau Suffolk	38,803	26.42	65.32	66.75	97.79	1.25	0.96	16.89	15.51
New York	94,622	64.43	63.05	66.53	97.12	1.63	1.24	18.64	17.41
Limited Review:									
Buffalo	7,607	5.18	61.83	66.56	97.84	1.12	1.04	15.85	14.47
Rochester (Monroe)	5,837	3.97	64.22	64.49	96.98	1.56	1.46	14.85	13.60

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2005).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 20.25% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS					Geography: NEW YORK		Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005		
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total	% of Farms ^{***}	% BANK Loans ^{****}	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Nassau Suffolk	23	39.66	89.14	60.87	100.00	0.00	0.00	6.49	3.85
New York	15	25.86	86.67	80.00	100.00	0.00	0.00	1.58	1.44
Limited Review:									
Buffalo	18	31.03	87.45	72.22	100.00	0.00	0.00	9.63	7.08
Rochester (Monroe)	2	3.45	87.40	50.00	100.00	0.00	0.00	4.76	0.00

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2005).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 17.24% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: NEW YORK									
Evaluation Period: JUNE 9, 2003 TO JUNE 5, 2006									
MA/Assessment Area:	Prior Period Investments [*]		Current Period Investments		Total Investments			Unfunded Commitments ^{**}	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Nassau Suffolk	14	28,700	150	17,700	164	46,400	5.78	1	189
New York	92	283,848	640	404,643	732	688,491	85.75	15	16,595
Limited Review:									
Buffalo	41	41,998	53	25,250	94	67,248	8.38	0	0
Rochester (Monroe)	0	0	91	789	91	789	0.10	0	0

^{*} 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

^{**} 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: NEW YORK Evaluation Period: JUNE 9, 2003 TO JUNE 5, 2006																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches *	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Nassau Suffolk	6.47	74	30.58	0.00	12.16	66.22	21.62	0	5	0	- 2	- 2	- 1	0.76	16.02	64.36	18.86
New York	92.70	148	61.16	7.43	20.27	20.27	52.03	3	0	0	0	0	3	14.88	28.26	25.76	30.93
Limited Review:																	
Buffalo	0.39	8	3.31	0.00	12.50	50.00	37.50	0	0	0	0	0	0	8.78	16.45	47.62	26.35
Rochester (Monroe)	0.44	12	4.96	8.33	8.33	41.67	41.67	0	1	- 1	0	0	0	11.81	13.60	39.57	34.55

*There are a total of 149 branches in the New York AA. One branch is located in a geography with a NA income designation.

*There are a total of 9 branches in the Buffalo AA. One branch is located in a geography with a NA income designation.

Table 1. Lending Volume

LENDING VOLUME		Geography: PUERTO RICO						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area (2005):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
San Juan	89.24	10,178	879,039	734	8,941	0	0	7	87,625	10,919	975,605	97.29
Limited Review:												
Fajardo	3.06	369	19,725	5	252	0	0	0	0	374	19,977	0.22
Mayaguez	2.56	280	12,734	31	398	0	0	2	6,250	313	19,382	0.99
Ponce	5.15	595	26,648	35	537	0	0	0	0	630	27,185	1.50

* Loan Data as of December 31, 2005. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from June 09, 2003 to June 09, 2006.

*** Deposit Data as of June 30, 2005. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE												Geography: PUERTO RICO				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography									
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
Full Review:																				
San Juan	2,998	89.20	1.04	0.97	23.64	14.18	41.07	32.89	34.25	51.97	3.69	4.87	3.89	3.47	3.76					
Limited Review:																				
Fajardo	113	3.36	0.00	0.00	19.99	16.81	59.68	58.41	20.33	24.78	4.08	0.00	4.04	4.91	3.04					
Mayaguez	63	1.87	1.49	1.59	14.35	17.46	49.47	34.92	34.69	46.03	3.71	11.11	4.82	2.41	4.95					
Ponce	187	5.56	1.56	3.21	24.92	20.86	32.17	35.29	41.35	40.64	6.40	11.43	10.73	6.83	4.91					

* Based on 2004 Peer Mortgage Data (Eastern)

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: PUERTO RICO						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005							
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total*	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
San Juan	3,951	87.70	1.04	1.09	23.64	23.34	41.07	42.29	34.25	33.28	9.84	14.18	10.49	9.74	9.50
Limited Review:															
Fajardo	154	3.42	0.00	0.00	19.99	18.83	59.68	57.79	20.33	23.38	10.05	0.00	11.93	9.91	9.09
Mayaguez	143	3.17	1.49	1.40	14.35	11.19	49.47	53.85	34.69	33.57	11.68	0.00	14.86	11.23	11.34
Ponce	257	5.70	1.56	1.56	24.92	18.68	32.17	34.24	41.35	45.53	13.25	25.00	17.42	11.80	12.79

* Based on 2004 Peer Mortgage Data (Eastern)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: PUERTO RICO Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005															
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total*	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
San Juan	3,228	90.80	1.04	0.93	23.64	18.34	41.07	38.60	34.25	42.13	4.19	9.12	5.90	4.72	3.33
Limited Review:															
Fajardo	102	2.87	0.00	0.00	19.99	24.51	59.68	45.10	20.33	30.39	4.67	0.00	2.54	5.66	4.41
Mayaguez	74	2.08	1.49	1.35	14.35	10.81	49.47	45.95	34.69	41.89	4.61	16.67	3.80	5.16	4.17
Ponce	151	4.25	1.56	2.65	24.92	9.93	32.17	43.05	41.35	44.37	3.75	25.00	5.68	4.07	2.85

* Based on 2004 Peer Mortgage Data (Eastern)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: PUERTO RICO					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005										
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography						
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:																	
San Juan	1	100.00	9.66	0.00	13.61	0.00	25.10	100.00	51.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:																	
Fajardo	0	0.00	0.00	0.00	52.57	0.00	28.89	0.00	18.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mayaguez	0	0.00	25.26	0.00	18.04	0.00	45.44	0.00	11.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ponce	0	0.00	11.17	0.00	41.23	0.00	17.22	0.00	30.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2004 Peer Mortgage Data (Eastern)

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: PUERTO RICO Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005															
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
San Juan	734	91.18	3.08	1.23	21.52	17.03	27.13	28.20	48.26	53.54	2.31	1.45	0.94	1.10	1.35
Limited Review:															
Fajardo	5	0.62	0.00	0.00	41.24	80.00	53.88	20.00	4.89	0.00	1.35	0.00	0.82	0.00	0.00
Mayaguez	31	3.85	2.15	0.00	32.69	9.68	50.14	74.19	15.03	16.13	1.23	0.00	0.93	0.62	0.25
Ponce	35	4.35	7.32	2.86	33.60	37.14	18.33	14.29	40.75	45.71	0.86	0.00	1.20	0.33	0.55

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: PUERTO RICO						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁴	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
San Juan	2,998	89.20	26.15	0.76	15.35	3.52	15.39	10.44	43.11	85.28	3.23	1.00	1.49	1.44	3.63
Limited Review:															
Fajardo	113	3.36	26.99	0.00	17.41	6.56	17.51	19.67	38.08	73.77	1.98	0.00	2.86	2.50	1.87
Mayaguez	63	1.87	25.07	2.63	14.85	5.26	16.47	15.79	43.61	76.32	2.00	11.11	0.00	2.78	2.17
Ponce	187	5.56	24.78	0.00	14.19	4.23	15.38	32.39	45.65	63.38	1.24	0.00	0.00	0.00	1.59

* Based on 2004 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 24.0% of loans originated and purchased by bank.

*** Percentage of Families is based on the 2000 Census information.

**** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

⁴ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT															Geography: PUERTO RICO					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share													
	#	% of Total	% Families ***	% BANK Loans ****	% Families ⁵	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Overall	Low	Mod	Mid	Upp									
Full Review:																								
San Juan	3,951	87.70	26.15	6.57	15.35	16.91	15.39	29.05	43.11	47.47	10.90	14.69	14.03	14.53	8.84									
Limited Review:																								
Fajardo	154	3.42	26.99	6.49	17.41	22.73	17.51	22.73	38.08	48.05	11.23	33.33	14.12	10.28	10.26									
Mayaguez	143	3.17	25.07	11.27	14.85	28.87	16.47	21.83	43.61	38.03	12.24	28.57	19.39	7.41	10.47									
Ponce	257	5.70	24.78	9.41	14.19	19.22	15.38	25.10	45.65	46.27	13.78	30.56	19.19	17.45	10.51									

* Based on 2004 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 1.3% of loans originated and purchased by bank.

⁵ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: PUERTO RICO Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005															
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total **	% Families ***	% BANK Loans ****	% Families ⁶	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Overall	Low	Mod	Mid	Upp
Full Review:															
San Juan	3,228	90.80	26.15	2.36	15.35	8.88	15.39	18.25	43.11	70.52	6.45	36.76	14.35	9.54	5.39
Limited Review:															
Fajardo	102	2.87	26.99	2.94	17.41	12.75	17.51	25.49	38.08	58.82	7.38	33.33	17.19	13.83	5.74
Mayaguez	74	2.08	25.07	4.05	14.85	8.11	16.47	20.27	43.61	67.57	6.79	50.00	16.95	14.29	4.17
Ponce	151	4.25	24.78	3.97	14.19	6.62	15.38	17.88	45.65	71.52	5.58	50.00	10.61	17.35	4.39

* Based on 2004 Peer Mortgage Data (Eastern)

⁶ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: PUERTO RICO			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total	% of Businesses ***	% BANK Loans ****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
San Juan	734	91.18	54.85	39.24	99.32	0.68	0.00	2.31	0.44
Limited Review:									
Fajardo	5	0.62	54.89	60.00	80.00	20.00	0.00	1.35	0.28
Mayaguez	31	3.85	56.16	67.74	100.00	0.00	0.00	1.23	0.22
Ponce	35	4.35	52.78	34.29	100.00	0.00	0.00	0.86	0.09

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: PUERTO RICO			Evaluation Period: JUNE 9, 2003 TO JUNE 5, 2006						
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
San Juan	5	24,202	29	4,264	34	28,466	99.70	0	0
Limited Review:									
Fajardo	0	0	3	35	3	35	0.12	0	0
Mayaguez	0	0	8	31	8	31	0.11	0	0
Ponce	0	0	5	21	5	21	0.07	0	0
Broader Regional Area with Potential to Benefit the AA	8	31,699	3	12,649	11	44,348	NA	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: PUERTO RICO Evaluation Period: JUNE 9, 2003 TO JUNE 5, 2006																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
San Juan	97.29	12	75.00	8.33	8.33	25.00	58.33	0	0	0	0	0	0	2.60	24.85	40.80	31.75
Limited Review:																	
Fajardo	0.22	1	6.25	0.00	0.00	0.00	100	0	0	0	0	0	0	0.00	21.94	55.28	22.77
Mayaguez	0.99	1	6.25	0.00	0.00	0.00	100	0	0	0	0	0	0	6.23	15.60	47.41	30.76
Ponce	1.50	2	12.50	0.00	50.00	50.00	0.00	0	0	0	0	0	0	4.12	29.22	30.23	35.34

Table 1. Lending Volume

LENDING VOLUME		Geography: GUAM						Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area (2005):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Guam	100.00	336	40,240	26	5,070	0	0	1	13,000	363	58,310	100.00

* _____
 ** The evaluation period for Community Development Loans is from January 01, 2005 to December 31, 2005.
 *** Deposit Data as of June 30, 2005. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: GUAM					Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Guam	336	100.00	0.04	0.60	6.44	4.17	73.20	49.70	20.32	45.54	NA	NA	NA	NA	NA	

* Based on 2004 Peer Mortgage Data (Western)

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: GUAM				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total*	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans					
Full Review:															
Guam	26	100.00	0.00	7.69	0.00	73.08	0.00	19.23	0.00	0.00	2.47	0.00	0.00	0.00	8.00

* Based on 2004 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: GUAM				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁷	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****					
Full Review:															
Guam	336	100.00	27.45	1.49	16.89	15.48	18.75	39.58	36.92	43.45	NA	NA	NA	NA	NA

* Based on 2004 Peer Mortgage Data (Western)

** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

⁷ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: GUAM			Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31, 2005				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total **	% of Businesses ***	% BANK Loans ****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Guam	26	100	0.00	38.46	42.31	30.77	26.92	2.47	1.32

* Based on 2004 Peer Small Business Data -- US and PR

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: GUAM				Evaluation Period: JUNE 9, 2003 TO JUNE 5, 2006			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Guam	0	0	6	2,245	6	2,245	100.00	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: GUAM Evaluation Period: JUNE 9, 2003 TO JUNE 5, 2006																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Guam	100.00	1	100.00	0.00	0.00	100	0.00	0	0	0	0	0	0	0.04	7.32	76.60	16.04