



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

October 16, 2006

**Community Reinvestment Act
Performance Evaluation**

**The Suffolk County National Bank of Riverhead
Charter Number: 4230**

**6 West Second Street
Riverhead, NY 11901**

Office of the Comptroller of the Currency

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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.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Outstanding**.

The following table indicates the performance level of **The Suffolk County National Bank of Riverhead** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Suffolk County National Bank of Riverhead Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		X
High Satisfactory			
Low Satisfactory		X	
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 include:

- Lending activity reflects good responsiveness to credit needs in the bank's assessment area.
- The geographic loan distributions are excellent for home mortgage and small loans to businesses.
- Borrower income distributions are excellent for home mortgage loans and good for small loans to businesses.
- Community development lending activity had a positive impact on the Lending Test rating.
- The volume of qualified investments is adequate.
- The bank's retail delivery systems are readily accessible to geographies and individuals of different income levels.
- The bank's level of community development services positively impacts the Service Test rating.

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 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 householder 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, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional 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

The Suffolk County National Bank of Riverhead (SCNB) is the sole subsidiary of Suffolk Bancorp, headquartered in Riverhead, New York, approximately 75 miles east of midtown Manhattan (New York City). SCNB is an intrastate bank with \$1.4 billion in assets and tier one capital of \$105 million as of June 30, 2006. SCNB wholly owns two subsidiaries which consist of a real estate investment trust that holds the bank's mortgages and a financial services subsidiary that offers employee benefit programs to business customers. Neither subsidiary has an impact on the bank's ability to meet its CRA commitment. The bank received an "Outstanding" rating at its previous CRA examination dated September 29, 2003.

SCNB operates 27 branch offices throughout Suffolk County. There are ATMs at 24 of the branches and two freestanding ATMs at the Port Jefferson Ferry Terminal and at East Hampton. Since the prior CRA evaluation, SCNB has closed one branch and opened three branches.

The bank offers a wide range of loan products, including various types of mortgages, commercial, and consumer loans. Net loans totaling \$911 million and investments of \$411 million represent 63% and 29% of total assets, respectively.

The loan portfolio is broken down as follows: commercial loans secured by nonresidential real estate 34%, residential real estate loans 23%, commercial loans 19%, consumer loans 14%, real estate construction loans 8%, and agricultural loans 2%. This breakdown is consistent with the bank's strategy of serving the consumer and business credit and depository needs of Suffolk County residents. There are no impediments, legal or otherwise, which would hinder the bank's ability to help meet the credit needs of its assessment area.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This evaluation covers the period from January 1, 2003 to December 31, 2005 for the lending test. We reviewed home mortgages and small loans to businesses. Market comparisons are based on 2000 peer data, which was the most recently available data at the time of this evaluation.

Community Development loans and the investment and service tests cover the period from September 30, 2003 to September 15, 2006. All qualified investments originated in prior periods, and still outstanding at September 15, 2006, were also considered. We based our conclusions related to community development loans and qualified investments on the number and dollar amounts made during the evaluation period. In addition, we considered the level of innovation, complexity, responsiveness to community credit needs, and the degree to which these instruments are not routinely provided by private investors.

Small farm lending and multifamily home lending are not primary business lines of the bank. A nominal number of small farm and multifamily housing loans were originated. These loans were not analyzed, but are included in the tables in Appendix C for informational purpose.

Data Integrity

We conducted a data integrity review in 2006. During this review, we analyzed a sample of small business and home mortgage loans to ensure the accuracy of data upon which our evaluation relied. We compared information in publicly filed data to information in the bank's loan files to determine reliability. We also evaluated the processes the bank employs to ensure the accuracy of this data. While minor errors were found, our review revealed that the publicly available information was materially accurate and reliable. We also reviewed community development loans, investments, and services and included only those items that qualified under regulatory definition for community development.

However subsequent to our 2006 data integrity review the bank identified errors in their classification of HMDA loan data. The bank promptly and appropriately reviewed the affected HMDA filings for 2004 and 2005 and corrected any misclassifications. As a result, we used the revised HMDA data in conducting our evaluation.

Selection of Areas for Full-Scope Review

We conducted a full-scope review of the bank's assessment area (AA). The bank operates in the Suffolk County portion of the New York-Northern New Jersey-Long Island MSA #35620. Refer to the table in Appendix A and Market Profile in Appendix B for more information.

Ratings

The bank's overall rating is based on the area that received a full-scope review. The bank's single assessment area is Suffolk County, NY. The bank does not have any branches outside of Suffolk County. Therefore, the bank's overall performance will be the same as performance in the assessment area.

Other

We performed three community contacts during this evaluation. We spoke to three individuals representing housing organizations in the Suffolk AA. The contacts indicated the major need in the area includes affordable housing.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of illegal discrimination or other illegal credit practices.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test is rated "Outstanding." Based on the full-scope review, the bank's performance in the Suffolk AA is excellent.

Lending Activity

Refer to Tables 1 Lending Volume in appendix C for the facts and data used to evaluate the bank's lending activity.

Considering its size, resources, and the competition in this market, SCNB's lending levels reflect a good responsiveness to the assessment area's credit needs. During the evaluation period, the bank originated 1,534 home mortgage loans totaling \$195 million, 1,501 small loans to businesses totaling \$213 million, and 11 community development loans totaling \$12.5 million.

Home purchase loans comprise 20%, home improvement loans 29%, and home refinance loans 51% of HMDA reportable loans. During the evaluation period, the bank did not originate any multifamily loans.

In the MSA, SCNB ranked 57th in deposit market share with 0.14% of deposits. There are 242 deposit-taking institutions in the assessment area based on June 30, 2006 data. Within individual HMDA products, SCNB rank and market share, respectively were 72nd / 0.24% for home purchase, 8th / 2.72% for home improvement, and 36th / 0.49% for home refinance.

A number of the banks and their affiliated mortgage companies, which rank ahead of SCNB and compete in the assessment area, are significantly larger in both asset size and branch network. Also, several nationwide mortgage companies and other lenders that do not have deposit-taking facilities in the assessment area tend to distort the HMDA data.

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3, 4 and 5 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans is excellent. Our analysis focused on performance in the moderate-income geographies. For 2003 and 2004-2005, according to the

2000 census data, there are only two low-income tracts with a very low percentage (0.25%) of owner-occupied housing. The opportunity for home mortgage lending in these geographies is limited.

For 2003, using the 2000 census data, home purchase loans (56.73%) originated by the bank significantly exceeds the percentage of owner occupied housing units (19.71%) in moderate-income geographies. For 2004-2005, also using the 2000 census data, home purchase loans (53.47%) originated by the bank significantly exceeds the percentage of owner occupied housing units (19.39%) in moderate-income geographies.

For 2003, home improvement loans (29.63%) originated in moderate-income geographies exceeds the percentage of owner occupied units (19.71%) in the AA. For 2004-2005, home improvements loans (31.23%) originated in moderate-income geographies exceeds the percentage of owner occupied units (19.39%) in the AA.

For 2003, home mortgage refinance loans (29.66%) originated by the bank in moderate-income geographies exceeds the percentage of owner occupied units (19.71%). For 2004-2005, home mortgage refinance loans (46.19%) originated by the bank in moderate-income geographies significantly exceeds the percentage of owner occupied units (19.39%).

Additionally, for all products, the bank's market share in moderate-income geographies either exceeds or significantly exceeds the overall market share.

The bank did not originate any multifamily loans during the evaluation period and as a result geographic analysis of multifamily loans is not meaningful.

Small Loans to Businesses

Refer to Table 6 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses. Again, our analysis focused on performance in the moderate-income geographies given the low percentage 0.53% in 2003 and 0.56% in 2004-2005 of businesses located in low-income geographies. The opportunity for small loans to businesses in these geographies is limited.

The geographic distribution of small loans to businesses is excellent. For the entire evaluation period, 2003-2005, the bank's small loans to businesses in moderate-income geographies significantly exceed the percentage of businesses in moderate-income geographies in the AA. The bank's market share in moderate-income geographies exceeds the overall market share.

Lending Gap Analysis

We reviewed the geographic distribution of loans and did not detect any conspicuous or unexplained gaps in lending patterns.

Inside/Outside Ratio

This portion of the evaluation was performed at the bank level as opposed to the AA level. During the evaluation period, SCNB originated a substantial majority, 98%, of its loans in the AA. One hundred percent of the community development loans were within the AA. The high percentage of lending within the assessment area was given positive consideration in our analysis.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level of the borrower is excellent. This is based on excellent distribution of home mortgage loans and good distribution of small loans to businesses.

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall distribution of home mortgage loans to borrowers of different income levels is excellent. SCNB originated a high level of mortgage loans to low- and moderate-income borrowers over the evaluation period. With two exceptions in 2003, home improvement and home mortgage refinance, bank performance exceeds the low- and moderate-income demographic comparator for each product.

For the entire evaluation period of 2003-2005, the percentage of home purchase loans made to low- and moderate-income borrowers exceeds the percentage of low- and moderate-income families in the AA. In addition, the market share of low- and moderate-income significantly exceeds the overall market share for home purchases.

For 2003, the percentage of home improvement loans made to low-income borrowers (13.33%) in the AA is lower than the percentage of low-income families (19.31%). However, for 2003, the percentage of home improvement loans made to moderate-income borrowers (28.15%) in the AA exceeds the percentage of moderate-income families (20.10%). In addition, for 2003, the bank's market share of low- and moderate-income borrowers is significantly greater than the overall market share.

For 2004-2005, the percentage of home improvement loans made to low- and moderate-income borrowers in the AA exceeds the percentage of low- and moderate-income families. SCNB's market share of low- and moderate-income borrowers for home improvement loans exceeds the overall market share.

For 2003, the percentage of home mortgage refinance loans made to low-income borrowers (9.96%) is lower than the percentage of low-income families (19.31%). However, for 2003, the percentage of home mortgage refinance loans made to moderate-income borrowers (27.07%) in the AA exceeds the percentage of moderate-income families (20.10%). For 2003, the bank's market share of low- and moderate-income borrowers is greater than the overall market share for home refinance.

For 2004-2005, the percentage of home mortgage refinance loans made to low- and moderate-income borrowers exceeds the percentage of low- and moderate-income families. SCNB's market share of low-income borrowers for home refinance exceeds the overall market share. However, the bank's market of moderate-income borrowers (0.61) is lower than the overall market share (0.73).

Small Loans to Businesses

Refer to Table 11 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The overall distribution of small loans to businesses is good when considering the size of loans originated and the strong competition from nationwide credit card lenders in the bank's assessment area.

In 2003, 55% of bank loan originations are less than the demographic indicator (businesses with revenue of \$1 million or less) of 66%. In addition 2004-2005, 53% of bank loan originations are less than the demographic indicator of 66%. However, in 2003, 70%, and in 2004-2005, 64%, of the bank's loans were for \$100,000 or less, indicating the bank's willingness to make small loans to businesses. The bank's market share to businesses with revenue of \$1 million or less exceeds the overall market share.

Community Development Lending

Refer to Table 1 Lending Volume in appendix C 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.

The bank made an excellent level of CD loans, which had a positive impact on the Lending Test rating. During the evaluation period, the bank originated eleven loans totaling \$12.5 million. The loans help to finance the construction and mortgages of affordable housing and vocational training of disabled individuals that are low- and moderate-income.

- \$2 million revolving credit facility in 2004-2005 which increased to \$3.5 million revolving credit in 2006. This community development loan is to a non-profit organization that specializes in the education, housing, and vocational training of developmentally disabled individuals. The loan is to bridge the acquisition and renovation costs of group homes with permanent financing. The collateral for this loan consists of the organization's non-real estate assets.
- \$935 thousand to finance affordable housing mortgages for various properties located in the Town of East Hampton. The financing of affordable housing targets first time homebuyers in the moderate-income threshold. The Affordable Housing Program enables the homebuyers to lease the land from the Town of East Hampton.

- \$2.5 million loan to finance the construction of ten affordable housing units in the Town of East Hampton and eight affordable housing units in the Town of Southampton to benefit moderate-income individuals and families.
- \$1.5 million credit to finance the construction of six affordable housing units for moderate income individuals and families. These housing units are located in the Town of Southampton.

Product Innovation and Flexibility

The bank uses flexible state mortgage loan products in originations that target low- and moderate-income borrowers. The flexible program had a positive impact on the Lending Test rating.

During the evaluation period, the bank originated 28 loans totaling \$6 million under the State of New York Mortgage Association (SONYMA) program. This program offers underwriting standards and terms that are more favorable than conventional products such as lower down payment requirements and higher debt ratios.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test is rated "Low Satisfactory". Based on the full-scope review, the bank's performance in the Suffolk County assessment area is adequate. Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, the bank originated 74 investments of approximately \$594 thousand. Additionally, we considered three prior period investments totaling \$4 million. These three investments have a continuing impact to the assessment area. The majority of the prior period investments assisted in the construction and permanent financing of affordable housing, an identified need. In addition, the bank previously purchased a revenue anticipation note (RAN) issued by a special needs school district within the assessment area. The RAN bridges the gap in financing the district until state and local funding is obtained. The school district serves at risk youth, the majority of whom are of low- and moderate-income. None of the previous investments were considered complex or innovative.

The majority of the current period investments constitute one investment of \$500 thousand in which the bank purchased The State of Louisiana General Obligation Match Bonds, Series 2000-B. The Bonds constitute an activity to revitalize or stabilize a designated disaster area, which had a positive impact on the Investment Test.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Suffolk County assessment area is excellent.

Retail Banking Services

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings. Although the bank does not have any branches in the low-income geography, less than ½ of 1% of the assessment area population resides in those tracts. Therefore, our analysis placed more weight on the distribution of branches in moderate-income geographies.

SCNB's service delivery systems are readily accessible to geographies and individuals of different income levels in the assessment area.

Given the date and length of the evaluation period, we analyzed the bank's distribution of branches using the 2000 census data.

During the evaluation period, one branch, which was located in the middle income geography, was opened in 2003 and closed in 2004. The closing of this branch had no major effect due to the fact that there are two other full-service branches operating in that area. One new branch in the moderate-income geography was opened during the evaluation period. During 2005, SCNB extended many of the branch's hours of operation in order to improve their service to their customers by meeting the growing demands of the community for additional hours and flexible hours. All branches offer extended hours on various days of the week and Saturday hours are offered at twenty-one out of the twenty-seven branches, including seven of the ten branches located in the moderate-income geographies.

SCNB offers alternative delivery systems which include bank-by-mail, bank-by-phone, ATM's, and Internet banking. No weight was placed on these alternative methods of delivery since the determination of use of these systems in the moderate-income geography is not tracked.

Community Development Services

SCNB provides a good level of community development services in the assessment area. CD services provided by SCNB includes: a mortgage workshop designed to assist individuals in low-to-moderate income range with the buying or building of their first home, raising funds for the disabled for East End Disability Associates, Inc. that offers services to families on the East End of Long Island, and donating to Long Island Cares, Inc Harry Chapin Food Bank to help the hungry in Long Island.

In addition, many of the officers of SCNB are members and/or on the board of different organizations. A partial list of such members include: A Vice President is a Board Member of the Mattituck Chamber of Commerce, a Vice President is on the Professional Advisory Board of the LI Community Foundation, a VP and Branch Manager is the Treasurer/Director of East End Disability Associates in Riverhead, and an EVP is the a Member of the Finance Committee of the East End Hospice.

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): (01/01/03 to 12/31/05)(Month <input type="checkbox"/> Investment and Service Tests and CD Loans: (09/30/03 to 09/15/06)	
Financial Institution	Products Reviewed	
Suffolk County National Bank (SCNB) Riverhead, NY	HMDA, small loans to businesses, community development loans, investments, and services.	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Suffolk County (Portion of MSA #35620)	Full-Scope	

Appendix B: Market Profiles for Full-Scope Areas

Demographic Information for Full-Scope Area: Suffolk County						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	320	0.63	20.00	61.56	15.31	2.50
Population by Geography	1,419,369	0.42	23.14	61.73	14.70	0.01
Owner-Occupied Housing by Geography	374,371	0.25	19.39	63.57	16.78	0.00
Businesses by Geography	129,779	0.56	19.25	61.32	18.86	0.01
Farms by Geography	3,363	0.33	19.39	64.17	16.12	0.00
Family Distribution by Income Level	362,857	19.31	20.10	25.32	35.28	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	142,974	0.62	30.22	60.25	8.91	0.00
Median Family Income = \$76,221 HUD Adjusted Median Family Income for XXXX = \$88,850 Households Below the Poverty Level = 5.45%			Median Housing Value (NY State Office of Real Property 2005) = \$405,000 Unemployment Rate (NY State Labor Dept. 2006) = 4.1%			

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 1990 U.S. Census, and 2005 HUD updated MFI.

The assessment area includes all of Suffolk County, which is part of the New York-Northern New Jersey-Long Island MSA. The entire MSA would encompass an area too large for the bank to reasonably serve. The assessment area meets regulatory guidelines and does not arbitrarily exclude any low- or moderate-income areas.

Suffolk County encompasses 922 square miles of eastern Long Island. The county seat is 75 miles east of midtown Manhattan. Nassau County borders on the west. Suffolk is urban and suburban in character. The western portion of the county has become a high technology center with an expanding biotechnology market. The eastern part of the county is known for its farming, fishing, and resort communities.

The trimming of federal defense spending contributed to a loss of defense and defense-related jobs in the county and to a slower than expected recovery from the late-1980s recession. While the terror attack on the World Trade Center in 2001 impacted the regional economy, Suffolk County fared better overall due to its diverse economy. The unemployment rate of 4.1% is lower than the New York State and national unemployment rates.

Housing in the area is largely owner-occupied. Costs soared in the 1980s making housing primarily affordable only to middle- and upper-income families. The median value of owner-occupied housing increased 268% between 1980 and 1990. During the same time period, rental-housing costs increased 134%. Housing prices have continued to soar making the area

one of the most expensive in the nation. The Long Island Multiple Listing Service indicated that as of 2004, the median price for an existing home in Suffolk County was \$402,373, which was an increase of 12.7% over the 2003 median housing value. The New York State Office of Real Property indicated that as of 2005 the median housing value in Suffolk County increased to \$405,000.

This assessment area is in a highly competitive environment, served by several banks, savings & loan institutions, and mortgage companies. Large local, regional, and multinational banks providing competition include JP Morgan Chase, Citibank, North Fork Bank and Trust, Bank of New York, and Washington Mutual. In addition, Commerce Bank has made an aggressive expansion into Suffolk County. As of June 30, 2006, SCNB with 27 branches had a 0.14% deposit market share, ranking 57th in the MSA.

Three community contacts conducted recently identified ample opportunities for community development loans, investments, and services. Competition is high for the more traditional investments including housing and economic development bonds. These investments are generally acquired by the larger regional and multinational banks. A pressing need identified within the assessment area is affordable housing (both owner occupied and rental). There is a tremendous need for rental housing for low- and moderate-income individuals. Currently only 20% of the housing stock is rental housing. In addition, home ownership housing prices have increased 100% in the past five years and salaries have only increased about 15% in the past five years. Generally, there is no shortage of business financing and credit was described as generally readily available.

Appendix C: 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 with the appropriate caption 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.

Table 1. Lending Volume

LENDING VOLUME		Geography: SUFFOLK AA 04-05						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:												
Suffolk	100.00	742	98,449	997	146,014	2	326	11	12,505	1,752	257,294	100.00

* 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 January 01, 2005 to December 31, 2005.

*** Deposit Data as of November 08, 2006. 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 DECEMBER 31, 2005		Geography: SUFFOLK AA 04-05						Evaluation Period: JANUARY 1, 2004 TO							
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***	% Owner Occ****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Suffolk	202	100.00	0.25	0.50	19.39	53.47	63.57	39.60	16.78	6.44	0.24	0.00	0.50	0.16	0.06

* 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 DECEMBER 31, 2005		Geography: SUFFOLK AA 04-05						Evaluation Period: JANUARY 1, 2004 TO							
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***	% Owner Occ****	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	% Owner Occ***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Suffolk	317	100.00	0.25	0.95	19.39	31.23	63.57	60.25	16.78	7.57	0.04	0.00	0.13	0.00	0.00

* 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 DECEMBER 31, 2005			Geography: SUFFOLK AA 04-05								Evaluation Period: JANUARY 1, 2004 TO				
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***	% Owner Occ Units****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Suffolk	223	100.00	0.25	0.45	19.39	46.19	63.57	47.53	16.78	5.83	0.60	1.20	0.80	0.53	0.50

* 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 31, 2005		Geography: SUFFOLK AA 04-05						Evaluation Period: JANUARY 1, 2004 TO DECEMBER							
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***	% of MF Units****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Suffolk	0	0.00	0.35	0.00	37.14	0.00	55.64	0.00	6.87	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 DECEMBER 31, 2005		Geography: SUFFOLK AA 04-05								Evaluation Period: JANUARY 1, 2004 TO					
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 Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Suffolk	997	100.00	0.56	0.20	19.25	31.29	61.32	58.98	18.86	9.53	0.77	0.00	1.37	0.75	0.37

* Based on 2005 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 (2003).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2005		Geography: SUFFOLK AA 04-05								Evaluation Period: JANUARY 1, 2004 TO					
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:															
Suffolk	2	100.00	0.33	0.00	19.39	50.00	64.17	50.00	16.12	0.00	0.41	0.00	0.00	0.72	0.00

* Based on 2005 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.

*** Source Data - Dun and Bradstreet (2003).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2005		Geography: SUFFOLK AA 04-05								Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31,					
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****	% BANK Loans ¹	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Suffolk	196	100.00	19.31	26.53	20.10	31.12	25.32	20.41	35.28	21.94	0.31	2.57	0.55	0.18	0.17

* Based on 2004 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 0.0% 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 DECEMBER 31, 2005		Geography: SUFFOLK AA 04-05								Evaluation Period: JANUARY 1, 2004 TO					
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 ^{****}	% BANK Loans ²	% BANK Loans ^{****}	% Families [*] **	% BANK Loans ^{****}	% Families [*] **	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Suffolk	310	100.00	19.31	21.94	20.10	23.23	25.32	28.71	35.28	26.13	0.04	0.14	0.05	0.04	0.00

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

^{**} As a percentage of loans with borrower income information available. No information was available for 0.0% 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 DECEMBER 31, 2005		Geography: SUFFOLK AA 04-05								Evaluation Period: JANUARY 1, 2004 TO					
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****	% BANK Loans ³	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans**	Overall	Low	Mod	Mid	Upp
Full Review:															
Suffolk	214	100.00	19.31	23.36	20.10	25.70	25.32	23.36	35.28	27.57	0.73	2.11	0.61	0.65	0.58

* Based on 2004 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 0.0% 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 DECEMBER 31, 2005		Geography: SUFFOLK AA 04-05			Evaluation Period: JANUARY 1, 2004 TO				
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:									
Suffolk	997	100.00	65.56	53.06	64.09	21.56	14.34	0.77	0.74

* Based on 2005 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 0.00% 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 DECEMBER 31, 2005			Geography: SUFFOLK AA 04-05			Evaluation Period: JANUARY 1, 2004 TO			
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 ***	% BANK ****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Suffolk	2	100.00	87.99	100.00	50.00	0.00	50.00	0.41	0.51

* Based on 2005 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS 2005		Geography: SUFFOLK AA 04-05				Evaluation Period: JANUARY 1, 2004 TO DECEMBER 31,			
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:									
Suffolk	18	10,475	55	83,209	73	93,684	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 JANUARY 1, 2004 TO DECEMBER 31, 2005								Geography: SUFFOLK AA 04-05				Evaluation Period:					
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:																	
Suffolk	100.00	27	100.00	0.00	37.04	59.26	3.70	3	1	0	1	0	1	0.42	23.14	61.73	14.70

Distribution of Branch and ATM Delivery System

Distribution of Branch and ATM Delivery System 31, 2005				Geography: SUFFOLK AA 04-05				Evaluation Period: JANUARY 1, 2004 TO DECEMBER									
MA/Assessment Area:	Deposits	Branches						ATMs				Population					
	% of Total Bank Deposits	# of Bank Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				# of Bank ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Suffolk	100.00	27	100.00	0	37	59	4	26	100.00	0	10	15	1	0.42	23.14	61.73	14.70

