

# **PUBLIC DISCLOSURE**

**Date of Evaluation: April 15, 1996**

## **COMMUNITY REINVESTMENT ACT**

### **PERFORMANCE EVALUATION**

**Name of Depository Institution: Fleet Bank**

**Institution's Identification Number: 02-36-0150**

**Address of Institution: 69 State Street,  
Albany, NY 12201**

**Federal Reserve Bank of New York**

**33 Liberty Street**

**New York, NY 10045**

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

**TABLE OF CONTENTS**

I. General Information ..... 2

II. Institution Rating ..... 4

    a. Overall Rating ..... 4

    b. Description of Institution ..... 5

    c. Reasonableness of Delineated Community ..... 5

III. Conclusions With Respect To Performance Categories ..... 7

    a. Community Development ..... 7

    b. Geographic Distribution and Record of Opening and Closing Offices ..... 8

    c. Marketing and Types of Credit Offered and Extended ..... 14

    d. Discrimination and Other Illegal Credit Practices ..... 17

    e. Ascertainment of Community Credit Needs ..... 19

IV. Metropolitan Statistical Area and Non-Metropolitan Statewide Area Analysis ..... 20

    a. MSA 1280 (Buffalo-Niagara Falls, NY) ..... 20

    b. MSA 6840 (Rochester, NY) ..... 22

    c. MSA 2335 (Elmira, NY) ..... 24

    d. MSA 3610 (Jamestown, NY) ..... 25

    e. MSA 8680 (Utica-Rome, NY) ..... 26

    f. MSA 8160 (Syracuse, NY) ..... 28

    g. MSA 0960 (Binghamton, NY) ..... 30

    h. MSA 0160 (Albany-Schenectady-Troy, NY) ..... 31

    i. MSA 5660 (Newburgh, NY-PA) ..... 33

    j. MSA 2281 (Dutchess County, NY) ..... 34

    k. MSA 2975 (Glens Falls, NY) ..... 35

    l. MSA 5600 (New York, NY) ..... 36

    m. MSA 5380 (Nassau-Suffolk, NY) ..... 38

    n. Non-MSA ..... 40

V. Conclusions With Respect To Assessment Factors And Criteria That Pertain  
Solely To The CRA Process, Demographics, And Economic Factors ..... 42

    a. Assessment Factor A ..... 42

    b. Assessment Factor C ..... 45

    c. Assessment Factor B ..... 46

    d. Assessment Factor K ..... 48

    e. Assessment Factor L ..... 85

VI. Appendix A ..... 86

    a. Scope of Examination ..... 86

    b. List of Assessment Areas and Type of Examination ..... 87

## GENERAL INFORMATION

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

*This document is an evaluation of the Community Reinvestment Act ("CRA") performance of **Fleet Bank** prepared by the **Federal Reserve Bank of New York** on behalf of the Board of Governors of the Federal Reserve System, the institution's supervisory agency, as of **April 15, 1996**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This delineation evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.*

*The new CRA regulation will be phased in over a two-year period beginning July 1, 1995. During that period, banks with total assets greater than \$250 million will be examined under the current regulation with its twelve assessment factors until July 1, 1997. However, to comply with the requirements of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, this evaluation includes conclusions with respect to overall performance as well as the bank's performance in each Metropolitan Statistical Area and Non-Metropolitan Statewide Area which the bank has delineated for CRA purposes.*

## **ASSIGNMENT OF RATING**

### ***Identification of Ratings***

***In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:***

#### ***Outstanding record of meeting community credit needs.***

***An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.***

#### ***Satisfactory record of meeting community credit needs.***

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

#### ***Needs to improve record of meeting community credit needs.***

***An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.***

#### ***Substantial noncompliance in meeting community credit needs.***

***An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.***

## DISCUSSION OF INSTITUTION'S PERFORMANCE

***INSTITUTION'S RATING:*** This institution is rated Outstanding based on the findings presented below.

Fleet Bank's ("Fleet's") level of performance with the Community Reinvestment Act is assessed as outstanding. The bank has taken significant steps to meet community credit needs by offering a strong line of special credit products through both the bank and its mortgage loan affiliate, and through substantial participation in innovative community development projects and programs. Management's commitment to its various communities is sufficiently supported through the operations of the bank's CRA program. However, home improvement and small business lending performance and community development in certain segments of the delineation could be improved. (See the following sections of the disclosure for details: Conclusions With Respect To Performance Categories on page 7 and Metropolitan Statistical Areas and Non-Metropolitan Statewide Areas analyses on page 20.)

## **DESCRIPTION OF INSTITUTION:**

Fleet is a state-chartered banking corporation and a member of the Federal Reserve System. Fleet operates 329 branches in 53 counties in New York, including 18 branches in New York City. At December 31, 1995, the bank had total assets of \$14.6 billion and net loans and leases of \$8.1 billion. Fleet is a subsidiary of Fleet Financial Group, 50 Kennedy Plaza, Providence, Rhode Island. The holding company had total assets of \$48.8 billion as of December 31, 1994, operating in 38 states throughout the United States. Through Fleet Mortgage Group, Inc. ("Mortgage Company"), and other mortgage subsidiaries, Fleet Financial Group is a national leader in mortgage lending.

There are no financial or legal factors that would impede Fleet in fulfilling its responsibilities under CRA.

## **REASONABLENESS OF DELINEATED COMMUNITY**

Fleet's delineation has expanded since the last examination as the result of the July 1, 1994 merger between Fleet Bank and Fleet Bank of Long Island. The resulting delineation includes 53 of the 62 counties in New York, and is based on political boundary and effective lending territory criteria permitted by sections 228.3(b)(1) and (2) of Regulation BB. Fleet's CRA statement contains a map showing the entire delineation.

The seven regions include 32 counties located in 13 Metropolitan Statistical Areas ("MSAs") and 21 counties which are not located in MSAs as described below.

- MSA 1280 (Buffalo-Niagara Falls, NY), consisting of Niagara and Erie Counties.
- MSA 6840 (Rochester, NY), consisting of Orleans, Genesee, Monroe, Livingston, Wayne, Ontario Counties.
- MSA 2335 (Elmira, NY), consisting of Chemung County.
- MSA 3610 (Jamestown, NY), consisting of Chautauqua County.
- MSA 8680 (Utica-Rome, NY), consisting of Oneida and Herkimer Counties.
- MSA 8160 (Syracuse, NY), consisting of Cayuga, Onondaga, Oswego, and Madison Counties.
- A portion of MSA 0960 (Binghamton, NY), consisting of Tioga County.
- MSA 0160 (Albany-Schenectady-Troy, NY), consisting of Montgomery, Schoharie, Albany, Schenectady, Saratoga, and Rensselaer Counties.
- A portion of MSA 5660 (Newburgh, NY-PA), consisting of Orange County, New York.
- MSA 2281 (Dutchess County, NY), consisting of Dutchess County.

- A portion of MSA 2975 (Glens Falls, NY), consisting of Warren County.
- A portion of MSA 5600 (New York, NY) consisting of Bronx, New York, Queens, and Kings Counties.
- MSA 5380 (Nassau-Suffolk, NY), consisting of Nassau and Suffolk Counties.
- All of the non-MSA counties of Allegany, Cattaraugus, Schuyler, Seneca, Steuben, Wyoming, Yates, Cortland, Franklin, Jefferson, Lewis, Otsego, St. Lawrence, Tompkins, Clinton, Columbia, Essex, Fulton, Greene, Sullivan, and Ulster.

There are 4,271 populated census tracts and BNAs within Fleet's delineated community of which 1,164 are low- and moderate-income. The total number of owner-occupied housing units within Fleet's delineation is just over 3 million with 386 thousand or 12.8 percent located in low- and moderate-income geographies. The population within Fleet's delineation is 15.9 million of which 4.5 million or 28 percent live in low- and moderate-income geographies and 5.1 million or 31.9 percent are minorities.

The bank's delineation does not arbitrarily exclude any low- and moderate-income neighborhoods. A substantial majority of Fleet's home improvement and small business loan applications and approvals were from borrowers residing within the bank's delineated area. This high level of applications and approvals supports the reasonableness of the bank's delineation.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE CATEGORIES:**

The following is a summary of Fleet's CRA performance based on the five performance categories: 1) Community development; 2) Geographic distribution and record of opening and closing offices; 3) Marketing and types of credit offered and extended; 4) Discrimination and other illegal credit practices; and, 5) Ascertainment of community credit needs. See the MSA and non-MSA analyses on page 20 for further details regarding the assessment factors that deal with performance. A discussion pertaining to the assessment factors that deal with the CRA process begins on page 42.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

Fleet strongly promotes community development programs and initiatives. Since the last examination, the bank has substantially increased its financial support for community development including affordable housing, social services, and economic development. For the period January 1994 through March 1996, Fleet's community development activity totaled \$68 million, of which \$52.4 million represented new commitments. Three of the thirteen MSAs, 5600 (New York), 6840 (Rochester) and 1280 (Buffalo-Niagara Falls), within the bank's delineation, accounted for 57 percent of all activity.

MSAs 0160 (Albany-Schenectady-Troy), 8160 (Syracuse), 8680 (Utica-Rome) and the non-MSA area represented 8 percent of the activity. Community development with statewide organizations totaled \$23.2 million and represented 34 percent of total activity.

There was only a nominal level of activity within the other seven MSAs in the bank's delineated community. There was a low level of activity in MSAs 5380 (Nassau-Suffolk) and 5660 (Orange) and no community development activity in the following five MSAs: 3610 (Jamestown); 2335 (Elmira); 2975 (Glens Falls); 2881 (Dutchess); and 0960 (Binghamton).

Exhibit 1, which follows, show Fleet's direct and indirect loans and loan commitments within each MSA and the non-MSA areas within the bank's delineation. Following the exhibit is a discussion regarding the bank's community development performance in each MSA and the non-MSA areas that make up the bank's delineation.



## **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

The geographic distribution of Fleet's lending activity was determined through an analysis of HMDA and small business lending data for 1994 and 1995. Overall, the analysis demonstrates strong loan application, approval and purchase activity for mortgages throughout the bank's delineation, and a satisfactory level of home improvement activity, although some weaknesses in the approval of home improvement loans in certain areas was evident. Small business loan origination activity was strong, but there were weaknesses noted in loan penetration in certain MSA's and portions of the non-MSA area.

The analysis includes all mortgage and refinance loans approved and purchased by Fleet. In addition, such loans originated and purchased by Fleet Mortgage Group, Inc. ("Mortgage Company"), were considered if the loan or purchase was made in Fleet's delineated community.

The following exhibit reflects the bank's residential mortgage and home improvement activity adjusted for demand (based on the number of owner-occupied units for each county within each MSA and the non-MSA area that comprise the bank's delineation. Exhibit 2 also reflects small business lending activity. For the estimate of demand for small business lending in both the MSAs and the non-MSA area, the review considered all of the retail and service small business establishments within delineated counties, since the number of business establishments in partially delineated counties was not available.

## **HMDA Lending Summary**

As reflected in Exhibit 2 following page 8, on a demand-adjusted basis, the overall rate for mortgage applications, as well as the combination of loan approvals and purchases is at a moderately stronger level in low- and moderate-income census tracts that in non- low- and moderate-income census tracts. Mortgage application and loan activity in low- and moderate-income census tracts is 1.6 times stronger for both applications and the combination of loan approvals and purchases than such activity in non- low- and moderate-census tracts. The analysis shows that at the MSA level only MSA 2975 (Glens Falls, NY), consisting of Warren County, showed a moderate level of weakness in lending in low- and moderate-income census tracts, and that within the twenty-one county non-MSA area, only Ulster, Fulton, and Lewis counties showed weak lending in low- and moderate-income census tracts.

The overall demand-adjusted rate of home improvement applications is moderately stronger in low- and moderate-income census tracts that non- low- and moderate-income census tracts. Loan approvals, however, were virtually identical in both low- and moderate-income census tracts. The analysis shows that demand-adjusted application activity was at a strong to satisfactory level in low- to moderate-income census tracts versus non- low- to moderate-census tracts throughout the MSAs and non-MSA communities. However, in low- and moderate-income census tracts in certain counties within MSAs or non-MSAs there were significant weaknesses in loan approval activity. In MSA 3610 (Jamestown, NY), Chautauqua County, the only delineated county in the MSA, loan approval activity was weak, and in MSA 0160 (Albany-Schenectady-Troy), loan approval activity was weak in Rensselaer and Albany Counties. At the non-MSA level, loan approval activity in low- and moderate-income census tracts was weak in Steuben, Fulton, Columbia, and Ulster counties. In addition, although loan approval activity was stronger in low- and moderate-income census tracts in MSA 5600 (New York, NY), the overall volume of loan activity was low.

## **Small Business Lending Summary**

The geographic distribution of Fleet's small business lending was determined through an analysis of 13,423 small business loans originated within the bank's delineation during 1994 and 1995. Overall, 99 percent of the geo-coded loans were made within Fleet's delineation.

The bank's level of lending per 1,000 small business establishments ranged from reasonable to very high levels of lending throughout the various MSAs and non-MSA communities within its delineation. Overall, the bank made 89 loans per 1,000 business establishments. The bank achieved penetration levels of small business loans that appear proportional to the number of low- and moderate-income census tracts. However, there are a number of counties within MSAs where the penetration level in low- and moderate-income census tracts shows weakness. The following counties within MSAs showed weak lending penetration in low- and moderate-income census tracts. Ontario (MSA 6840), Onondaga (MSA 8160), Tioga (MSA 0960), Saratoga (MSA 0160), Dutchess (MSA 2281), and Warren (MSA 2975). In the non-MSA area, Seneca, Lewis, Steuben, Fulton, Columbia, Ulster, and Greene showed little or no lending in low- and moderate-income census tracts.

**Assessment Factor G - The institution's record of opening and closing offices and providing services at offices.**

Fleet maintains 329 full service branches and 16 free standing, 24-hour ATMs and gives the bank a presence throughout most of the State of New York. Fleet includes 53 of New York State's 62 counties within its assessment area and there is at least one branch in all but three of these counties. Of the 329 full service branches, 257 branches are located in the upstate region and 72 branches are located in the downstate region.

At last examination, December 31, 1993, Fleet Bank had 247 full service branches and Fleet Long Island had 74 full service branches. On March 18, 1994, Fleet Bank acquired 29 upstate branches from Chemical Bank which were formerly Manufacturers Hanover Trust Company branches. In July 1994, Fleet Long Island was merged into Fleet Bank.

Exhibit 3 shows the number of branch openings, closings, acquisitions, and consolidations since last examination and as a result of Fleet Bank's merger with Fleet Long Island.

Exhibit 3

	<b>12/31/93 thru 4/15/96</b>
Beginning Number of Branches	321*
Branches Opened	0
Branches Closed	(17)
Branches Acquired	29
Branches Consolidated	(4)
<b>Net Change</b>	<b>8</b>
<b>Ending Number of Branches</b>	<b>329</b>

\*Consists of 247 Fleet Bank branches and 74 Fleet Long Island branches.

Exhibit 4 shows the number of Fleet branches in each MSA and Non- MSA as of April 15, 1996.

**Exhibit 4**

**NUMBER OF FLEET BANK BRANCHES BY MSA AND NON- MSA**

<b>MSA</b>	<b>Number of Branches</b>	<b>Number of Branches in Low- and Moderate-Income Census Tracts/BNAs</b>
<b>MSA 1280 (Buffalo-Niagara Falls)</b>	40	12
<b>MSA 6840 (Rochester)</b>	33	11
<b>MSA 2335 (Elmira)</b>	1	0
<b>MSA 3610 (Jamestown)</b>	9	2
<b>MSA 8680 (Utica-Rome)</b>	23	4
<b>MSA 8160 (Syracuse)</b>	23	3
<b>MSA 0960 (Binghamton)</b>	0	0
<b>MSA 0160 (Albany-Schenectady-Troy)</b>	37	9
<b>MSA 5660 (Newburgh)</b>	14	2
<b>MSA 2281 (Dutchess)</b>	3	2
<b>MSA 2975 (Glen Falls)</b>	3	0
<b>MSA 5600 (New York)</b>	18	0
<b>MSA 5380 (Nassau-Suffolk)</b>	55	0
<b>Branches in MSA</b>	259	45
<b>Non-MSA Counties</b>	<b>Number of Branches</b>	<b>Number of Branches in Low- and Moderate-Income Census Tracts/BNAs</b>
<b>Allegany</b>	7	0
<b>Cattaraugus</b>	6	0

<b>Clinton</b>	2	1
<b>Columbia</b>	4	1
<b>Cortland</b>	1	
<b>Essex</b>	2	
<b>Franklin</b>	1	0
<b>Fulton</b>	1	0
<b>Greene</b>	2	1
<b>Jefferson</b>	3	0
<b>Lewis</b>	1	
<b>Otsego</b>	1	
<b>Schuyler</b>	1	
<b>Seneca</b>	2	
<b>St. Lawrence</b>	5	0
<b>Steuben</b>	5	0
<b>Sullivan</b>	10	
<b>Tompkins</b>	3	0
<b>Ulster</b>	11	3
<b>Wyoming</b>	0	
<b>Yates</b>	2	
<b>Branches in Non-MSAs</b>	70	6
<b>TOTAL FLEET BANK BRANCHES</b>	329	51

Fleet's branch closing policy is adequate and conforms to the guidelines provided in the Joint Interagency Policy Statement Regarding Branch Closings. Prior to any relocation, consolidation or closing of a branch, Fleet's branch closing policy requires the bank to assess and consider the impact of such action on the banking convenience and needs of the public including individuals, businesses, and other institutions within the affected neighborhoods. The policy requires the bank to consider factors such as demographic growth, branch profitability and utilization, current market conditions, market potential, customer satisfaction, and product usage.

Fleet provides timely advance notification, to this Reserve Bank and affected customers, of decisions to close, consolidate, or relocate a branch office. When a branch is closed, relocated or consolidated, the bank transfers customer accounts to a nearby new or surviving branch and information concerning this transfer is included in advance customer notice.

Based on the proximity of the new or surviving branches and the continued availability of all bank services, it does not appear that customers, particularly those in low- and moderate-income communities, have been adversely affected by any of the branch closing or relocations.

Subsequent to this examination Fleet converted 72 of the downstate branches to Fleet Bank of New York, National Association ("FBNYNA") which was then merged with NatWest Bank National Association. This merger was consummated on May 1, 1996. As part of the merger, FBNYNA acquired 16 former NatWest branches in upstate New York; these branches were transferred to Fleet Bank.

### III. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

**Assessment Factor B - The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.**

Since the last examination, Fleet and the Mortgage Company implemented extensive marketing and advertising programs in order to make members of the bank's community aware of credit products and services offered. The marketing programs used by the bank and the Mortgage Company are reviewed and approved by senior management and its holding company, Fleet Financial Group. The bank and Mortgage Company advertise their credit products and services through major print media, community and service organization journals, television, radio, statement stuffers, and brochures. In addition, the staff calls upon residential real estate professionals and business loan prospects to promote bank products. Such efforts are designed to stimulate awareness of credit products and services throughout the bank's delineation. Particular marketing and advertising emphasis is given to those geographic areas primarily serviced by the bank's branch network. The success of the various lending programs is indicative of a successful marketing effort.

**Assessment Factor I - The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans, and small business or small farm loans within its community, or the purchase of such loans originated in its community.**

Fleet offers a wide variety of credit products to meet the credit needs of its entire delineation. In addition, the Mortgage Company offers a variety of residential mortgage products in the bank's delineated area. Through a program called "INCITY" both the Mortgage Company and the bank offer products specifically developed to reach low- and moderate-income consumers. (For more information on INCITY see page 42, Ascertainment of Community Credit Needs, Assessment Factor A.)

Fleet's real estate products include home purchases, refinance and home improvement loans with standard credit features, as well as products with flexible underwriting criteria to enable low- and moderate-income and first time home buyers to qualify for loans. In addition to real estate products, Fleet offers consumer credit products that include installment loans for autos, boats, recreational vehicles, and mobile homes. Other consumer products include student loans, cash reserve lines (overdraft protection), and credit cards. The bank offers small business loans for working capital, equipment and real estate, and any other productive purpose. Facilities are structured as demand loans, letters of credit, lines of credit, and term loans. Fleet generally considers loans of less than \$500 thousand as small business loans.

From the inception of INCITY in February 1994 through December 31, 1995, the Corporation made approximately 27 thousand loans for a total of \$901 million in the State of New York. All mortgage loans which were saleable in the secondary market were made by Fleet Mortgage. Portfolio mortgage loans (those loans that are not saleable in the secondary market) were originated by Fleet Bank, N.A. of Rhode Island and then sold to Fleet. The breakdown of INCITY loans through 1995 were as follows:

### EXHIBIT 5

TYPES OF CREDIT	NUMBER OF ORIGINATIONS	VOLUME IN (MILLIONS)
<b>AFFORDABLE HOUSING PURCHASED BY FLEET BANK NEW YORK</b>		
LMI	1,708	120.7
SONYMA	268	22.7
<b>SUBTOTAL FLEET BANK</b>	<b>1,976</b>	<b>143.4</b>
<b>AFFORDABLE NEW YORK HOUSING ORIGINATED BY FLEET MORTGAGE</b>		
FHA	2,746	212.9
SONYMA	161	21.6
FNMA HOMEBUYER	1,922	163.3
<b>SUBTOTAL FLEET MORTGAGE</b>	<b>4,829</b>	<b>397.8</b>
TOTAL AFFORDABLE HOUSING	<b>6,805</b>	<b>541.2</b>
<b>SMALL BUSINESS</b>	<b>2,165</b>	<b>195.4</b>
<b>LMI CONSUMER</b>	<b>18,009</b>	<b>164.0</b>
<b>TOTAL INCITY</b>	<b>26,983</b>	<b>900.6</b>

The following products and programs are offered throughout the bank's delineated community:

### **SPECIAL CREDIT PROGRAMS**

#### **Residential Real Estate Lending**

Fleet offers a low- and moderate-income ("LMI"), purchase-money mortgage product designed for borrowers who may not qualify for traditional secondary-market products. The bank's LMI mortgage loan offers more flexible underwriting with regard to debt-to-income ratios, credit history, down payment, and length of employment. Specifically, loan-to-value ratios may extend up to 95 percent without requiring private mortgage insurance ("PMI").



## **Small Business Lending**

Fleet provides a variety of credit services to its small business customers. Loan products offered include those specifically designed with flexible underwriting guidelines and below-market interest rate to accommodate borrowers in low- and moderate-income areas. Loan amounts may range from \$5,000 to \$500,000 through products such as easy business banker, INCITY micro loans, Fleet/UDC Loan guarantee fund, and installment lending. Easy banker products were designed to reduce the processing time for loans of \$100,000 or less.

## **Assessment Factor J - The institution's participation in governmentally- insured, guaranteed or subsidized loan programs for housing, small businesses, or small farms.**

Fleet strongly supports governmental-related housing, small business, and educational loan programs throughout its delineation. Housing loans are originated in conjunction with the State of New York Mortgage Association ("SONYMA"), the Federal National Mortgage Association ("FNMA"). The bank is a leader in New York underwriting small business loans guaranteed by the Small Business Administration ("SBA") and in Federal Student Loan Programs.

The following products and programs are offered throughout the bank's delineated community:

### **SBA**

Fleet held the top SBA lending position in the State of New York from 1992 through 1995 and participates in three SBA loan programs. These include the "Low Doc Program" which focuses on character, credit and business experience; the Certified Development Company (504) Program; and the Preferred Lender Program (since 1995) which allows the lender to determine eligibility.

During 1994, the bank originated 164 SBA loans totaling \$26 million. In 1995 Fleet originated 122 loans for a total of \$19 million.

### **New York State Excelsior Linked Deposit Program**

This program New York State Department of Economic Development program encouraged small businesses undertake projects that would improve their productivity, performance, and competitiveness. Borrower costs were reduced through interest rate subsidies of two to three percent. Banks were compensated for the lower rates by the deposit of state funds at comparably reduced rates. Fleet originated ten loans for a total of 2.7 million under this program in 1994, but made only 2 loans for a total of \$733 thousand in 1995.

### **Federally-Insured Student Loans**

The Bank participates in the federally-insured Stafford and PLUS student loan programs. In 1994 and 1995, Fleet made 101,909 thousand Stafford loans and 9,415 PLUS loans for totals of \$154.3 million and \$21.7 million respectively.

## **FNMA Community Home Buyer's Program ("CHB")**

FNMA offers a special program available to low- and moderate-income home buyers who earn up to 165 percent (100 percent outside of NYC) of the HUD area median income. The maximum loan-to-value ratio under this program equals 95 percent and requires at least 3 percent from borrower's own funds. Potential borrowers must attend qualifying home-ownership counseling.

Private mortgage insurance is required; however, premiums may be financed. Additional benefits are available to borrowers whose 5 percent down payment consists entirely of their own funds and for properties located within target geographies. This program is available to Fleet customers through the Mortgage Company.

## **SONYMA**

Fleet bank and the Mortgage Company participate in several SONYMA affordable housing programs. SONYMA provides below-market rate loans with low down payments to eligible first time homebuyers. These loans encourage home ownership in areas where families have annual incomes that fall a specified percentage below the statewide median income.

## **IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES**

### **Assessment Factor D - Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).**

Fleet solicits credit applications from all segments of its delineated community. Management has developed written policies, procedures and training programs to ensure that the bank does not illegally discourage or prescreen applicants. A review of policies and procedures, and credit applications did not produce any evidence of practices intended to discourage applications for the types of credit set forth in the bank's CRA statement.

### **Assessment Factor F - Evidence of prohibited discriminatory or other illegal credit practices.**

Fleet is in compliance with the substantive provisions of the antidiscrimination laws and regulations, including the Equal Credit Opportunity Act, the Fair Housing Act, and agency regulations pertaining to nondiscriminatory treatment of credit applicants. However, technical violations of Regulations B and C were noted. Management has initiated prompt corrective action.

Inasmuch as some lending activity of Fleet Mortgage Corp. ("FMC"), a subsidiary of Fleet Financial Group, Inc., the holding company of Fleet Bank, was taken into consideration, at the bank's request, in evaluating the bank's CRA performance, acknowledgment is made of the following matter:

Settlement was announced on May 7, 1996 of a suit by the Department of Justice ("DOJ") against

FMC's predecessor, Fleet Real Estate Finance, alleging certain discriminatory loan pricing practices occurring partly during the period covered by this performance evaluation. Pursuant to the terms of the settlement, which involved neither an admission by FMC of any wrongdoing nor a judicial finding of unlawful conduct, FMC discontinued the pricing practices complained of and undertook to pay compensation to certain minority customers alleged by DOJ to have been discriminatorily overcharged.

## **V. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS**

### **Assessment Factor A - Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.**

Fleet has undertaken significant efforts to ascertain the credit needs of its community, including low- and moderate-income neighborhoods. Ascertainment efforts in Fleet's delineated community are carried out primarily through: (1) the Direct Call Program; (2) Regional Community Development Managers/Affordable Housing Officers; (3) the Community Banking Group; (4) INCITY Advisory Board; and (5) market research. The success of ascertainment efforts is reflected in the types of credit products offered and in loan production.

### **Assessment Factor C - The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.**

The bank's board of directors are involved in establishing and overseeing Fleet's CRA efforts. The board's role in the CRA process is documented in its minutes and consists of the following activities: (1) formal adoption of the holding company, Fleet Financial Group's CRA policy statement; (2) review and approval of the annual CRA expanded statement and all updates made throughout the year; (3) review and approval of the annual CRA action plan and the community development marketing plan; (4) the appointment of both the Community Development Officer (the bank's CRA officer), and the CRA Advisory Committee; (5) review of CRA examination reports from the bank's regulatory agencies; (6) review of branch opening and closing procedures; and (7) review of CRA products and activities including HMDA application and denial data.

## **METROPOLITAN STATISTICAL AREA AND NON-METROPOLITAN STATEWIDE AREA ANALYSIS**

CONCLUSIONS WITH RESPECT TO THE ASSESSMENT FACTORS THAT DEAL WITH PERFORMANCE: The categories that deal with the CRA process as well as demographics and economic factors that existed at the time of this examination are discussed on pages 20 - 41.

### **MSA 1280 (BUFFALO-NIAGARA FALLS, NY)**

Fleet's overall record of community development activities in the MSA was strong. The bank's performance with regard to mortgage and home improvement activity was satisfactory, although some weakness in the approval of home improvement loans in low- and moderate-income tracts was evident. The penetration level for small business loan originations was strong; however, the proportion of loans originated in low- and moderate-income tracts showed a moderate level of weakness, especially in Erie County.

#### **I. COMMUNITY DEVELOPMENT**

##### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

Fleet strongly promoted community development programs and initiatives in this portion of the delineation. Community development activity in this MSA was \$10.5 million. This commitment included \$10.4 million in direct loans and commitments, \$75 thousand in indirect loans, and \$13 thousand in qualified investments. In addition, \$750 thousand in letters of credit were issued in support of community development initiatives.

#### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

##### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

##### **MORTGAGE ACTIVITY**

Overall, demand-adjusted penetration levels for home purchase and refinance applications and approvals were satisfactory. The bank's level of application activity in low- and moderate-income census tracts was only slightly less than in non-low- and moderate-income census tracts. When loan approvals and purchases were combined, demand-adjusted lending in low- to moderate-census tracts was almost equal to such activity in non-low- and moderate-income census tracts.

##### **HOME IMPROVEMENT ACTIVITY**

The demand-adjusted penetration level of home-improvement applications was stronger in low- and moderate-income census tracts. The level of demand-adjusted lending in low- and

moderate-income areas was lower than in non-low- and moderate-income areas.

### **SMALL BUSINESS LENDING ACTIVITY**

The overall small business loan penetration level per 1,000 small business establishments in this MSA was very strong. However, small business lending in low- and moderate-income census tracts was moderately weaker than in non-low- and moderate-income census tracts. The level of small business loans originated within low- and moderate-income census tracts equals 19.7 percent of total loans in the MSA, while 30 percent of the census tracts are low- and moderate-income census tracts. Small business lending in low- and moderate-income census tracts was weakest in Erie County.

## **MSA 6840 (ROCHESTER, NY)**

Overall the bank's level of community development and HMDA related activity in this six county MSA is strong. However, community development activity is limited to Monroe County and the approval of home improvement loans in low- and moderate census tracts in Monroe County is relatively weak. In addition, while the bank's overall level of penetration for small business loans is strong, there was a moderate level of weakness for such lending in low- and moderate-income census tracts.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

The bank's overall level of community development activity in the MSA is strong. Community development activity was \$11.9 million. Direct loans and loan commitments equaled \$4.8 million and indirect loans made up the balance of \$7.1 million. However, community development activities were centered in Monroe County. Fleet did not promote any programs or initiatives in Livingston, Ontario, Orleans, or Wayne Counties, all of which contain low- and moderate-income census tracts.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

The bank's performance with regard to home purchase and refinance loans in this MSA was excellent. Demand adjusted loan approvals and purchased loans were somewhat stronger in low- and moderate-income tracts than in non-low- and moderate-income tracts. The counties of Livingston, Monroe, and Orleans exhibited very high demand-adjusted penetration levels in low- and moderate-income census tracts. However, loan approval and purchase activity in low- and moderate-income census tracts in Wayne County was much weaker than such activity in non-low- and moderate-income census tracts.

#### **HOME IMPROVEMENT ACTIVITY**

Overall on a demand-adjusted basis, loan applications and approvals were stronger in low- and moderate-income census tracts than in non-low- and moderate-income census tracts. However, loan approvals in low- and moderate-income census tracts in Monroe County were stronger in non-low- and moderate-income census tracts than in low- and moderate-income census tracts.

## **SMALL BUSINESS LENDING ACTIVITY**

Overall, the demand-adjusted penetration level per 1000 small business establishments reveals that the bank's small business lending was strong in this MSA. However, the bank's small business lending performance in the MSA's low- and moderate- income census tracts showed a moderate level of weakness. The level of small business loans originated within low- and moderate-income census tracts equaled 22 percent, while 34 percent of census tracts are low- and moderate-income.



## **MSA 2335 (ELMIRA, NY)**

Fleet's level of community development activity in this MSA was weak. No community development activity was delivered in this MSA, although twenty six percent of the census tracts are low- and moderate-income census tracts. However, HMDA related activity was strong and small business lending was satisfactory.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

Community development activity was weak. No community development activity occurred within Chemung County, the bank's only delineated county within this MSA.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

The bank's performance for this type of credit was strong, with both application activity and loan approval and purchase activity moderately stronger in low- and moderate-income census tracts than low- and moderate-income census tracts.

#### **HOME IMPROVEMENT ACTIVITY**

On a demand-adjusted basis, application activity was somewhat stronger in low- and moderate-census tracts while lending activity was slightly lower in low- and moderate-income areas.

#### **SMALL BUSINESS LENDING ACTIVITY**

Overall loan penetration was satisfactory in the MSA. The level of small business loans extended in low- and moderate-income census tracts is slightly higher than the percentage of low- and moderate-income census tracts within Chemung County.

## **MSA 3610 (JAMESTOWN, NY)**

Fleet had a mixed lending record in this MSA. Fleets level of community development activity in this MSA was weak. There was no community development activity lending in this MSA, although fifteen percent of the census tracts are low- and moderate- income census tracts. Home mortgage activity was strong, but home improvement lending was weak in low- and moderate-income census tracts. Small business loan penetration was strong, including in low- and moderate-income census tracts.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

Community development activity was weak. No such activity occurred within Chautauqua County, the only delineated county within this MSA.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

On a demand-adjusted basis, application penetration in low- and moderate-income census tracts was only nominally lower in non-low- and moderate-income census tracts and when loan approvals and purchases are combined, penetration in low- and moderate-income census tracts exceeds such penetration in non-low and moderate census tracts..

#### **HOME IMPROVEMENT ACTIVITY**

Overall demand-adjusted penetration was strong for this loan product, with loan application activity only slightly stronger in non- low and moderate- census tracts than in low- and moderate- census tracts. However, loan approvals in low- and moderate - income census tracts were much weaker than in non- low and moderate-income census tracts.

#### **SMALL BUSINESS LENDING ACTIVITY**

Overall, demand-adjusted penetration of small business lending in Chautauqua County was strong. The percentage of small business loans extended within low- and moderate-income geographies exceeds to the percentage of low- and moderate-income census tracts within the county.

## **MSA 8680 (UTICA-ROME, NY)**

Fleet's overall record of meeting the credit needs of its assessment area within this MSA was satisfactory. Community development lending was strong and HMDA related activity was at a satisfactory level. Small business loan penetration was strong; however, there was some weakness in the lending in low- and moderate-income census tracts, especially in Herkimer County.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

Fleet's community development activity in MSA 8680 (Utica-Rome, NY) amounted to \$835 thousand with all the activity in Oneida County. Of the total, \$535 thousand consisted of direct commitments for community services and \$300 thousand was an indirect loan for affordable housing.

Additionally, \$750 thousand in letters of credit were issued in support of community services.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

Overall, demand-adjusted application and loan purchase and approval activity was only slightly stronger in non low- and moderate-income census. However, the demand-adjusted results were significantly different for each county within this MSA. In Herkimer County, demand adjusted activity for applications as well as the combination of loan approvals and purchased loans was twice as strong in low- and moderate-income tracts. In Oneida County, the reverse was true with demand-adjusted activity approximately twice as strong in non low- and moderate-income census tracts.

#### **HOME IMPROVEMENT ACTIVITY**

The bank's level of demand-adjusted origination for home-improvement loans in this MSA is the highest in the bank. Demand-adjusted application activity was slightly higher in the low- and moderate-income census tracts, while loan approvals were only slightly higher in the non-low- and moderate-income tracts. In Herkimer, both loan application and loan approval activity was approximately 1.5 times greater in low- and moderate-income census tracts than in non-low- and moderate-income census tracts. In Oneida County demand-

adjusted actively for both applications and approval was moderately stronger in non-low- and moderate-income census tracts.

### **SMALL BUSINESS LENDING ACTIVITY**

The bank's penetration level of small business lending per 1000 small business establishments within MSA 8680 was strong. However, the level of lending in low- and moderate-census tracts showed some weakness, especially in Herkimer County. Twenty nine percent of the census tracts within this MSA are low- and moderate-income tracts. Nineteen percent of the loans were originated in such tracts. In Herkimer, where twenty six percent of the census tracts are low- and moderate-income, only eleven percent of the small business loans were originated in low- and moderate-income census tracts.

## **MSA 8160 (SYRACUSE, NY)**

Overall, Fleet's record of meeting the credit needs of its assessment area within this four county MSA was strong. Mortgage and home improvement activity was strong, and while small business lending was at a satisfactory level. Community development activity was at very satisfactory level.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

The bank's direct lending activity in MSA 8160 (Syracuse, NY) was \$932 thousand. Of the \$932 thousand, \$800 thousand was for a construction loan to a low-income senior citizen affordable housing project in Onondaga County. The remaining \$132 thousand was for social service programs in Oswego and Madison Counties. There was no community development activity Cayuga County.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

Overall demand-adjusted mortgage application, loan approval and purchase actively was strong in low- and moderate-income census tracts. Results in three of the four counties were excellent. Demand-adjusted lending actively in Madison County was moderately weaker than such actively in non-low- and moderate-income census tracts.

#### **HOME IMPROVEMENT ACTIVITY**

Overall, the demand-adjusted level for home improvement loans within this MSA was strong. Demand-adjusted actively for both applications and loan approvals was stronger in low- and moderate-income census tracts than in non-low- and moderate-income tracts, most notably in Cayuga County. The only weakness noted was a moderately stronger level of loan approvals in non-low- and moderate-income census tracts than in low- and moderate-income census tracts in Onondaga County.

## **SMALL BUSINESS LENDING ACTIVITY**

The bank's penetration level of small business loans per 1000 small business establishments throughout this MSA was satisfactory. However, the overall level of lending in low- and moderate-income census tracts showed some weaknesses, and is entirely attributable to weaknesses in lending in such census tracts in Onondaga County. Results were excellent within the other three counties with the percentage of loan originated in low- and moderate-income census tracts exceeding the percentage of low- and moderate census tracts. In Onondaga, however, only sixteen percent of the loans were in low- and moderate-income census tracts while twenty nine percent of the census tracts are low- and moderate-income tracts.

## **MSA 0960 (BINGHAMTON, NY)**

The bank's lending activity in this MSA needs improvement. Fleet did not initiate any community development activity in the MSA and the level of lending for mortgages, home improvements, and small business was insignificant.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

There was no community development activity in Tioga County.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

Loan application volume was very low and Fleet processed only 12 applications and approved 8 loans in this MSA. Two of the eight loans were made in low- and moderate-income census tracts.

#### **HOME IMPROVEMENT ACTIVITY**

Fleet made only two home improvement loans in this MSA of which one was in a low- and moderate-income census tract.

#### **SMALL BUSINESS LENDING ACTIVITY**

Small business lending in Tioga County was nominal. The bank originated only three small business loans within the county; none of which were in low- and moderate-income census tracts.

## **MSA 0160 (ALBANY-SCHENECTADY-TROY, NY)**

Fleets record of community development activity in this MSA is adequate. The bank's performance with regard to mortgage loan activity is strong; however, the level of home improvement loan approvals was weak in certain low- and moderate-income census tracts in certain counties. Small business loan penetration was strong.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

Fleet adequately promotes community development programs and initiatives in this portion of the delineation. Community development activity in this MSA consists of \$1.5 million in direct loans distributed among Schenectady, Albany, Montgomery, and Saratoga Counties. There was no community development activity in Rensselaer or Schoharie counties.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

##### **MORTGAGE ACTIVITY**

Overall, demand-adjusted penetration level for mortgage application and loan activity was strong. Loan approval and purchase activity in low- and moderate-income census tracts was slightly stronger than in non-low- and moderate-income census tracts. Demand-adjusted loan activity was strong in low- and moderate-income census tracts within all the counties containing low- and moderate-income census tracts.

##### **HOME IMPROVEMENT ACTIVITY**

Demand-adjusted application activity was stronger in low- and moderate census tracts; however, there were weaknesses in loan approvals in low- and moderate-income census tracts in Schenectady, Albany, and Rensselaer counties.



## **SMALL BUSINESS LENDING ACTIVITY**

The bank's level of small business lending is considered strong. Overall, the percentage of small business loans originated in low- and moderate-income census tracts compares favorably to the percentage of low- and moderate-income census tracts within the MSA.

Only Saratoga County showed a low level of loan activity in low- and moderate-income census tracts.

## **MSA 5660 (NEWBURGH, NY-PA)**

Fleet's level of home improvement activity in this MSA was strong and mortgage loan activity was at a satisfactory level. Small business lending is strong. Direct community development activity, however, is at a low level.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

Community development activity in the MSA only totaled \$30 thousand of which \$25 thousand was in support of affordable housing and \$5 thousand for social services. In addition, the bank issued a \$3.5 million letter of credit in support of social services in Orange County.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

The level of demand-adjusted application activity was moderately stronger in non-low and moderate income census tracts than in low- and moderate-income census tracts. However, combined loan approval and loan purchase activity in non-low- and moderate-income census tracts was only slightly stronger than in low- and moderate-income census tracts.

#### **HOME IMPROVEMENT ACTIVITY**

Demand-adjusted application and loan activity in low- and moderate-income census tracts was moderately stronger than in non-low- and moderate-income census tracts.

#### **SMALL BUSINESS LENDING ACTIVITY**

The level of small business lending within the MSA is strong. The percentage of small business loans originated in low- and moderate-income census tracts was equal to the percentage of low- and moderate-income census tracts within Orange County.

## **MSA 2281 (DUTCHESS COUNTY, NY)**

Fleet's overall level of performance in this MSA needs to improve. There was no community development activity and small business lending in low- and moderate-income census tracts is at a low level. However, demand-adjusted mortgage loan activity is slightly stronger in low- and moderate-income census tracts. The overall level of home improvement lending activity is low, but demand-adjusted lending in low- and moderate-income census tracts is stronger than in non-low- and moderate-income census tracts.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

There was no community development activity in Dutchess County, although approximately twenty-four percent of this county's census tracts are of low- and moderate-income.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

Demand-adjusted loan application activity was only moderately higher in non-low- and moderate-income census tracts than in low- and moderate-income census tracts. However, loan approval activity in low- and moderate-income census tracts was slightly stronger than in non-low and moderate-income census tracts.

#### **HOME IMPROVEMENT ACTIVITY**

Overall, the volume of home improvement activity is low. However, demand-adjusted activity for both application and loan approval is stronger in low- and moderate-income census tracts than in non-low- and moderate-income census tracts.

#### **SMALL BUSINESS LENDING ACTIVITY**

Overall, the penetration level per 1000 small business establishments in Dutchess County was adequate. However, the percentage of loans in low- and moderate-income census tracts did not compare favorably with the percentage of census tracts that are of low- and moderate-income in the county.

## **MSA 2975 (GLENS FALLS, NY)**

Fleet's overall level of performance in the MSA is adequate. There was no community development activity in the MSA and the level of small business lending in low- and moderate-income census tracts was weak. Demand-adjusted mortgage activity was low in low- and moderate-income census tracts and home improvement activity was at a satisfactory level.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

There is no community development activity in the MSA although seventeen percent of the census tracts in Warren County are of low- and moderate-income.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

Demand-adjusted loan application and loan approval activity was only moderately stronger in non-low- and moderate-income census tracts than in low- and moderate-income census tracts. Loan purchase activity, however; in low- and moderate-income census tracts was very low. Only one purchased loan was in such tracts versus 52 purchased loans in non-low and moderate-income census tracts.

#### **HOME IMPROVEMENT ACTIVITY**

Overall, the volume of home improvement activity in this MSA is low. However, demand-adjusted loan approval activity is moderately stronger in low- and moderate-income census tracts than in non-low- and moderate-income census tracts.

#### **SMALL BUSINESS LENDING ACTIVITY**

Overall, the demand-adjusted penetration level per 1000 small business establishments was strong. However, the percentage of loans originated in low- and moderate census tracts is significantly lower than the percentage of low- and moderate-income census tracts within Warren County.

## **MSA 5600 (NEW YORK, NY)**

Overall, Fleet's performance within this MSA is strong. Community development activity is at a strong level and mortgage lending in low- and moderate-income census tracts is especially strong. Small business lending penetration was somewhat low, but lending activity in low- and moderate-income census tracts in three of the four delineated counties was strong.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

Fleet strongly promotes community development programs and initiatives in this portion of its delineation. The bank's activity was concentrated in this MSA with \$16.5 million in direct and indirect community development activities. In addition, there was \$41.1 million in letters of credit. All activity was in support of affordable housing and Fleet's efforts have contributed to the construction or rehabilitation of 520 affordable homes in this MSA.

While community development lending is at a strong level overall in this MSA, there were no community development activities noted in Queens County.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

Fleet's record of serving the mortgage credit needs in New York City is strong. Demand-adjusted application and approval penetration levels was significantly stronger in low- and moderate-income census tracts in each of the four delineated counties in this MSA, with activity in the Bronx at an exceptionally high level within low- and moderate-income census tracts. The bank has developed several lending programs specifically oriented to meet lending needs within low- and moderate-income areas. Overall, demand adjusted application and loan activity is over five times as strong in low and moderate-income census tracts than in non-low and moderate-income census tracts.

#### **HOME IMPROVEMENT ACTIVITY**

Overall, the volume of home improvement application and lending was low this MSA. However, on a basis, both application and loan activity were stronger in low- and moderate-income census tracts than non-low- and moderate-income census tracts.

## **SMALL BUSINESS LENDING ACTIVITY**

Overall, loan penetration per 1000 small business establishments is low in comparison to the results the bank achieved in other large MSAs. However, the percentage of loans originated in low- and moderate-income census tracts was equal to the percentage of low- and moderate-income census tracts in the MSA, with the exception of New York County. In this county, the percentage of loans in the low- and moderate-income census tracts were at a low level relative to the percentage of low- and moderate-income census tracts in the county.

## **MSA 5380 (NASSAU-SUFFOLK, NY)**

Fleet's overall performance within this MSA is satisfactory. Mortgages home improvement and small business lending were all at a satisfactory level; however, community development activity was at a low level.

### **I. COMMUNITY DEVELOPMENT**

#### **Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.**

Community development activity in this MSA totaled only \$535 thousand with \$500 thousand committed to the construction of affordable housing in Suffolk County. The remaining \$5 thousand represent a grant to an intermediary organization in support of affordable housing. In addition, the bank issued \$3.2 million in letters of credit in support of the construction of a nursing home in Nassau County.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.**

#### **MORTGAGE ACTIVITY**

Overall, penetration levels for home purchase and refinancing applications, approvals, and purchases are satisfactory. The bank's level of approval activity was virtually the same in both low- and moderate-income census tracts and non-low and moderate-income census tracts. In Nassau County, the approval penetration levels in low- and moderate-income census tracts was greater than the level in non-low- and moderate-income census tracts.

#### **HOME IMPROVEMENT ACTIVITY**

There appears to be room for improvement in the bank's level of home improvement loans in the Long Island MSA. Demand-adjusted home improvement penetration was lower in MSA 5380 than in the upstate counties. Demand-adjusted were lower in low- and moderate-income census tracts than in non- low- and moderate-income census tracts.

On a demand-adjusted basis, loan application activity was strong in low- and moderate-income census tracts, and loan approvals in low- and moderate-income census tracts were only moderately weaker than approvals in non-low- and moderate-income census tracts.

## **SMALL BUSINESS LENDING ACTIVITY**

While somewhat lower than in the upstate counties, the loan penetration per 1000 establishments in this MSA is reasonable. The level of small business loans originated in low- and moderate-income census tracts is adequate.



## **NON-MSA**

Included in Fleet's delineation are twenty-one rural counties in upstate New York which are not part of an MSA. These counties are divided into 376 Block Numbered Areas ("BNAs") of which 53 of 14.1 percent are low- and moderate-income. Overall, Fleet's record of meeting the credit needs of communities within the non-MSA portion of its delineation is satisfactory. Community development activity is at an adequate level, and the overall level of mortgage and home improvement lending is strong. Small business lending in low- and moderate-income BNAs is satisfactory. There are, however, certain counties where weaknesses in lending in one or more of the loan products exists.

### **I. COMMUNITY DEVELOPMENT**

In the non-MSA portion of the delineation, Fleet's community development activity totaled \$2.1 million. Community development activity was noted in six counties. Overall, thirteen of the twenty-one non-MSA counties contain low- and moderate-income BNAs. Community development activity occurred in Allegany, Wyoming, Cattaraugus, Jefferson, Ulster, and Sullivan counties.

### **II. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES**

#### **Assessment Factor E - The geographic distribution of the institution's credit extensions**

#### **MORTGAGE ACTIVITY**

Fleet's overall penetration level in the non-MSA area was reasonable. The bank's level of mortgage loan application and the combination of loan approval and purchase activity in low- and moderate-income BNAs was strong.

On a demand-adjusted basis, Cattaraugus, Allegany, Franklin, Jefferson, and Clinton counties had a strong level of mortgage activity in low- and moderate-income BNAs, while such actively in Tompkins County showed a moderate level of weakness in low- and moderate-income BNAs. In Steuben, Lewis, Fulton, Columbia and Ulster counties loan approval and purchase actively was significantly weaker in low- and moderate-income BNAs than in non-low and moderate-income BNAs.

#### **HOME IMPROVEMENT ACTIVITY**

The bank's level of home improvement actively in the low- and moderate-income BNAs is strong. Demand-adjusted loan application and approval actively in the low-or moderate-income BNAs was moderately stronger than such actively in the non-low- and moderate-income BNAs.

Demand-adjusted penetration in low- and moderate-income BNAs was especially strong in Cattaraugus, Allegany, Franklin, and St. Lawrence Counties. The bank's performance with regards to home improvement loans was poor in Fulton, Columbia, and Ulster Counties.

### **SMALL BUSINESS LENDING ACTIVITY**

Overall, the bank's penetration level per 1000 small business establishments in the non-MSA portions of its delineation is excellent, and lending in low- and moderate-income BNA's is satisfactory. In Cattaraugus, Franklin, Tompkins, and Clinton, Counties the percentage of loans originated in low- and moderate-income BNA's exceeded the percent of low- and moderate BNAs. Lending in low- and moderate-income BNAs in Allegany, St. Lawrence and Jefferson was at a satisfactory level. Weaknesses in lending in low- and moderate income BNAs, however, was noted in Steuben, Seneca, Lewis and Fulton Counties.

## **CONCLUSIONS WITH RESPECT TO ASSESSMENT FACTORS AND CRITERIA THAT PERTAIN SOLELY TO THE CRA PROCESS, DEMOGRAPHICS, AND ECONOMIC FACTORS:**

### **I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS**

**Assessment Factor A - Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.**

Fleet has undertaken significant efforts to ascertain the credit needs of its community, including low- and moderate-income neighborhoods. Ascertainment efforts in Fleet's delineated community are carried out primarily through: (1) the Direct Call Program; (2) the Regional Community Development Managers/Affordable Housing Officers; (3) the Community Banking Group; (4) the INCITY Advisory Board; and (5) market research.

#### **DIRECT CALL PROGRAM**

Community development managers are responsible for making contacts with housing, economic development, community development, business, and government organizations throughout the state, and completing call reports for each contact. In addition, branch managers supplement these efforts by making similar contacts. The community development managers' and branch managers' call report is designed to gather information about the contact's perception of: (1) the availability of credit products; (2) the community credit needs that are not being met; and (3) the ways in which Fleet can help meet those credit needs.

The call reports are maintained at each of Fleet's regions. Community development managers report on a periodic basis to the bank's community development officer who is responsible for managing the activities of the bank's community development managers. The bank's branch managers also report on a periodic basis to the community development officer. In 1994 and 1995, Fleet's documented approximately 3,000 calls to a variety of organizations in its delineation primarily involved with housing, community development, and small businesses.

#### **REGIONAL COMMUNITY DEVELOPMENT MANAGERS/AFFORDABLE HOUSING OFFICER**

The bank's statewide affordable housing officer was transferred to the Mortgage Company in 1994. The affordable housing officer's responsibilities are to assist the community development managers in their community contact, ascertainment, product development and marketing of Fleet's consumer and affordable housing programs.

In 1994 and 1995, community development managers maintained or developed new relationships with 114 housing organizations through which the Mortgage Company offers the bank's affordable housing products. The housing organizations are located throughout the state in key cities such

as New York City, Buffalo, Rochester, Syracuse, Ithaca, Utica, Albany, Newburgh, and Middletown. Community development managers also participated in over 140 Affordable Home Ownership Seminars and First Time Homebuyer's Seminars in 1994 and 1995.

### **COMMUNITY BANKING GROUP**

The Community Banking Group ("CBG") services and supports the needs of the small business community. The group's CRA manager continues to coordinate the groups CRA program by managing the contacts of the CBG's relationship managers. These relationship managers are the sales and relationship representatives who ascertain the credit needs of the small business community and each make approximately 30 calls per month.

There are 53 relationship managers located throughout the state in Albany, Buffalo, New York City/Long Island, Rochester, Syracuse/Utica, and in 19 other locations. In addition to the regular sales calls, the relationship managers documented 438 ascertainment calls and 94 calls directed at other bank CRA activities. The calls have been made throughout the bank's delineation.

### **INCITY ADVISORY BOARD**

Fleet Financial Group established an INCITY Advisory Board at the holding company level. The board is made up of regional and national community leaders as well as Fleet senior management. The INCITY Advisory Board provides Fleet management with information, advise and counsel on the needs of low- and moderate-income communities and small business. In addition, the INCITY Advisory Board provides guidance on how best to assist the bank in serving these communities and small businesses.

### **MARKET RESEARCH**

Fleet has used various market research initiatives as ascertainment tools including: a geographic distribution analysis; of loans, deposits, and mortgages; focus groups and a follow-up survey to identify areas where the bank's CRA program can be improved. Fleet responded to the issues identified through market research by changing its marketing strategy, revising its underwriting guidelines and developing new products. Fleet's market research is an effective means of ascertaining consumer credit needs.

Fleet hired an outside consulting firm to complete a geographic analysis of 1994 and 1995. The analysis reviewed the bank's loans and deposits in order to determine the distribution of the bank's business throughout the delineation. The study was conducted to ensure that Fleet's consumer loan products were being accessed by consumers in all segments of its delineated community.

Fleet also hired the same consulting firm to complete an analysis of its 1994 and 1995 Home Mortgage Disclosure Act ("HMDA") data to determine if the bank and other entities of the Fleet Financial Group, were meeting the credit needs of the entire community including low- and moderate-income households.

Management stated that it used the loan/deposit geographic distribution analysis and HMDA data analysis as a management tool to correct any imperfections in the bank and mortgage company product origination.

**Assessment Factor C - The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.**

The bank's board of directors is actively involved in establishing and overseeing Fleet's CRA efforts. The board's role in the CRA process is documented in its minutes and consists of the following activities: (1) formal adoption of the holding company, Fleet Financial Group's CRA policy statement; (2) review and approval of the annual CRA expanded statement and all updates made throughout the year; (3) review and approval of the annual CRA action plan and the community development marketing plan; (4) appointment of both the community development officer and the CRA Advisory Committee; (5) review of CRA examination reports from the bank's regulatory agencies; (6) review of branch opening and closing procedures; and (7) review of CRA products and activities including HMDA application and denial data.

The board has appointed a community development officer at the senior vice president level who annually presents the proposed CRA statement to the board and reports any changes or updates made subsequent to the initially approved CRA statement. The CRA statement is a comprehensive document which provides a detailed account of the bank's delineation, CRA policies, programs, ascertainment efforts, efforts to meet community needs and results of participation in various community development initiatives including loans, special credit products, contributions and investments.

**CRA ADVISORY COMMITTEE**

The CRA Advisory Committee ("Committee") serves to integrate Fleet's CRA efforts by reviewing the bank's ascertainment data and developing programs to address the community's credit needs. Members of the Committee consists of two board members who act as a liaison between the board and the bank, the Chief Executive Officer of Fleet, the community development officer, and five regional representatives from the community. The Committee meets quarterly to discuss CRA issues and to evaluate Fleet's CRA program.

The Committee is responsible for developing the bank's CRA program and annual action plan, monitoring the bank's CRA performance, overseeing CRA training, recommending ways to improve the bank's CRA position, and reviewing all CRA-related materials to be submitted to the board of directors. The minutes of the Committee meetings show active involvement by bank officers in overseeing and reviewing the bank's CRA efforts.

**CRA ACTION PLAN**

The CRA Advisory Committee is responsible for developing the CRA action plan as outlined in the bank's CRA policy statement. Highlights of the CRA action plan for 1994 included targeted marketing to low- and moderate-income individuals, small businesses and implementation of Bureau of Indian Affairs loan guarantee program. Highlights of the CRA action plan for 1995, included: (1) initiatives supporting the bank's branch managers' CRA efforts; and (2) an ascertainment and marketing initiative entitled INCITY, a program that seeks to provide communities, individuals and businesses, especially those located in low- and moderate-income

neighborhoods, with credit and services.

Both the 1994 and 1995 action plans also supported the continuation of existing programs.

## **II. MARKETING**

### **Assessment Factor B - The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.**

Fleet's marketing efforts are effective. The bank and the mortgage company used a wide variety of print, television, and radio advertisements to reach individuals in its delineated community, including those in low- and moderate-income areas.

During the review period, the bank's print media included major daily newspapers as well as local publications and specialized ethnic publications. The bank also used television and radio to advertise its home mortgage, consumer, INCITY, and small business credit products.

Advertisements in 1995 primarily promoted small business products, although deposit/image advertisements were also common. In 1994, consumer/home equity products were most frequently promoted but consumer/Credit Card advertisements were also common.

### **INCITY PRODUCTS**

In 1994, as a result of its ascertainment efforts, Fleet developed a marketing campaign that packaged a group of existing products aimed at serving the credit needs of its low- and moderate-income individuals and communities into a group to be known as INCITY products. These included affordable housing products, consumer loans and small business loans.

The INCITY products were marketed throughout the bank's delineation using print and radio advertisements. The marketing efforts were targeted to geographic areas within a ten to fifteen mile radius of the bank's branch network where household incomes were less than eighty percent of the median household income of the general area.

In addition to the mass media forms of advertising, INCITY products were marketed through the bank's community development managers and relationship managers who have made several hundred calls throughout the regions of the bank's delineation. The Mortgage Company supported the bank's INCITY marketing program through the efforts of its Affordable Housing Officer and its sales staff.

### **MORTGAGE PRODUCTS**

In addition to the portfolio mortgage products, the INCITY advertising campaign includes the Mortgage Company's SONYMA mortgage products. Management contends that its most effective marketing is accomplished through contact with real estate professionals, special coordination with community groups, participation in housing seminars and direct mail. Management stated that

community awareness of the Mortgage Company's credit products is more efficiently obtained through the efforts of its sales force than by mass media advertising.

## **CONSUMER PRODUCTS**

Fleet markets its consumer credit products as a group through the INCITY marketing campaigns and individually through other media such as newspapers, magazines, television and radio. In 1995, the bank discontinued advertising its credit card product in other than the INCITY campaigns.

Direct mail and media advertisements were targeted to geographic areas within a ten to fifteen mile radius of the bank's branch network. In addition, marketing campaigns were used to target the bank's market that was deemed to be more in need of home equity and credit card products.

## **SMALL BUSINESS PRODUCTS**

In addition to the INCITY small business credit product advertising, the bank, in a separate campaign advertised its small business credit products. In 1995, Fleet increased its small business advertising to support the introduction of the Easy Business Banking program, a scored small business loan program.

The most effective marketing program for small business loans is the bank's officer call program. According to call reports provided by management, for the period of 1994 and 1995, relationship managers made 1,393 sales calls as well as 438 ascertainment calls to businesses deemed to be "CRA businesses." In addition to the special attention given to CRA businesses, management stated that for the period of 1994 and 1995, employees of the bank's Private Banking, Corporate, Branch Management, Community Development and Community Banking departments made approximately 20 thousand calls on small businesses.

In an effort to assist and inform smaller businesses of the bank's credit products, the Community Banking Group sponsored or participated in 94 small business seminars throughout the bank's delineation in 1994 and 1995.

## **DEPOSIT/IMAGE**

During the review period, Fleet advertised its deposit and image throughout its delineation by using newspaper, magazine, television and radio.

The branch network played an integral role in marketing specific products pertaining to general banking services, and all retail credit products. Generally, banners and posters at branches promote credit card and home equity products.



**Assessment Factor K - The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.**

**COMMUNITY PROFILE**

The demographic and statistical information used in this analysis was obtained from the U.S. Department of Commerce and the New York State Department of Labor and The New York State Department of Economic Development. Housing, income, and population data was obtained from the 1990 Census Data with updates through 1993 from the Regional Employment and Income Series. Employment and industry figures for 1995 and 1996 were provided by the Division of Research and Statistics, New York Department of Labor.

Fleet's assessment area fully encompasses 53 of the 62 counties in New York State. This delineation also includes, either partially or completely, 13 metropolitan statistical areas. The characteristics of the delineated communities range from urban to rural. Economic factors, including housing, employment, industry and per capita income cover a broad spectrum, and vary from region to region.

To facilitate the presentation of statistical information, the bank's delineated community has been geographically divided into four regions as follows:

The Western Region includes:

- MSA 1280 (Buffalo-Niagara Falls, NY)
- MSA 6840 (Rochester, NY)
- MSA 2335 (Elmira, NY)
- MSA 3610 (Jamestown, NY)
- and the Western non-MSA counties of Allegany, Cattaraugus, Schuyler, Seneca, Steuben, Wyoming, and Yates.

The Central Region includes:

- MSA 8680 (Utica-Rome, NY)
- MSA 8160 (Syracuse, NY)
- a portion of MSA 0960 (Binghamton, NY)
- and the Central non-MSA counties of Cortland, Franklin, Jefferson, Lewis, Otsego, St. Lawrence, and Tompkins.

The Eastern Region includes:

- MSA 0160 (Albany-Schenectady-Troy, NY)
- a portion of MSA 5660 (Newburgh, NY-PA)
- MSA 2281 (Dutchess County, NY)
- a portion of MSA 2975 (Glens Falls, NY)  
and the Eastern non-MSA counties of Clinton, Columbia, Essex, Fulton, Greene, Sullivan, and Ulster.

The New York City/Long Island Region, consisting of:

- a portion of MSA 5600 (New York, NY) and
- MSA 5380 (Nassau-Suffolk, NY).

The New York and Long Island MSAs were added to the bank's delineation in July 1994.

Economically, New York State continues to recover from the 1990-1991 U.S. recession. Recovery has been slower in New York because the area was hit harder and longer than most of the rest of the country. Continued downsizing in government, manufacturing and defense related industries, coupled with large scale restructuring in the financial services sector and low real estate values contribute to the slower recovery rate.

The unemployment rate in the State remains static. As of April 1996, the unemployment rate for the State of New York was 6.3 percent compared to 5.6 percent for the country as a whole. Even before the recent recession, manufacturing jobs, especially in the upstate region, were on the decline. These jobs and those lost during the recessionary period in the financial services industry were replaced with jobs in the general services and wholesale/retail industries. Overall income levels have experienced minimal gains since 1990.

Demographic and economic factors vary greatly within New York State. The downstate region of the state which includes New York City, Long Island and the lower Hudson Valley is a densely populated area that accounts for about 75 percent of the State's economy. However, this area has a high proportion of low- and moderate income census tracts, the majority of which are centered in New York City. In New York City housing costs are high. The median housing price is \$207 thousand while the median family income is only \$37.5 thousand.

The New York City economy is service based and depends heavily on the financial industry. New York City is the hub of the downstate economy. The overall economy in the area is growing stronger but there are large segments of the population that are still not benefitting from this growth. Sixty percent of the population in Fleet's delineation, which includes all of New York City, with the exception of Staten Island, as well as Nassau and Suffolk Counties (9.5 million) live in this area and 34 percent or 3.2 million people live in low- and moderate-income census tracts.

Upstate New York is less densely populated. There is a much lower cost structure than in the downstate region. Housing is plentiful and more reasonably priced, but the housing stock is older. The median housing values in the upstate region vary from a low of \$48 thousand in MSA 3610 (Jamestown) to a high of \$149 thousand in MSA 2281 (Dutchess). Economic growth upstate is more restrained than downstate primarily due to downsizing in the manufacturing and government sectors, which traditionally provided a high percentage of employment. These factors have primarily impacted the economy in the Albany, Buffalo, Rochester, and Albany areas. Approximately 40 percent of the population within Fleet's delineation, 6.5 million people, live in upstate New York. Twenty-three percent of that total, 1.5 million people live in low- and moderate-income census tracts or BNAs in the upstate region.

The following text break down Fleet's delineation by census tract for each region. Low- and moderate-income census tracts are those tracts where the median family incomes are less than 80 percent of the median family income for the MSA. For counties not within an MSA., low- and moderate-income areas are those BNAs where the median family income is less than 80 percent of the median family income for the non-metropolitan area of the state.

**Total Delineation**

<b>Delineation Tract/BNACharacteristics</b>	
Total Number of Census tracts	3,978
Total Number of BNAs	376
Total Census Tracts & BNAs	4,354
Less: Tracts & BNAs with Zero Population/Housing	83
Tracts/Geographies Considered for Analysis	4,271
Number of Low/Mod Census Tracts	1,164
Number of Low or Moderate BNAs	47
Total Low - or Moderate Income Census Tracts & BNAs	1,211
Percent of Low or Moderate Census tracts & BNAs	28.35
Number of Minority Tracts/BNAs (>=80%)	891
Percent Minority	20.86
Number L/M & Minority Tracts/BNAs	599
Percent L/M & Minority	14.02

<b>Delineation Tract Demographics</b>	
Population	15,894,960
Population in LMI Geographies	4,456,747
% of Population in LMI Geographies	28.04%
Market Minority Population	5,074,467
% Minority	31.93%
Minority Population in LMI Geographies	2,901,808
% Minority in LMI Geographies	18.26%
Number of Owner Occupied Units	3,010,478
Owner Occupied Units in LMI Geographies	385,756
% Owner Occupied Units in LMI Geographies	12.81%

**Total Delineation**

The total population in Fleet's delineation is 15.9 million; 4.5 million or 28 percent live in low- and moderate-income census tracts or BNAs and 33 percent of the total population is minority. Fifty-seven percent of the minorities in Fleet's delineation live in low- and moderate-income census tracts on BNAs. Forty-eight percent of the housing units within Fleets delineation are owner-occupied, with 12.8 percent of the owner-occupied housing units located in low- and moderate-income tracts and BNAs. Rental housing comprises a majority of the housing units in low- and moderate income census tracts.

In the discussion that follows, the delineation has been broken into four regions with tables independently detailing each MSA. and regional BNA group.

**Western Region**

<b>Tract Characteristics</b>	<b>MSA 1280 (Buffalo-Niagara Falls, NY)</b>
Total Number of Tracts	290
Less: Tracts with zero Population/Housing	3
Tracts Considered for Analysis	287
Number of Low/Mod Tracts	84
% Low/Mod	29.27
Number of Minority Tracts (> = 80%)	22
% Minority	7.67
Number L/M & Minority Tracts	22
% L/M & Minority	7.67

<b>Tract Demographics</b>	<b>MSA 1280 (Buffalo-Niagara Falls, NY)</b>
Population	<b>1,183,265</b>
Population in Low/Mod Tracts	278,737
% of Population in Low/Mod Tracts	23.56
Market Minority Population	161,192
% Minority	13.62
Minority Population in Low/Mod Tracts	116,343
% Minority in Low/Mod Tracts	9.83
Number of Owner Occupied Units	297,969
Owner Occupied Units in Low/Mod tracts	47,407
% Owner Occupied Units in Low/Mod Tracts	15.91

### **MSA 1280 (Buffalo-Niagara Falls, NY)**

Erie and Niagara are the two counties which make up the Buffalo-Niagara MSA. They have a combined population of 1.2 million. Of the 287 census tracts considered for analysis, 84 or 29 percent are low- and moderate-income census tracts with a population of 279 thousand. Forty-two percent of the population of the low- and moderate-income census tracts or 116 thousand or 24 percent is minority.

The population over age 65 in this MSA increased significantly in the 1980's. The total population declined by 4.3 percent from 1980 to 1990. The population over age 65, however, grew by 17 percent and now amounts to 15.2 percent of the total population.

Manufacturing was the main component of the job market in this MSA for many years, but starting in the late 1960's, jobs began to decline in number and in relative terms. In September 1966, manufacturing jobs accounted for 184 thousand jobs or 37 percent of the MSA's employment. By 1994, the number of these jobs dropped to 92 thousand and accounted for only 14.7 percent of the total jobs in the MSA. This decline has been especially noticeable in the last several years as manufacturing jobs decreased 9 percent between 1990 and 1994. For the most part, the manufacturing jobs have been replaced by lower paying service sector jobs. By April 1996, the services accounted for 29.2 percent of total employment in MSA 1280 and retail and wholesale trade accounted for 24.2 percent. As of April, 1996 the unemployment rate of 5.4 percent was well below the state average and slightly below the national average.

There are 298 thousand owner-occupied units in the MSA which account for 60.5 percent of total housing units. Within the low- and moderate-income census tracts 66.2 percent of the housing units are owner-occupied. Vacancy rates in the low- and moderate-income census tracts were more than double the rates in the non-low and moderate-income tracts. The median age of housing in the low- and moderate-income areas was 55 years compared with 33 years in the remainder of the MSA. At least half of the housing stock within the low- and moderate-income areas was built prior to 1950. The median housing value in this MSA is \$72 thousand and the median family income is \$35 thousand.

**Western Region - Continued**

<b>Tract Characteristics</b>	<b>MSA 6840 (Rochester, NY)</b>
Total Number of Tracts	250
Less: Tracts with Zero Population/Housing	2
Tracts Considered for Analysis	248
Number of Low/Mod Tracts	84
% Low/Mod	33.87
Number of Minority Tracts (>=80%)	21
% Minority	8.47
Number L/M & Minority Tracts	21
% L/M & Minority	8.47

<b>Tract Demographics</b>	<b>MSA 6840 (Rochester, NY)</b>
Population	1,061,909
Population in Low/Mod Tracts	220,907
% of Population in Low/Mod Tracts	20.80
Market Minority Population	139,395
% Minority	13.13
Minority Population in Low/Mod Tracts	86,332
% Minority in Low/Mod Tracts	8.13
Number of Owner Occupied Units	269,079
Owner Occupied Units in Low/Mod Tracts	39,517
% Owner Occupied Units in Low/Mod Tracts	14.69



### **MSA 6840 (Rochester, NY)**

The Rochester MSA includes the counties of Genesee, Livingston, Monroe, Ontario, Orleans and Wayne. It has a total population of 1.1 million. Of the 248 tracts considered for analysis, 84 or 33.9 percent are low- and moderate-income tracts with a population of 221 thousand. Of the population in low- and moderate-income census tracts, 86 thousand or 39.1 percent is minority.

According to New York State Department of Labor, the service producing segment of the market gained 6 thousand jobs making it the generator of 73 percent of all employment in the MSA, which has helped offset the loss of 12 thousand manufacturing jobs since 1990. Even with the loss, manufacturing still accounts for 24 percent of employment in the MSA compared to 12 percent for the state. Manufacturing jobs are mainly provided by Eastman Kodak Company, the area's largest employer, Bausch & Lomb and Xerox. Rochester is considered one of the largest tool and die centers in the United States, and is a world leader in optics technology. In 1995, for the first time in more than seven years, Rochester did not lose jobs on a year-to-year basis. The unemployment rate of 4.0 percent in April 1996, was one of the lowest in the state.

There are 421,684 housing units in the MSA of which 63.8 percent are owner-occupied. In the low- and moderate-income census tracts, 75.6 percent of the housing units are owner-occupied. The median housing age is 56 years within those areas compared to 37 years in the remainder of the MSA. The median housing value in this MSA is \$85 thousand and the median family income is \$40.5 thousand.

**Western Region - Continued**

<b>Tract Characteristics</b>	<b>MSA 2335 (Elmira, NY )</b>
Total Number of Tracts	23
Less: Tracts with Zero Population/Housing	1
Tracts Considered for Analysis	22
Number of Low/Mod Tracts	5
% Low/Mod	22.73
Number of Minority Tracts (>=80%)	0
% Minority	0.00
Number L/M & Minority Tracts	0
% L/M & Minority	0.00

<b>Tract Demographics</b>	<b>MSA 2335 (Elmira, NY)</b>
Population	94,416
Population in Low/Mod Tracts	14,517
% of Population in Low/Mod Tracts	15.38
Market Minority Population	5,816
% Minority	6.16
Minority Population in Low/Mod Tracts	2,606
% Minority in Low/Mod Tracts	2.76
Number of Owner Occupied Units	24,095
Owner Occupied Units in Low/Mod Tracts	1,669
% Owner Occupied Units in Low/Mod Tracts	6.93

### **MSA 2335 (Elmira, NY)**

This MSA consists of only one county, Chemung. The population of 94 thousand represents less than 1 percent of the total population within Fleet's delineation. Of the 22 census tracts considered for analysis, 5 or 22.7 percent are low- and moderate-income tracts. Fifteen percent or 14.5 thousand of the total MSA population lives in the low- and moderate-income census tracts. Of the population in low- and moderate-income census tracts, 2.6 thousand or 18 percent is minority.

The major employers in this MSA are wholesale and retail trades, 25.6 percent; services, 25.1 percent; manufacturing, 22.2 percent; and government, 17.9 percent. The April 1996 unemployment rate of 4.4 percent was one of the lowest in the state and was well below state and national averages.

There are 37 thousand housing units within the MSA, 64.6 percent of which are owner occupied. Within the low- and moderate-income census tracts, however, 42.9 percent of the units are owner occupied. The median age of housing stock is 55 years with 51.6 percent built prior to 1950. The median housing value in the MSA is \$53 thousand and the median family income is \$32 thousand.

**Western Region - Continued**

<b>Tract Characteristics</b>	<b>MSA 3610 Jamestown, N Y)</b>
Total Number of Tracts	33
Less: Tracts with Zero Population/Housing	0
Tracts Considered for Analysis	33
Number of Low/Mod Tracts	5
% Low/Mod	15.15
Number of Minority Tracts (>=80%)	0
% Minority	0.00
Number L/M & Minority Tracts	0
% L/M & Minority	0.00

<b>Tract Demographics</b>	<b>MSA 3610 (Jamestown, N Y )</b>
Population	141,895
Population in Low/Mod Tracts	18,879
% of Population in Low/Mod Tracts	13.30
Market Minority Population	7,501
% Minority	5.29
Minority Population in Low/Mod Tracts	2,263
% Minority in Low/Mod Tracts	1.59
Number of Owner Occupied Units	36,817
Owner Occupied Units in Low/Mod Tracts	3,298
% Owner Occupied Units in Low/Mod Tracts	8.96

### **MSA 3610 (Jamestown, NY)**

The Jamestown MSA includes the entire county of Chautauqua, the western-most county in New York State. This county also has the lowest housing value and income levels of any MSA in the state. The MSA has a population of 142 thousand. Of the 33 tracts within the MSA, 5 or 15 percent are low- and moderate-income; minorities account for 12 percent of the population within those areas.

Between 1990 and 1994, the MSA experienced a major drop in employment of 36 percent. The major industries showing a decline in employment were the mining, finance, insurance, real estate, manufacturing and construction. However, the transportation, public utilities, and the services industry experienced growth during this same period.

Unemployment recently decreased from 6 percent to 5.5 percent as of April 1996. Fifty-one percent of employment was found in the retail/wholesale and services industries. Manufacturing accounted for 21 percent of jobs; government provided 15 percent of the employment.

There are 62.7 thousand housing units in the MSA of which 58.7 percent are owner-occupied. Within the low- and moderate-income census tracts, 61.3 percent of the housing units are owner-occupied. The median housing value is \$47.6 thousand with a median age of 57 years. The median family income is \$29.9 thousand.

**Western Region - Continued**

<b>BNA Characteristics</b>	<b>Non-MSA Western Region BNA Characteristics</b>
Total Number of BNAs	98
Less: BNAs with Zero Population/Housing	3
BNAs Considered for Analysis	95
Number of Low/Mod BNAs	10
% Low/Mod	13.27

<b>BNA Demographics</b>	<b>Non-MSA Western Region BNA Demographics</b>
Population	351,454
Population in Low/Mod BNAs	29,627
% of Population in Low/Mod BNAs	8.43
Market Minority Population	11,959
% Minority	3.40
Number of Owner Occupied Units	93,259
Owner Occupied Units in Low/Mod BNAs	7,287
% Owner Occupied Units in Low/Mod BNAs	7.81

**Non-MSA (Western Region)**

Seven counties make up the non-MSA portion of the western region. They are: Allegany, Cattaraugus, Schuyler, Seneca, Steuben, Wyoming and Yates. There are 95 BNAs considered for analysis in this area of which 10 or 10.5 percent are low- and moderate-income. Approximately 351 thousand people live in the region, but only 8.4 percent live in the low- and moderate-income BNAs. Within the low- and moderate income areas 40 percent are minorities. The highest minority concentration is found in Wyoming county. Cattaraugus county has the largest Native American population in the state, 2.1 percent.

Data in 1993 disclose that Allegany, Schuyler, Wyoming and Yates counties had slight increases in employment with 4 percent for Yates being the highest level while Cattaraugus and Seneca Counties experienced declines. In four of the seven counties, Cattaraugus, Schuyler, Seneca, and Yates the services industry is the most important employer. In Allegany County 28 percent of jobs are found in government with retail/wholesale comprising 27 percent, and manufacturing which is still viable representing 24 percent of employment. Services account for only 1 percent of employment. In Steuben County manufacturing still dominates the employment sector accounting for 27 percent of all jobs. Services provide 24 percent of the jobs with retail/wholesale providing 18 percent and government 17 percent. In Wyoming County government leads the employment sector with 25 percent of jobs. Services and retail/wholesale each provide 18 percent of employment with manufacturing still a factor at 17 percent.

The median housing value varies greatly from \$37.5 thousand in Cattaraugus to \$66 thousand in Allegany County. The median family income for the non-MSA sections of New York State is \$35.6 thousand.

**Central Region**

<b>Tract Characteristics</b>	<b>MSA 8680 (Utica-Rome, NY)</b>
Total Number of Tracts	101
Less: Tracts with Zero Population/Housing	3
Tracts Considered for Analysis	98
Number of Low/Mod Tracts	26
% Low/Mod	26.53
Number of Minority Tracts (>=80%)	1
% Minority	1.02
Number L/M & Minority Tracts	1
% L/M & Minority	1.02

<b>Tract Demographics</b>	<b>MSA 8680 (Utica-Rome, NY)</b>
Population	314,040
Population in Low/Mod Tracts	64,237
% of Population in Low/Mod Tracts	20.46
Market Minority Population	20,048
% Minority	6.38
Minority Population in Low/Mod Tracts	13,077
% Minority in Low/Mod Tracts	4.16
Number of Owner Occupied Units	78,193
Owner Occupied Units in Low/Mod Tracts	8,619
% Owner Occupied Units in Low/Mod Tracts	11.02



### **MSA 8680 (Utica-Rome, NY)**

The Utica-Rome MSA is comprised of Herkimer and Oneida counties with a combined population of 314 thousand. Of the 98 tracts considered for analysis, 26 or 26.5 percent are low- and moderate-income tracts. About one fifth of the total MSA population or 64.2 thousand people lives within these census tracts.

Services accounted for 46 percent of the total employment with government at 22 percent and retail and wholesale at 21 percent. Manufacturing is still a factor representing 14 percent. The unemployment rate increased between April 1995 and April 1996 and at 6.4 percent is one of the highest in the state.

There are 132 thousand housing units in the MSA. Of this total, 59.2 percent or 78 thousand are owner occupied. Within the low- and moderate-income area 41.7 percent of the housing units are owner occupied. The median housing value in this MSA is \$68.9 thousand. The median age of housing was 53 years with 53 percent built prior to 1950. The median family income for this MSA is \$31.7 thousand.

**Central Region - Continued**

<b>Tract Characteristics</b>	<b>MSA 8160 (Syracuse, NY)</b>
Total Number of Tracts	208
Less: Tracts with Zero Population/Housing	2
Tracts Considered for Analysis	206
Number of Low/Mod Tracts	50
% Low/Mod	24.27
Number of Minority Tracts (>=80%)	5
% Minority	2.43
Number L/M & Minority Tracts	5
% L/M & Minority	2.43

<b>Tract Demographics</b>	<b>MSA 8160 (Syracuse, NY)</b>
Population	739,964
Population in Low/Mod Tracts	147,171
% of Population in Low/Mod Tracts	19.89
Market Minority Population	61,351
% Minority	8.29
Minority Population in Low/Mod Tracts	36,635
% Minority in Low/Mod Tracts	4.95
Number of Owner Occupied Units	182,043
Owner Occupied Units in Low/Mod Tracts	19,817
% Owner Occupied Units in Low/Mod Tracts	10.89

### **MSA 8160 (Syracuse, NY)**

The Syracuse MSA consists of Cayuga, Madison, Onondaga and Oswego counties with a combined population of 740 thousand.. Of the 206 tracts considered for analysis, 50 or 24.3 percent are low- and moderate-income. One quarter of the population within those low- and moderate-income tracts is minority.

Services accounted for 29 percent of the total jobs with 23 percent from the retail/wholesale segment and 15 percent from government. Manufacturing was still a presence with 13 percent of jobs. Employee earnings have shown a steady decline since 1993, but the unemployment rate at 4.8 percent is below state and national averages. The median family income for the MSA is \$36.7 thousand.

Of the total housing units in this MSA, 60.9 percent are owner-occupied. In low- and moderate-income census tracts, 49.8 percent of the housing units are owner-occupied. The median age of housing is 42 years with 42.2 percent of all housing having been built before 1950. The median housing value is \$74.9 thousand.

**Central Region - Continued**

<b>Tract Characteristics</b>	<b>MSA 0960 (Binghamton, NY)</b>
Total Number of Tracts	11
Less: Tracts with Zero Population/Housing	2
Tracts Considered for Analysis	9
Number of Low/Mod Tracts	2
% Low/Mod	22.22
Number of Minority Tracts (>=80%)	0
% Minority	0.00
Number L/M & Minority Tracts	0
% L/M & Minority	0.00

<b>Tract Demographics</b>	<b>MSA 0960 (Binghamton, NY)</b>
Population	52,337
Population in Low/Mod Tracts	8,925
% of Population in Low/Mod Tracts	17.05
Market Minority Population	948
% Minority	1.81
Minority Population in Low/Mod Tracts	235
% Minority in Low/Mod Tracts	.45
Number of Owner Occupied Units	14,841
Owner Occupied Units in Low/Mod Tracts	2,365
% Owner Occupied Units in Low/Mod Tracts	15.94

### **MSA 0960 (Binghamton, NY)**

Within the Binghamton MSA, Fleet's delineation includes only Tioga County. Less than one percent of the population living in Fleet's delineation live in the delineated portion of this MSA. Out of the 9 tracts considered for analysis within Tioga county, 2 or 22.2 percent are low- and moderate-income. Seventeen percent of the total population live in those tracts.

Through recent years the number of manufacturing jobs decreased in Tioga County, but such jobs still remained the main source of employment and account for 27 percent of jobs. The entire MSA experienced a major economic downturn due to the restructuring of major industrial and defense related employers such as IBM, Lockheed Martin, Loral and Hughes Corporation. Approximately 14 thousand jobs have been lost since 1988.

The unemployment rate for Tioga County improved from 6.0 percent in April 1995 to 5.1 percent in April 1996. The decline was influenced by the service industry which sustained a 12 percent increase in employment within the entire MSA during this time period.

The county's overall owner occupancy rate is 73 percent. In the low- moderate-income census tracts, the owner-occupancy rate is 64.5 percent. The median age of housing in the county is 27 years with 38 percent built prior to 1950. The median housing value for the MSA is \$78 thousand and the median family income for the MSA is \$35.9 thousand.

**Central Region - Continued**

<b>BNA Characteristics</b>	<b>Non-MSA Central Region BNA Characteristics</b>
Total Number of BNAs	125
Less: BNAs with Zero Population/Housing	2
BNAs Considered for Analysis	123
Number of Low/Mod BNAs	27
% Low/Mod	23.20

<b>BNA Demographics</b>	<b>Non-MSA Central Region BNA Demographics</b>
Population	499,830
Population in Low/Mod BNAs	101,432
% of Population in Low/Mod BNAs	20.29
Market Minority Population	33,930
% Minority	6.79
Number of Owner Occupied Units	112,276
Owner Occupied Units in Low/Mod BNAs	15,815
% Owner Occupied Units in Low/Mod BNAs	14.09

**Non-MSA (Central Region)**

This region is composed of Cortland, Franklin, Jefferson, Lewis, Otsego, St. Lawrence and Tompkins Counties with a total population of 500 thousand. Jefferson and St. Lawrence are the most heavily populated, while Franklin and Tompkins both have minority populations in excess of ten percent. Of the 123 BNAs considered for analysis in the Central Region, 27 or 21.9 percent are low- and moderate- income areas. Twenty percent of the total population is located in the low- and moderate-income BNAs.

Of the seven counties, service is the main source of employment in Cortland, Otsego, St. Lawrence, and Tompkins. In Franklin and Jefferson Counties, the government sector provided over 30 percent of the jobs. In Lewis County, manufacturing was the major employer. In all seven counties in this area, retail and wholesale trades was the second highest supplier of jobs.

In the region, owner occupancy ranged from 44.4 percent in Jefferson County up to 60 percent in Otsego County. The average age of housing was 46 years. The median housing value range from \$44 thousand in St. Lawrence County to 67.5 thousand in Otsego County. The median family income for the non-MSA portion of New York State is \$35.6 thousand.

**Eastern Region**

<b>Tract Characteristics</b>	<b>MSA 0160 ( Albany- Schenectady-Troy, NY)</b>
Total Number of Tracts	209
Less: Tracts with Zero Population/Housing	2
Tracts Considered for Analysis	207
Number of Low/Mod Tracts	55
% Low/Mod	26.57
Number of Minority Tracts (>=80%)	1
% Minority	0.48%
Number L/M & Minority Tracts	1
% L/M & Minority	0.48%

<b>Tract Demographics</b>	<b>MSA 0160 ( Albany- Schenectady-Troy, NY)</b>
Population	861,424
Population in Low/Mod Tracts	206,954
% of Population in Low/Mod Tracts	24.02
Market Minority Population	66,164
% Minority	7.68
Minority Population in Low/Mod Tracts	33,947
% Minority in Low/Mod Tracts	3.94
Number of Owner Occupied Units	211,510
Owner Occupied Units in Low/Mod Tracts	38,374
% Owner Occupied Units in Low/Mod Tracts	18.14



### **MSA 0160 (Albany-Schenectady-Troy, NY)**

This MSA includes Albany, Schenectady, Montgomery, Schoharie, Rensselaer, and Saratoga Counties. Approximately 5.4 percent of the population living in Fleet delineation also live in this MSA. Out of the 207 tracts considered for analysis in the MSA, 55 or 26.6 percent are low- and moderate-income. Twenty-four percent of the population 207 thousand people, live in low- and moderate-income census tracts in this MSA. Of the population in low- and moderate-income census tracts, sixteen percent is minority.

The major employers in this MSA are the services industry representing 29.4 percent, followed closely by government, at 25.8 percent, and retail and wholesale trades, at 20.6 percent. The only county, among the six that make up the MSA, which did not show a decline in unemployment was Montgomery County where the jobless rate increased from 7.8 percent in April 1995 to 9.1 percent in April 1996. The overall rate for the MSA, however was 4.5 percent in April 1996 and was one of the lowest in the state.

The MSA has 361 thousand units of housing, 58.6 percent of which are owner occupied. Within the low- and moderate-income tracts, 57.5 percent of the housing units are owner occupied. The median housing age in the non-low- and moderate-income census tracts is 34 years compared to 55 years in the low- and moderate-income tracts. Vacancy rates average 15 percent in the low- and moderate-income tracts compared with 6 percent in the remainder of the MSA. The median housing value in the MSA is \$98.9 thousand and the median family income is \$39.4 thousand.

**Eastern Region - Continued**

<b>Tract Characteristics</b>	<b>MSA 5660 Newburgh, NY-PA)</b>
Total Number of Tracts	67
Less: Tracts with Zero Population/Housing	1
Tracts Considered for Analysis	66
Number of Low/Mod Tracts	14
% Low/Mod	21.21
Number of Minority Tracts (>=80%)	1
% Minority	1.52
Number L/M & Minority Tracts	1
% L/M & Minority	1.52

<b>Tract Demographics</b>	<b>MSA 5660 (Newburgh, NY-PA)</b>
Population	307,619
Population in Low/Mod Tracts	58,059
% of Population in Low/Mod Tracts	18.87
Market Minority Population	46,832
% Minority	15.22
Minority Population in Low/Mod Tracts	20,785
% Minority in Low/Mod Tracts	6.76
Number of Owner Occupied Units	68,474
Owner Occupied Units in Low/Mod Tracts	6,978
% Owner Occupied Units in Low/Mod Tracts	10.19

### **MSA 5660 (Newburgh, NY-PA)**

In MSA 5660, Fleet's delineation includes only Orange County. Of the 66 tracts considered for analysis within the MSA, 14 or 21 percent are low- and moderate-income. Out of the total population of 308 thousand, 19 percent reside in the low- and moderate-income areas. Fifteen percent of the population in the MSA is minority, but 36 percent of the residents of the low- and moderate-income census tracts are minorities. Since many of the residents of this MSA commute into Westchester County and New York City to work, incomes and housing values in this MSA are higher than in the rest of the upstate regions.

The major employer of non-commuting residents is the services industry at 32.9 percent, followed by, retail and wholesale trades at 26.8 percent, and government at 25.8 percent. Unemployment is low at 4.3 percent in April 1996.

There are 111 thousand housing units in the MSA of which 61.8 percent are owner occupied. The owner occupancy rate in the low- and moderate-income tracts is 58.5 percent. The median age of the housing stock in the delineated low- and moderate-income tracts is 43 years compared to 30 years for the remainder of the MSA. The delineated low- and moderate-income tracts show a 15 percent vacancy rate compared to an overall 8 percent rate for the MSA. The median housing value in this MSA is \$139 thousand and the median family income is \$42.9 thousand.

**Eastern Region - Continued**

<b>Tract Characteristics</b>	<b>MSA 2281 (Dutchess County, NY)</b>
Total Number of Tracts	68
Less: Tracts with Zero Population/Housing	0
Tracts Considered for Analysis	68
Number of Low/Mod Tracts	16
% Low/Mod	23.53
Number of Minority Tracts (>=80%)	2
% Minority	2.94
Number L/M & Minority Tracts	1
% L/M & Minority	1.47

<b>Tract Demographics</b>	<b>MSA 2281 (Dutchess County, NY)</b>
Population	259,462
Population in Low/Mod Tracts	45,210
% of Population in Low/Mod Tracts	17.42
Market Minority Population	36,431
% Minority	14.04
Minority Population in Low/Mod Tracts	16,030
% Minority in Low/Mod Tracts	6.18
Number of Owner Occupied Units	61,899
Owner Occupied Units in Low/Mod Tracts	6,383
% Owner Occupied Units in Low/Mod Tracts	10.31

### **MSA 2281 (Dutchess County, NY)**

The Dutchess MSA is composed of Dutchess County. The county has a population of 259 thousand. Of the 68 tracts, 16 or 23.5 percent are low- and moderate-income. Fourteen percent or 36 thousand of the MSA's residents are minorities. Of the population in low- and moderate-income census tracts, 35 percent is minority.

Even though the MSA has experienced a decline in the unemployment rate, the area continues to loose manufacturing jobs. However, at 4.0 percent its April 1996 rate is well below the state and national average. This is mainly due to the downsizing at IBM and other major manufactures in the area. In the MSA, the major employment sectors are servicing at 30.8 percent, government at 21.3 percent, and retail and wholesale trades at 17.8 percent.

Sixty-three percent of the 97.6 thousand housing units in the MSA are owner occupied. Of the housing units within the low- and moderate-income census tracts 60.8 percent are owner occupied. The median age of housing is 47 years in the low- and moderate-income areas and 32 in the balance of the MSA. There is a vacancy rate of 13 percent in the low- and moderate-income census tracts and 6 percent within the balance of the area. The median value of housing in the MSA is \$149 thousand and the median family income is \$49 thousand, the second highest in New York State.

**Eastern Region - Continued**

<b>Tract Characteristics</b>	<b>MSA 2975 (Glens Falls, NY)</b>
Total Number of Tracts	18
Less: Tracts with Zero Population/Housing	0
Tracts Considered for Analysis	18
Number of Low/Mod Tracts	3
% Low/Mod	16.67
Number of Minority Tracts (>=80%)	0
% Minority	0.00
Number L/M & Minority Tracts	0
% L/M & Minority	0.00

<b>Tract Demographics</b>	<b>MSA 2975 (Glens Falls, NY)</b>
Population	59,209
Population in Low/Mod Tracts	4,861
% of Population in Low/Mod Tracts	8.21
Market Minority Population	1,162
% Minority	1.96
Minority Population in Low/Mod Tracts	69
% Minority in Low/Mod Tracts	.12
Number of Owner Occupied Units	15,625
Owner Occupied Units in Low/Mod Tracts	1,130
% Owner Occupied Units in Low/Mod Tracts	7.23

### **MSA 2975 (Glens Falls, NY)**

In the Glen Falls MSA, Fleet's delineation includes only Warren County and contains less one half of one percent of the total delineation population. Of the 18 census tracts, three or 16.7 percent are low- and moderate-income tracts.

The Warren County unemployment rate has declined from 8.7 in 1995 to 7.7 percent in 1996, but is still 2 percent above the rate in Washington County, its neighboring county in the MSA.

As with most counties in upstate New York, the major employer is the services industry followed in order by retail/wholesale trades, government and manufacturing.

Based on the 1990 census, there are no low-income tracts in Warren county; and there are 3 moderate income tracts. Forty-nine percent of the housing units within the delineation area is owner occupied. There was a 37 percent vacancy rate in the moderate-income census tract with a high 23 percent in the remaining areas. The median housing value in the MSA is \$80.7 thousand, and the median family income is \$34 thousand.

**Eastern Region - Continued**

<b>BNA Characteristics</b>	<b>Non-MSA Eastern Region BNA Characteristics</b>
Total Number of BNAs	152
Less: BNAs with Zero Population/Housing	1
BNAs Considered for Analysis	152
Number of Low/Mod BNAs	10
% Low/Mod	7.19

<b>BNA Demographics</b>	<b>Non-MSA Eastern Region BNA Demographics</b>
Population	519,614
Population in Low/Mod BNAs	36,514
% of Population in Low/Mod BNAs	7.03
Market Minority Population	43,489
% Minority	8.37
Number of Owner Occupied Units	131,129
Owner Occupied Units in Low/Mod BNAs	4,559
% Owner Occupied Units in Low/Mod BNAs	3.48

**Non-MSA (Eastern Region)**

The Eastern Region non-MSA counties are Clinton, Columbia, Essex, Fulton, Greene, Sullivan and Ulster. Ten of the BNAs are low- and moderate-income and are primarily located in either Clinton and Fulton Counties which are partially within the Adirondack Park. Eight percent of the population is minority.

The services sector is the major employer in all the counties except Clinton where the Government sector accounts for 26 percent of the employment. Retail/wholesale provides a close second in most counties and government and manufacturing are still important segments of employment in all counties.



The owner-occupied percentage is 52 percent for the region with a range of 41 percent in Sullivan County to 59 percent in Ulster. The median age of housing for the region is 40 years ranging from 27 in Sullivan County to 57 years in Fulton County. Sullivan county also had the highest unit vacancy rate at 41 percent compared to 10 percent in Clinton; the average vacancy rate for the region is 25 percent. Housing values ranged from \$56 thousand in Fulton County to \$115 thousand in Ulster County.

**New York City/Long Island Region**

<b>Tract Characteristics</b>	<b>MSA 5600 (New York, NY)</b>
Total Number of Tracts	2116
Less: Tracts with Zero Population/Housing	53
Tracts Considered for Analysis	2063
Number of Low/Mod Tracts	736
% Low/Mod	35.68
Number of Minority Tracts (>=80%)	815
% Minority	39.51
Number L/M & Minority Tracts	532
% L/M & Minority	25.79

<b>Tract Demographics</b>	<b>MSA 5600 (New York, NY)</b>
Population	6,920,692
Population in Low/Mod Tracts	2,831,177
% of Population in Low/Mod Tracts	40.91
Market Minority Population	4,048,982
% Minority	58.51
Minority Population in Low/Mod Tracts	2,411,061
% Minority in Low/Mod Tracts	34.84
Number of Owner Occupied Units	725,763
Owner Occupied Units in Low/Mod Tracts	101,073
% Owner Occupied Units in Low/Mod Tracts	13.93

## MSA 5600 (New York, NY)

Fleet's delineation only includes the Bronx, Kings, New York, and Queens Counties in the New York MSA. The delineated portion of this MSA has approximately 6.9 million residents with a minority population of 4 million or 58.5 percent. The counties with the largest minority population are the Bronx, with 77 percent of the total population, and Kings, with 60 percent.

Almost 41 percent of the population in the delineated portion of the MSA live in low- and moderate-income census tracts. There are 2.7 million housing units, of which 726 thousand or 27 percent are owner-occupied. In low- and moderate-income census tracts, 18.2 percent of the housing units are owner-occupied. Of the 2063 tracts considered for analysis in the MSA, 736 or 36 percent are low- and moderate-income census tracts. A total of 324 or 44 percent of these low- and moderate-income tracts are in Kings County. In addition, 85 percent of the population residing in low and moderate-income census tracts is minority

The unemployment rate increased for New York City from 8.4 in 1995 to 9.3 percent in 1996, due to losses in the manufacturing and aviation industries. At the individual county level the rate rose to 10.9 percent for the Bronx, 10.6 percent for Kings, 9.0 percent for Queens, and 7.7 percent for New York.

The financial services industry, including banking, insurance and securities, continues to be a major contributor to employment and the local economy. However, in response to economic and competitive pressures, this industry has consolidated and downsized during the past decade and is continuing to shift operations outside New York City. The public sector, including federal and municipal agencies, also suffered the effects of consolidation and reduced budgets. In contrast, health and human services, education and social services remain strong and continue posting modest job gains.

One of the biggest problem in the counties of New York City is the disparity between housing cost and income. The MSA's median housing value is \$207 thousand and the median family income is \$37.5 thousand. Loans for affordable multi-family rental units is a critical credit need in this area. Community contacts identified the most pressing community credit needs as construction and rehabilitation loans for rental and owner-occupied affordable housing, banking facilities in the South Bronx, and small business loans in amounts under \$5 thousand.

**New York/Long Island Region - Continued**

<b>Tract Characteristics</b>	<b>MSA 5380 (Nassau- Suffolk, NY)</b>
Total Number of Tracts	584
Less: Tracts with Zero Population/Housing	8
Tracts Considered for Analysis	576
Number of Low/Mod Tracts	84
% Low/Mod	14.58
Number of Minority Tracts (>=80%)	20
% Minority	3.47
Number L/M & Minority Tracts	12
% L/M & Minority	2.08

<b>Tract Demographics</b>	<b>MSA 5380 (Nassau- Suffolk, NY)</b>
Population	2,603,986
Population in Low/Mod Tracts	392,872
% of Population in Low/Mod Tracts	15.09
Market Minority Population	405,821
% Minority	15.58
Minority Population in Low/Mod Tracts	142,900
% Minority in Low/Mod Tracts	5.49
Number of Owner Occupied Units	687,506
Owner Occupied Units in Low/Mod Tracts	81,465
% Owner Occupied Units in Low/Mod Tracts	11.85

### **MSA 5380 (Nassau - Suffolk, NY)**

The Nassau-Suffolk MSA has a population of 2.6 million of which 392 thousand or 15 percent live in low- and moderate-income census tracts. The majority of the low- and moderate-income census tracts in this MSA are located in Hempstead, Roosevelt and Freeport in Nassau County, and in the eastern portion of Suffolk County. Sixteen percent of the MSA population is minority and 36 percent of the minority population resides in low- and moderate-income census tracts.

The major industries are wholesale, retail, and professional services. However, on Long Island, the defense industry, led by large contractors such as Grumman Corporation and Fairchild Republic, are significant contributors to the local economy. The downsizing of the defense industry as a result of the end of the Cold War has caused a consolidation of operations and eliminated thousands of jobs on Long Island.

The housing and construction industry, also a contributor to growth on Long Island, has declined as reduced employment levels have suppressed demand for new housing and commercial space. Growth in small business and high technology employment has been aided by government and industry programs designed to convert defense manufacturing and technology to the private sector markets and retain displaced workers. The local economy is in its fourth year of expansion with nonfarm jobs up 7.2 thousand since March 1995. Long Island unemployment rate declined from 5.1 percent in 1995 to 4.6 percent in March 1996. At \$56.7 thousand, the median family income in this MSA is the highest in the state. The median housing value of \$186 thousand is the second highest in the state.

The 688 thousand owner-occupied housing units in the MSA represent 74.1 percent of the total housing units in the MSA. In the low- and moderate-income census tracts the owner-occupancy rate is 94.1 percent.

**Assessment Factor L - Any other factors that, in the regulatory authority's judgment, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.**

Fleet's corporate contributions to organizations in support of community and economic development initiatives totaled \$791 thousand in 1994 and \$665 thousand in 1995. Additional contributions supported education, health and human services, and environmental projects.

Fleet's long term municipal holdings from municipalities located in New York State totaled \$465 million as of March 31, 1995. Of this total, \$444 million were in general obligation facilities and \$21 million were in revenue bonds.

As part of the bank's outreach program to ascertain and meet the credit needs of its entire community, representatives from the Corporate Banking Group and Mortgage Company conducted 140 home ownership seminars and 37 small business seminars.

APPENDIX A  
 SCOPE OF EXAMINATION

SCOPE OF EXAMINATION : FULL SCOPE EXAMINATION.			
TIME PERIOD REVIEWED	1/1/94 TO 12/31/95		
<b><u>FINANCIAL INSTITUTION</u></b>  <b><u>Fleet Bank</u></b> <b><u>Albany, NY</u></b>			<b><u>PRODUCTS REVIEWED</u></b>  <b><u>Mortgage Loans</u></b> <b><u>Home Improvement</u></b> <b><u>Loans</u></b> <b><u>Small Business</u></b> <b><u>Loans</u></b>
<b><u>AFFILIATE(S)</u></b>	<b><u>AFFILIATE</u></b> <b><u>RELATIONSHIP</u></b>		<b><u>PRODUCTS REVIEWED</u></b>
<b><u>Fleet Mortgage Group</u></b> <b><u>Columbia, SC</u></b>	<b><u>Bank subsidiary</u></b>		<b><u>Mortgage Loans</u></b>
<b><u>LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION</u></b>			
<b><u>ASSESSMENT AREA</u></b>	<b><u>TYPE OF</u></b> <b><u>EXAMINATION</u></b>	<b><u>BRANCHES</u></b> <b><u>VISITED</u></b>	<b><u>OTHER INFORMATION</u></b>
<b><u>NEW YORK</u></b>			<b><u>Loan products are offered</u></b> <b><u>in all areas</u></b>
<b><u>MSA 1280 (Buffalo-Niagara Falls, NY)</u></b>	<b><u>Off-site</u></b>	<b><u>0</u></b>	
<b><u>MSA 6840 (Rochester, NY)</u></b>	<b><u>Off-site</u></b>	<b><u>0</u></b>	
<b><u>MSA 2335 (Elmira, NY)</u></b>	<b><u>Off-site</u></b>	<b><u>0</u></b>	
<b><u>MSA 3610 (Jamestown, NY)</u></b>	<b><u>Off-site</u></b>	<b><u>0</u></b>	
<b><u>MSA 8680 (Utica-Rome, NY)</u></b>	<b><u>On-site</u></b>	<b><u>3</u></b>	
<b><u>MSA 8160 (Syracuse, NY)</u></b>	<b><u>Off-site</u></b>	<b><u>0</u></b>	

<u>MSA 0960 (Binghamton, NY)</u>	<u>Off-site</u>	<u>0</u>	
<u>MSA 0160 (Albany-Schenectady-Troy, NY)</u>	<u>On-site</u>	<u>5</u>	
<u>MSA 5660 (Newburgh, NY-PA)</u>	<u>On-site</u>	<u>1</u>	
<u>MSA 2281 (Dutchess County, NY)</u>	<u>On-site</u>	<u>3</u>	
<u>MSA 2975 (Glens Falls, NY)</u>	<u>Off-site</u>	<u>0</u>	
<u>MSA 5600 (New York, NY)</u>	<u>On-site</u>	<u>0</u>	
<u>MSA 5380 (Nassau-Suffolk, NY)</u>	<u>Off-site</u>	<u>0</u>	
<u>Non-MSA</u>	<u>Off-site</u>	<u>5</u>	



