

PUBLIC DISCLOSURE

December 1, 1997

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank: The Cortland Savings and Banking Company
RSSD #846619
194 West Main Street
Cortland, Ohio 44410

Supervisory Agency: Federal Reserve Bank of Cleveland
P.O. Box 6387
Cleveland, Ohio 44101-1387

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

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I. 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 The Cortland Savings and Banking Company prepared by The Federal Reserve Bank of Cleveland, the institution's supervisory agency, as of December 1, 1997. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than the individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A of 12 CFR Part 228.

II. DESCRIPTION OF INSTITUTION

The Cortland Savings and Banking Company ("CSBC") is a subsidiary of Cortland Bancorp, a one-bank holding company. Both CSBC and the holding company have their headquarters in Cortland, Ohio. As of June 30, 1997 Cortland Bancorp had total assets of \$390,236,000.

CSBC operates 13 branches in four counties in Ohio. Detailed descriptions of the bank's assessment areas can be found in the "Description of Assessment Area" section of this report. CSBC is a full service financial institution offering a range of commercial and consumer lending, deposit, and trust services. Table 1 presents some key financial information for the bank.

Total Assets	\$387,946,000
Total Deposits	\$324,398,000
Total Loans & Leases	\$178,020,000
Loans Secured by Real Estate	\$134,170,000
Loans Secured by 1- to 4-Family Residential Properties	\$75,878,000
Loans Secured by Multifamily Residential Properties	\$3,247,000
Commercial & Industrial Loans	\$18,679,000
Consumer Loans	\$20,648,000

Based on CSBC's asset size and financial condition, there are no obstacles to the bank's

ability to meet the credit needs of its assessment areas. Nor are there any legal or other impediments, which would hamper CSBC's ability to meet its communities' credit needs.

III. DESCRIPTION OF ASSESSMENT AREA

CSBC has defined two assessment areas, both of which comply with the requirements of the Community Reinvestment Act ("CRA") and do not arbitrarily exclude low- or moderate-income geographies; i.e., census tracts or block numbering areas. This evaluation focused on the bank's performance in the Youngstown-Warren, Ohio Metropolitan Statistical Areas (AYoungstown MSA@) 9320 and the Akron, Ohio Primary Metropolitan Statistical Area (AAkron PMSA@) 0080.

The northern assessment area is comprised of all of Trumbull County; all of Portage County, except for the townships of Deerfield, Atwater, Randolph, and Suffield; and census tracts 13.98 and 14.98 in Ashtabula County. Trumbull County is part of the Youngstown-Warren, Ohio MSA 9320, Portage County is part of the Akron, Ohio MSA 0080, and Ashtabula County is located in the Cleveland-Lorain-Elyria, Ohio PMSA 1680.

The southern assessment area is made up of the following portions of Mahoning County: census tracts 8110, 8112, 8119, and 8120 which are located in Boardman and Poland Townships and all of Beaver and Springfield Townships. Mahoning County is located in the Youngstown MSA 9320.

The following table shows the population and median family incomes of the portions of the bank's assessment areas found within each MSA.

MSA	Population	Median Family Income
9320	270,636	\$34,154
0080	142,636	\$35,691
1680	12,961	\$28,456

Tables 3 and 4 present relevant demographic information for the portions of the assessment areas, which fall with MSA 9320.

Type of Geography¹	# and % of Geographies	# and % of Population	# and % of Families	# and % of OO* Units
Low-Income	5 7.9%	1,500 .6%	387 .5%	154 .2%
Moderate-Income	6 9.5%	18,575 6.9%	4,723 6.2%	3,814 5%
Middle-Income	30 47.6%	142,741 52.7%	39,648 52.2%	39,152 51.8%
Upper-Income	22 34.9%	107,820 39.8%	31,136 41%	32,430 42.9%
Total	63	270,636	75,894	75,550

*Owner-occupied

Family Income Level	Number of Families	% of Families
Low-Income	11,797	15.5%
Moderate-Income	12,785	16.8%
Middle-Income	16,816	22.2%
Upper-Income	34,496	45.5%
Below Poverty Level*	6,476	8.5%

*Subset of low-income families

Within the Youngstown MSA assessment area, there were 106,749 housing units. Of these units, 70.8% were owner-occupied, 24.6% were rental units, and 4.7% were vacant. The median housing value was \$56,134 and the median gross rent was \$352 per month. The median age of the housing stock was 47 years with 32.8% of the housing stock built prior to 1950. The following table shows the breakdown of types of dwellings found within this portion of the assessment area.

Table 5 Types of Housing Units by Geographies
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¹Low-, moderate-, middle-, and upper-income are defined as follows:

Low-income: Up to 50% of the median MSA family income.

Moderate-income: Greater than 50% up to 80% of the median MSA family income.

Middle-income: Greater than 80% up to 120% of the median MSA family income.

Upper-income: Greater than 120% of the median MSA family income.

Family Income Level	1- to 4-Units	5 or more Units	Mobile Homes	Other Units
Low-Income	476	68	0	24
Moderate-Income	6,555	596	457	171
Middle-Income	47,046	5,925	3,533	426
Upper-Income	35,657	3,866	1,684	265

In Trumbull County, as of 1993, there were 263 manufacturing establishments, which employed 34,135 employees. The 1,656 service industry establishments provided employment to 19,384 individuals. The unemployment rate as of November 1997 was 5.1% compared to the national rate of 4.3% and the State of Ohio rate 4.2%.²

As of the 1990 census, Mahoning County had one of the highest poverty rates in the state. However, the portion of the county within the bank-s assessment area is the area of greatest economic growth. As of 1994, 2,333 service industry firms employed 32,908 employees followed by 1,708 retail establishments, which employed 24,182 people. As of November 1997, the county unemployment rate was 5.8%.

Tables 6 and 7 present relevant demographic information for the portion of the assessment area, which falls within PMSA 0080.

Table 6 Demographic Data by Geography				
Type of Geography	# and % of Geographies	# and % of Population	# and % of Families	# and % of OO* Units
Moderate-Income	1 3.7%	4,647 3.3%	1,255 3.5%	1,088 3.2%
Middle-Income	22 81.5%	119,935 84.1%	29,591 82.1%	27,988 81.1%
Upper-Income	4 14.8%	18,003 12.6%	5,198 14.4%	5,429 15.7%
Total	27	142,585	36,044	34,505

* Owner-occupied units

Table 7 Demographic Data by Income Level		
Family Income Level	Number of Families	% of Families

² Ohio Labor Market Information, Ohio Bureau of Employment Services

Low-Income	6,231	17.3%
Moderate-Income	6,652	18.5%
Middle-Income	9,177	25.5%
Upper-Income	13,984	38.8%
Below Poverty Level*	2,728	7.6%

*Subset of low-income families

Within the Akron PMSA assessment area, there were 52,299 housing units. Of these units, 66% were owner-occupied, 28.2% were rental units, and 5.9% were vacant. The median housing value was \$68,845 and the median gross rent was \$407 per month. The median age of the housing stock was 33 years with 27% of the housing stock built prior to 1950. The following table shows the breakdown of types of dwellings found within this portion of the assessment area.

Family Income Level	1- to 4-Units	5 or more Units	Mobile Homes	Other Units
Moderate-Income	1,346	178	1,346	29
Middle-Income	32,270	6,367	4,484	279
Upper-Income	6,049	553	339	47

As of 1994, 292 manufacturing firms in Portage County employed 11,134 people and 841 service establishments employed 9,399 people. The unemployment rate, as of November 1997 was 3.5%. Tables 9 and 10 present relevant demographic information for the portion of the assessment area which falls within the Cleveland PMSA 1680.

Type of Geography	# and % of Geographies	# and % of Population	# and % of Families	# and % of OO* Units
Moderate-Income	1 50%	6,892 53.2%	1,781 52.9%	1,835 55.2%
Middle-Income	1 50%	6,069 46.8%	1,587 47.1%	1,491 44.8%
Total	43	174,007	48,760	46,766

* Owner-occupied units

Family Income Level*	Number of Families	% of Families
Low-Income	1,066	31.7%

Moderate-Income	662	19.7%
Middle-Income	863	25.6%
Upper-Income	777	23.1%
Below Poverty Level*	510	15.1%

* Subset of low-income families

Within the Cleveland PMSA portion of the assessment area, there were 5,235 housing units of which 63.5% were owner-occupied, 20.8% were rental units, and 15.6% were vacant. The median housing value was \$47,034 and the median gross rent was \$353 per month. The median housing age was 47 years with 42.5% of the housing stock built prior to 1950. The following table shows the breakdown of dwellings by geographies.

Family Income Level	1- to 4-Units	5 or more Units	Mobile Homes	Other Units
Moderate-Income	2,298	52	672	29
Middle-Income	1,807	130	239	8

In Ashtabula County, 168 manufacturing firms employ 8,501 employees followed by 703 service industry establishments, which employ 6,802 people. As of November 1997, the unemployment rate was 6%.

See Appendix B for a map of CSBC-s assessment areas.

IV. INSTITUTION RATING

This institution is rated "Satisfactory."

Major factors contributing to this rating include:

- ! substantial majority of loans made within the assessment areas;
- ! high level of lending to low- and moderate-income borrowers;
- ! majority of small business and small farm loans made to businesses and farms with gross annual revenues of \$1 million or less;
- ! flexible lending practices including structuring loans to meet needs of individuals borrowers;
- ! grants and donations to organizations which assist low- and moderate-income individuals and families;
- ! services tailored to the needs of the assessment area; and
- ! involvement of bank personnel in services which assist low- and moderate-income areas, individuals, and families and services which promote economic revitalization and assist small businesses.

Table 12 indicates the performance level of CSBC with respect to the lending, investment, and service tests.

Table 12 THE CORTLAND SAVINGS & BANKING COMPANY PERFORMANCE TESTS			
PERFORMANCE LEVELS	LENDING TEST*	INVESTMENT TEST	SERVICE TEST
Outstanding			X
High Satisfactory	X		
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

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

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Lending Test

Lending Activity

As of September 31, 1997, CSBC had \$178,020,000 in loans and leases. The majority of the lending activity was related to real estate loans, particularly 1- to 4-family and non-farm non-residential real estate loans. The bank also extends a large number of commercial and industrial loans and loans to individuals. For purposes of this evaluation, the following loan types originated in 1996 were reviewed:

- ! Conventional home purchase,
- ! Home refinancing,
- ! Home improvement,
- ! Home equity,
- ! Motor vehicle,
- ! Other - secured
- ! Other - unsecured
- ! Small business³

Table 13 shows the number and amount of the bank's lending inside of its assessment areas by loan product for each year.

Table 13

³Small business and small farm loans are commercial loans <=\$1,000,000.00

Lending Within Assessment Areas by Loan Product				
Loan Type	Number of Loans	% of Total Loans	Amount of Loans	% of Total Loans
Home Purchase	98	91.6%	\$5,550,000	88.3%
Home Refinancing	99	95.2%	\$4,889,000	92.3%
Home Improvement	309	97.2%	\$2,956,000	96.3%
Motor Vehicle	1,058	90.4%	\$10,329,000	89.2%
Home Equity	1,093	94.2%	\$34,146,000	90.6%
Other - secured	844	87.6%	\$6,407,000	86.7%
Other - unsecured	1,050	96.4%	\$3,344,000	95.2%
Small Business	471	85.3%	\$30,595,000	79.7%

This table shows that nearly all of the loans are within CSBC's assessment areas.

Geographic Distribution

Although CSBC's assessment areas include 92 census tracts ("CTs"), two moderate-income tracts and one upper-income tract had populations of less than 500. Four of the five low-income tracts had zero population. Of the remaining 85 CTs, the percentage of tracts by income level is as follows:

!	Low-income	1.18%
!	Moderate-income	7.06%
!	Middle-income	62.35%
!	Upper-income	29.41%

An analysis of the bank's loans originated in 1996 and year-to-date 1997 reflected an adequate distribution of loans with the bank's assessment areas. The following table shows the distribution as a percentage of each loan type by number and dollar amount of loans.

Table 14 Lending Within Assessment Area by Income Level of Census Tracts								
Loan Type	Low-Income		Moderate-Income		Middle-Income		Upper-Income	
	#/\$	%	#/\$	%	#/\$	%	#/\$	%
Home	1	.6%	7	7.1%	46	46.9%	44	44.9%

Purchase	\$18,000	.2%	\$160,000	2.9%	\$2,581,000	46.5%	\$2,791,000	50.3%
Home Refinancing	0 \$0	0% 0%	1 \$10,000	1% .2%	60 \$2,749,000	60.6% 56.2%	38 \$2,130,000	38.4% 43.6%
Home Improvement	1 \$5,000	.3% .2%	19 \$179,000	6.1% 6.1%	168 \$1,628,000	54.4% 55.1%	121 \$1,144,000	39.2% 38.7%
Motor Vehicle	1 \$12,000	.1% .1%	86 \$746,000	8.1% 7.2%	607 \$5,749,000	57.4% 55.7%	364 \$3,822,000	34.4% 37%
Home Equity	3 \$31,000	.3% .1%	47 \$880,000	4.3% 2.6%	606 \$16,936,000	55.4% 47.7%	437 \$16,936,000	40% 49.6%
Other-secured	0 \$0	0% 0%	38 \$522,000	4.5% 8.1%	512 \$3,376,000	60.7% 52.7%	294 \$2,509,000	34.8% 40.1%
Other-unsecured	0 \$0	0% 0%	76 \$222,000	7.2% 6.6%	566 \$1,780,000	53.9% 53.2%	408 \$1,342,000	38.9% 40.1%
Small Business	1 \$50,000	.4% .4%	40 \$2,085,000	8.5% 6.8%	244 \$18,447,000	51.8% 60.3%	186 \$10,013,000	39.5% 32.7%

Borrower Distribution

CSBC's loans reflect a high distribution of loans among individuals of different income levels and businesses of different sizes. The bank's level of lending to low- and moderate-income borrowers is particularly high in consumer loans. Also, lending levels for real estate-related loans are very high to low- and moderate-income borrowers.

Table 15 shows the distribution of loans by the income level of the borrowers.

Table 15 Lending Within Assessment Area by Income Level of Borrowers								
Loan Type	Low-Income		Moderate-Income		Middle-Income		Upper-Income	
	#/\$	%	#/\$	%	#/\$	%	#/\$	%
Home	10	10.2%	24	24.5%	27	27.6%	36	36.7%

Purchase	\$157,000	2.8%	\$968,000	17.4%	\$1,312,000	23.6%	\$3,070,000	55.3%
Home Refinancing	5 \$193,000	5.1% 3.9%	21 \$572,000	21.2% 11.7%	32 \$1,393,000	32.3% 28.5%	41 \$2,731,000	41.4% 55.9%
Home Improvement	34 \$287,000	11% 9.7%	70 \$518,000	22.7% 17.5%	89 \$789,000	28.8% 26.7%	112 \$1,344,000	36.2% 45.5%
Motor Vehicle	202 \$1,414,000	19.1% 13.7%	286 \$2,604,000	27% 25.2%	251 \$2,481,000	23.7% 24%	243 \$2,987,000	23% 28.9%
Home Equity	90 \$1,452,000	8.2% 4.3%	211 \$4,450,000	19.3% 13%	310 \$8,338,000	28.4% 24.4%	398 \$17,548,000	36.4% 51.4%
Other secured	152 \$646,000	18% 10.1%	209 \$1,341,000	24.8% 20.9%	144 \$981,000	17.1% 15.3%	158 \$2,042,000	18.7% 31.9%
Other unsecured	164 \$377,000	15.6% 11.3%	243 \$681,000	23.1% 20.4%	255 \$838,000	24.3% 25.1%	275 \$1,032,000	26.2% 30.9%

Of the bank's small business loans, the majority was made to businesses with gross annual revenues of \$1 million or less.

Table 16 shows the distribution of loans to small businesses based on loan amount.

Table 16 Distribution of Small Business Loans			
	Loan Amount ≤ \$100,000	Loan Amount > \$100,000 ≤ \$250,000	Loan Amount > \$250,000
Of Loans for this Amount, % to small businesses	96.8%	94.7%	96.2%
Of Loans to small businesses, % in this Loan Amount	97.9%	94.8%	96.7%

Community Development Loans

The Reinvestment Partnership Corporation is a consortium of banks which makes loans to small businesses for either start-up costs or expansion. All of the companies, which receive funding, do not meet standard commercial loan underwriting criteria or qualify for any type of Small Business Administration (SBA) funding. CSBC has made two loans to this organization.

Innovative/Flexible Lending Criteria

The bank's general lending criteria is flexible and loan officers try to tailor a loan structure to meet the individual needs of each applicant. CSBC has no minimum loan amount criteria and will finance nonconforming collateral. Additionally, the bank will evaluate nontraditional sources of credit history.

CSBC offers the Freddie Mac Gold 97, Gold 3/2, and Gold 5 real estate mortgage loan programs through its mortgage loan originator. All of these products offer more flexible terms. However, because the bank does not have staff qualified to process these programs, they are offered through Flagstar Bank, CSBC's outside investor.

The bank also participates in the Home Ownership Program sponsored by the City of Warren and Trumbull County, programs offered by the Farmers Home Administration, and a program in conjunction with the RECDs to provide rural housing to low- and moderate-income borrowers.

In the commercial lending area, the bank developed a revolving line-of-credit product, which is a piggybacked off CSBC's home equity line of credit system. The bank offers small secured or unsecured commercial lines of equity which are set up on CSBC's home equity line of credit system. These lines of credit have a draw and repayment period with a minimum payment due each month.

CSBC is one of a consortium of banks which participates in the Warren-Trumbull Reinvestment Corporation. This partnership of financial institutions and local government provides loans to small businesses, which do not meet standard underwriting criteria. In addition, the bank offers SBA and State of Ohio Linked Deposit Loans. Since the previous examination, CSBC has made \$352,600 in SBA loans and \$664,297 in Linked Deposit loans.

Investment Test

CSBC has been seeking out securities, which meet the definition of "Qualified investment", but to date, has been unsuccessful in finding any issues.

In addition to making monetary donations to organizations, which serve low- and moderate-income neighborhoods and individuals, the bank provides other forms of support to these organizations. The Rebecca Williams Community Center is located in a low-income area of Warren Ohio. Not only has the bank donated cases of food to the center, but it also paid for an upgrade to the center's computer system. CSBC also regularly provides food to Someplace Safe, a battered women's shelter.

Operation Torchlight is a program, which assists low- and moderate-income teenage mothers, providing childcare so that these young women can complete their education. The bank pays the monthly rent for this organization.

The bank's community development loans have been made at interest rates below market

rates. The foregone interest on one loan equals \$4,390. The other loan is a line of credit on which the rate is based on several indices. All of the indices are less than 6% and there is no margin. The bank foregoes approximately \$5,500 in interest income annually.

CSBC is responsive to credit and community development needs and is actively seeking out opportunities to address those needs.

Service Test

Retail Banking Services

CSBC's retail banking systems are accessible to essentially all geographies within the bank's assessment area. One branch is located in a moderate-income census tract, nine branches in middle-income tracts, and three branches in upper-income tracts. The bank has one free-standing ATM which is located at the Youngstown-Warren Regional Airport. The Boardman branch, which is located in an upper-income tract south of Youngstown, was opened since the previous examination.

All of the bank's branches, except Boardman, are open until 6:00 p.m. on Friday and until 12:00 p.m. on Saturdays. The drive-up windows at the Brookfield, Windham, Warren, and Hubbard offices are open until 7:00 p.m. each weekday. At the main office, the drive-up window opens at 8:00 am and is open until 7:00 p.m. from Monday through Thursday, until 8:00 p.m. on Friday, and until 1:00 p.m. on Saturday.

Community Development Services

CSBC and its employees provide community development services including technical assistance for small business initiatives, youth, and other community and economic development efforts. The following partial list further details some of these activities.

- ! *Youngstown State University (AYSU@) Small Business Institute* - Several bank employees participate in this program which assists small businesses.
- ! *Castlo Industrial Park* - An employee is a board member of this industrial park, which tries to attract businesses to Castlo.
- ! *Someplace Safe* - An employee is chairperson of finance and personnel for this battered women's shelter.
- ! *Family Service Association* - A representative of the bank serves as a board member of this organization, which provides counseling, including credit counseling. Approximately 80% of the clientele are low- and moderate-income individuals.
- ! *Warren/Trumbull Mini-Loan Fund* - An employee serves as treasurer of this

organization, which provides credit facilities to businesses who do not qualify for traditional financing.

- ! *Ohio Job Service Employers Committee* - A representative of the bank is the vice chairman of this organization which provides vocational training for former welfare recipients.
- ! *Northeast Ohio One-Stop Association* - The same representative is a member of this coalition of agencies, which is addressing employment issues for former welfare recipients.

CSBC and other banks were also sponsors of the Mahoning Valley African-American Church-to-Business Economic Summit. The summit addressed ways in which churches and businesses can work together to promote economic development.

The bank has written fair lending policies and procedures. Fair lending and CRA training are provided regularly. No violations of the substantive provisions of the antidiscrimination laws and regulations were identified.

V. YOUNGSTOWN-WARREN, OHIO MSA 9320

DESCRIPTION OF INSTITUTION-S OPERATIONS IN MSA 9320

CSBC has designated all of Trumbull County and a portion of Mahoning County as part of its assessment areas. This area falls within the Youngstown-Warren, Ohio MSA 9320. See the "Description of Assessment Area" section of this report for a detailed discussion of this assessment area.

The bank operates nine banking offices in this MSA which represents 69% of the bank-s total banking offices. Operations in this assessment area account for the majority of the bank's loans and deposits. Primary competition includes National City Bank; Bank One, N.A.; First Federal Savings & Loan Association of Warren; The Mahoning National Bank; The Second National Bank of Warren; and Security Dollar Bank.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA IN MSA 9320

Lending Test

Lending Activity

Table 17 shows the number of loans originated by within the bank-s assessment area in MSA 9320.

Loan Type	# of Loans	\$ Amount of Loans
Home Purchase	107	\$6,288,000
Home Refinancing	104	\$5,296,000
Home Improvement	318	\$3,071,000
Motor Vehicle	1,170	\$11,579,000
Home Equity	1,160	\$37,683,000
Other - Secured	964	\$7,394,000
Other - Unsecured	1,089	\$3,513,000
Small Business	552	\$38,371,000

Geographic Distribution

CSBC has an adequate penetration of geographies within the assessment area. There are 63 census tracts within this assessment area. Four of the five low-income tracts have zero population. Additionally, one of the 22 upper-income tracts has a population of less than 500. Of the tracts with populations of 500 or more, one (1.7%) is low-income, six (10.2%) are moderate-income, 30 (50.8%) are middle-income, and 21 (35.6%) are upper-income.

The following table shows the distribution of loans as a percentage of each loan type by number and dollar amount of loans.

Loan Type	Low-Income		Moderate-Income		Middle-Income		Upper-Income	
	#/\$	%	#/\$	%	#/\$	%	#/\$	%
Home Purchase	1 \$18,000	1.3% .4%	3 \$43,000	3.8% .9%	30 \$1,821,000	38.5% 39%	44 \$2,791,000	56.4% 59.7%
Home Refinancing	0 \$0	0% 0%	0 \$0	0% 0%	47 \$2,122,000	56% 50.1%	37 \$2,115,000	44% 49.9%

Home Improvement	1 \$5,000	.4% .2%	9 \$35,000	3.4% 1.4%	137 \$1,243,000	51.5% 51.3%	119 \$1,138,000	44.7% 47%
Motor Vehicle	1 \$12,000	.1% .1%	28 \$215,000	3.3% 2.6%	457 \$4,186,000	53.9% 50.9%	362 \$3,812,000	42.7% 46.4%
Home Equity	3 \$31,000	.3% .1%	11 \$126,000	1.2% .4%	442 \$11,544,000	49.8% 41.1%	431 \$16,397,000	48.6% 58.4%
Other-secured	0 \$0	0% 0%	5 \$82,000	.7% 1.6%	389 \$2,601,000	56.9% 50.8%	290 \$2,440,000	42.4% 47.6%
Other-unsecured	0 \$0	0% 0%	26 \$77,000	3% 2.8%	440 \$1,379,000	50.5% 49.5%	405 \$1,330,000	46.5% 47.7%
Small Business	1 \$50,000	.2% .2%	30 \$1,797,000	7.3% 7%	196 \$13,968,000	47.6% 54.5%	185 \$9,793,000	44.9% 38.2%

Borrower Distribution

CSBC's loans in the Youngstown MSA reflect an excellent distribution of loans among individuals of different income levels and businesses of different sizes. The bank's level of lending to low- and moderate-income borrowers is particularly high in the area of consumer lending. The following table shows the distribution by the income levels of the borrowers.

Table 19 Lending Within Assessment Area by Income Level of Borrowers								
Loan Type	Low-Income		Moderate-Income		Middle-Income		Upper-Income	
	#/\$	%	#/\$	%	#/\$	%	#/\$	%
Home Purchase	6 \$106,000	7.7% 2.3%	18 \$673,000	23.1% 14.4%	20 \$985,000	25.6% 21.1%	33 \$2,866,000	42.3% 61.3%
Home	4	4.8%	18	21.4%	24	28.6%	38	45.2%

Refinancing	\$156,000	3.7%	\$488,000	11.5%	\$988,000	23.3%	\$2,605,000	61.5%
Home Improvement	28 \$215,000	10.5% 8.9%	60 \$434,000	22.6% 17.9%	72 \$556,000	27.1% 23%	102 \$1,198,000	38.3% 49.5%
Motor Vehicle	150 \$1,026,000	17.7% 12.5%	228 \$2,087,000	26.9% 25.4%	195 \$1,857,000	23% 22.6%	211 \$2,523,000	24.9% 30.7%
Home Equity	72 \$1,122,000	8.1% 4%	161 \$3,287,000	18.2% 11.7%	230 \$6,012,000	25.9% 21.4%	353 \$15,584,000	39.8% 55.5%
Other-secured	122 \$543,000	17.8% 10.6%	171 \$1,055,000	25% 20.6%	107 \$708,000	15.6% 13.8%	137 \$1,689,000	20% 33%
Other-unsecured	136 \$323,000	15.6% 11.6%	190 \$538,000	21.8% 19.3%	212 \$704,000	24.3% 25.3%	241 \$889,000	27.7% 31.9%

The majority of small business loans made in MSA 9320 were to businesses with gross annual revenues of \$1 million or less as is reflected in the following table.

Table 20 Distribution of Small Business Loans			
	Loan Amount ≤\$100,000	Loan Amount > \$100,000 ≤ \$250,000	Loan Amount > \$250,000
Of Loans for this Amount, % to small businesses	97.2%	93.9%	94.7%
Of Loans to small businesses, % in this Loan Amount	97.7%	93.9%	95.7%

Community Development Loans

The two community development loans discussed previously were made to an organization, which serves small businesses in Trumbull County.

Innovative/Flexible Lending Criteria

All of the loan products listed in the general discussion of the bank's innovative and flexible lending criteria are available in the Youngstown MSA assessment areas.

Programs offered in conjunction with local governments include the Warren-Trumbull

Home Ownership Program and the Warren-Trumbull Reinvestment Corporation loans.

Investment Test

The majority of the bank's qualified investments discussed previously benefit the areas served in the Youngstown MSA.

Service Test

Retail Banking Services

CSBC's offices are readily accessible to all geographies within the bank's assessment area. Of the nine offices located in this MSA, six are located in middle-income tracts and three, one of which is the new Boardman office, are located in upper-income tracts. The off-premise ATM located at the airport is in an upper-income tract.

Community Development Service

The same services, including community development services are available throughout CSBC's assessment areas. Except for the services involving working with former welfare recipients which serves a greater than the bank's assessment areas, all of the organizations and activities discussed previously are located within this MSA.

VI. AKRON, OHIO PMSA 0080

DESCRIPTION OF INSTITUTION'S OPERATIONS IN PMSA 0080

The bank has designated of Portage County, except for the townships of Deerfield, Atwater, Randolph, and Suffield, part of its assessment area. Portage County is located in Akron PMSA 0080. See the "Description of Assessment Area" section of this report for a detailed discussion of this assessment area.

CSBC provides services at three banking offices in PMSA 0080 which accounts for 23% of the bank's branches. Operations in this assessment area represent a small portion of the bank's loans and deposits. Primary competition includes Bank One, N.A.; and The Second National Bank of Warren.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA IN PMSA 0080

Lending Test

Lending Activity

Of the loans reviewed for CRA analysis, CSBC originated 566 loans within PMSA 0080. Table 21 shows the breakdown of these loans by loan type.

Loan Type	# of Loans	\$ Amount of Loans
Home Purchase	15	\$720,000
Home Refinancing	13	\$605,000
Home Improvement	31	\$395,000
Motor Vehicle	88	\$799,000
Home Equity	148	\$4,770,000
Other - Secured	101	\$701,000
Other - Unsecured	110	\$378,000
Small Business	44	\$4,552,000

Geographic Distribution

CSBC has an adequate penetration of geographies within the assessment area. There are 27 census tracts within this assessment area of which one (3.7%) is moderate-income, 22 (81.5%) are middle-income, and four (14.8%) are upper-income. The following table shows the distribution of loans by geography.

Loan Type	Moderate-Income		Middle-Income		Upper-Income	
	#\$	%	#\$	%	#\$	%

Home Purchase	0 \$0	0% 0%	15 \$720,000	100% 100%	0 \$0	0% 0%
Home Refinancing	0 \$0	0% 0%	12 \$590,000	92.3% 97.5%	1 \$15,000	7.7% 2.5%
Home Improvement	2 \$72,000	6.5% 18.2%	27 \$317,000	87.1% 80.3%	2 \$6,000	6.5% 1.5%
Motor Vehicle	1 \$27,000	1.1% 3.4%	85 \$762,000	96.6% 95.4%	2 \$10,000	2.3% 1.3%
Home Equity	1 \$45,000	.7% .9%	141 \$4,186,000	95.3% 87.8%	6 \$539,000	4.1% 11.3%
Other-secured	0 \$0	0% 0%	97 \$632,000	96% 90.2%	4 \$68,000	4% 9.7%
Other-unsecured	0 \$0	0% 0%	107 \$366,000	97.3% 96.8%	3 \$12,000	2.7% 3.2%
Small Business	0 \$0	0% 0%	43 \$4,332,000	97.7% 95.2%	1 \$220,000	2.3% 4.8%

Borrower Distribution

The following table shows the distribution of loans based on the borrowers' incomes by number of loans and by the total dollar amount of loans. As can be seen from the table, the distribution by borrowers' income level is very balanced among income levels.

Table 23 Lending Within Assessment Area By Income Level of Borrowers								
Loan Type	Low-Income		Moderate-Income		Middle-Income		Upper-Income	
	#/\$	%	#/\$	%	#/\$	%	#/\$	%
Home Purchase	4 \$51,000	26.7% 7.1%	5 \$270,000	33.3% 37.5%	4 \$235,000	26.7% 32.6%	2 \$164,000	13.3% 22.8%

Home Refinancing	0 \$0	0% 0%	2 \$74,000	15.4% 12.2%	8 \$405,000	61.5% 66.9%	3 \$126,000	23.1% 20.8%
Home Improvement	4 \$58,000	12.9% 14.7%	9 \$74,000	29% 18.7%	9 \$123,000	29% 31.1%	9 \$140,000	29% 35.4%
Motor Vehicle	15 \$94,000	17% 11.8%	24 \$171,000	27.3% 21.4%	21 \$208,000	23.9% 26%	22 \$267,000	25% 33.4%
Home Equity	11 \$218,000	7.4% 4.6%	29 \$801,000	19.6% 16.8%	55 \$1,712,000	37.2% 35.9%	41 \$1,805,000	27.7% 37.8%
Other-secured	24 \$85,000	23.8% 12.2%	20 \$82,000	19.8% 11.7%	25 \$187,000	24.8% 26.8%	11 \$171,000	10.9% 24.5%
Other-unsecured	10 \$17,000	9.1% 4.5%	33 \$78,000	30% 20.7%	23 \$90,000	20.9% 23.9%	27 \$121,000	24.5% 32.1%

Of the small business loans in amounts less than or equal to \$100,000 made in PMSA 0080, 93.8% of the loans were made to businesses with gross annual revenues of \$1 million or less. By dollar amount, these loans made up 99.4% of the loan of \$100,000 or less. Of the small business loans greater than \$100,000, 100% were made to businesses with gross annual revenues of \$1 million or less.

Community Development Loans

No community development loans were made within this PMSA.

Innovative/Flexible Lending Criteria

All of the loan products listed in the general discussion of the bank's innovative and flexible lending criteria, except for those offered in conjunction with certain local municipalities and counties, are available in the Akron PMSA assessment area.

Investment Test

There were no qualified investments specifically targeted to this assessment area.

Service Test

Retail Banking Services

All three branches are located in middle-income census tracts. No branches were opened or closed since the previous examination.

Community Development Service

The same services, including community development services, are available throughout CSBC's assessment areas. The work done with former welfare recipients benefits all

portions of the bank's assessment areas. Also, Portage and Trumbull Counties are adjacent and many of the services which benefit the Youngstown MSA area have a beneficial impact on Portage County.

VII. APPENDIX A

SCOPE OF THE EXAMINATION

This examination covered the time period since 1995. The analysis included a review of the data required to be reported under the Home Mortgage Disclosure Act (home purchase, home improvement, and home refinance) as well as the Community Reinvestment Act (small business and community development loans). Multi-family loans were not reviewed because of the minimal number of these loans generated by the bank. CSBC also elected to have its consumer loan data considered. Consumer loan data was categorized as motor vehicle loans, credit card, home equity, other-secured consumer loans, and other-unsecured consumer loans. Because of the small volume of credit card loans, this category was not included in the evaluation. Two of the MSAs, which comprise the bank's assessment areas were reviewed and evaluated.

VII. APPENDIX B

ASSESSMENT AREA MAPS