PUBLIC DISCLOSURE

November 18, 2002

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Deutsche Bank Trust Company Americas
RSSD No. 214807

31 West 52nd Street
New York, NY 10019

Federal Reserve Bank of New York

33 Liberty Street
New York, New York 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.

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INSTITUTION

INSTITUTION'S CRA RATING: Deutsche Bank Trust Company Americas is rated **"OUTSTANDING."**

For the examination period of June 6, 2000, through September 30, 2002, the rating of the bank is based on the following performance criteria specified under the Community Reinvestment Act ("CRA") with respect to the community development test for wholesale institutions:

- High levels of community development loans, qualified investments and community development services.
- Excellent responsiveness to credit and community development needs in the bank's assessment area.
- Innovative and flexible products that exhibited excellent responsiveness to community development needs in the bank's assessment area.

DESCRIPTION OF INSTITUTION

Deutsche Bank Trust Company Americas ("Deutsche Bank") is a state-chartered banking institution headquartered in New York, New York. The bank provides investment management, private banking and fiduciary services to high net-worth individuals and institutions throughout the New York area. The bank's assets totaled $44 billion as of June 30, 2002, with net loans and leases of $15 billion and total deposits of $20 billion.

Deutsche Bank does not extend home mortgages, small business loans or consumer credit to retail customers or to the public in general. The bank does, however, originate loans to accommodate its private banking clientele. On August 18, 1997, the Board of Governors of the Federal Reserve ("the Board") designated Deutsche Bank (previously known as Bankers Trust Company) as a wholesale bank. The designation was reaffirmed at this examination.

Deutsche Bank is the principal subsidiary of Deutsche Bank Trust Corporation Americas ("Deutsche Bank Trust"), a bank holding company also based in New York City. Deutsche Bank Trust is a wholly owned subsidiary of Taunus Corporation, the U.S. bank holding company of Deutsche Bank AG, based in Frankfurt, Germany. Corporate assets totaled $62 billion as of June 30, 2002.

Bankers Trust Corporation and its subsidiaries were acquired by Deutsche Bank AG on June 4, 1999. Bankers Trust Corporation and Bankers Trust Company officially changed their corporate names on April 15, 2002, to Deutsche Bank Trust Corporation Americas and Deutsche Bank Trust Company Americas, respectively.

In the U.S., Deutsche Bank has three divisions subject to consumer banking regulations:

- Global Institutional Services, which provides various fiduciary and financial services for institutional clients.
- Real Estate Investment Banking, which provides loans, debt and equity financing to the real estate market. It also makes proprietary investments in real estate-related securities.
- Private Banking, which provides trust and investment management services for high net-worth individuals and institutions. The division is located at 280 Park Avenue in New York City.

The Global Institutional Services and Real Estate Investment Banking divisions were located in New York City at 130 Liberty Street, a building that was severely damaged in the September 11, 2001, terrorist attacks. More than 4,000 Deutsche Bank employees were displaced from their offices throughout lower Manhattan, impacting the bank's entire U.S. operations.

The offices of Deutsche Bank Community Development Group and Deutsche Bank Americas Foundation also were located at 130 Liberty Street. Since September 11, 2001, environmental contamination has prevented access to the files and records in these offices or in the building's basement vaults. The bank was unable to return to the Liberty Street site and has relocated its business lines throughout its other midtown Manhattan locations. It was not until January 2002 that the Community Development Group and the foundation were able to secure permanent offices. Although efforts to become fully operational immediately after September 11th allowed the community development team to resume business activities, it was severely constrained by a lack of files, inadequate technology and a shifting of focus to disaster relief. These operational constraints were taken into consideration when assessing the bank's CRA performance.

DESCRIPTION OF ASSESSMENT AREA

All Deutsche Bank offices are located in Manhattan. Accordingly, the bank has designated as its assessment area the portion of Primary Metropolitan Statistical Area ("PMSA") 5600 (New York, NY), consisting of the New York City counties of the Bronx, Kings (Brooklyn), New York (Manhattan), Richmond (Staten Island) and Queens.

The assessment area, unchanged since the previous examination, is in compliance with the requirements of Section 228.41 of Regulation BB. A map of the assessment area is on page BB13 in the appendices.

Deutsche Bank's previous CRA examination was conducted as of June 5, 2000, at which time the bank received an overall rating of "outstanding." There are no financial or legal factors that would keep the bank from fulfilling its responsibilities under CRA.

Performance is evaluated in terms of the demographic and economic context in which the bank operates. The data used to describe the bank's assessment area and evaluate the bank's performance context were obtained from publicly available sources including the U.S. Department of Commerce's Bureau of the Census (1990 and 2000), the U.S. Department of Labor, and the U.S. Department of Housing and Urban Development ("HUD").

PERFORMANCE CONTEXT

Demographic Characteristics

According to the 2000 Census, the population of the PMSA 5600 (New York, NY) assessment area is 8 million, which represents 86 percent of the PMSA overall and 44 percent of Consolidated Metropolitan Statistical Area ("CMSA") 5602 (New York-Northern New Jersey-Long Island, NY-NJ-CT-PA). The population of the PMSA 5600 assessment area increased by 9 percent since 1990.

Income Characteristics

The HUD-adjusted median family income for the CMSA 5602 assessment area averaged $64,696 in 2000. The HUD-adjusted median family income for PMSA 5600 was $56,200 in 2000 and $59,100 in 2001. The estimated median family income in 2002 is $62,800. These figures show increases of 50 percent, 58 percent and 67 percent, respectively, from the 1990 Census when the assessment area median income was $37,515.

In 1990, 82 percent of all low- and moderate-income ("LMI") families in the CMSA 5602 assessment area resided in the New York City portion of PMSA 5600 (New York, NY). Of the LMI geographies, 733 or 93 percent are located in the PMSA 5600 (New York, NY) portion of the assessment area. Most of the LMI tracts are located in Bronx and Kings Counties.

Housing Characteristics

Overall, the CMSA 5602 assessment area has approximately 4 million housing units, of which over 1 million or 33 percent are owner-occupied. The level of owner-occupancy in the PMSA 5600 (New York, NY) portion of the assessment area is only 27 percent.

Housing costs throughout the CMSA are very high, especially in relation to income levels, indicating a demand for affordable units, especially rentals. Community contacts made during the examination period confirmed these needs, and indicated that a significant portion of affordable housing is provided by community development organizations, many of which operate in the assessment area.

During the examination period, real estate prices increased in PMSA 5600 for existing single-family homes, according to the New York State Association of Realtors Monthly Housing Survey. In Queens, sales prices rose from $230,429 to $240,000 between 2000 and 2001, a 4 percent increase. Richmond prices escalated from $199,950 in 2000 to $235,000 in 2001, an increase of 18 percent. *The Corcoran Report* indicated that in New York County during 2000 the average sales price was $754 thousand, up from the 1999 figure of $614 thousand. Moreover, the *Insignia Douglas Elliman Manhattan Market Report for Year End 2001* noted increases in the average price of condominiums and cooperatives in New York County of 10 percent from $794,338 in 2000 to $872,737 in 2001. A comparison with the overall New York State sales prices shows the greater difficulty that LMI families in New York City have when purchasing a home. Even with a 12 percent increase from $130,000 in 2000 to $144,900 in 2001, the average statewide prices are far below those of New York City.

According to the 1999 New York City Housing and Vacancy Survey, the monthly rent averages $782, but that figure includes rent-protected units. Average market rents are significantly higher, particularly in Manhattan.

Labor, Employment and Economic Characteristics

During the examination period, the New York City economy contracted from its historic expansion in the 1990s. "Dot-com" and stock market declines caused thousands of layoffs. The events of September 11, 2001, intensified the decline, with many businesses moving to Westchester, Long Island, New Jersey and Connecticut. Unemployment in New York City increased from 4.8 percent in December 2000 to 6.5 percent in December 2001 making the PMSA unemployment rate the highest of any region in the state. During the latter period, Queens County recorded the lowest unemployment rate of 6.1 percent for the PMSA and Bronx County, the highest at 8.3 percent.

From April 2001 to April 2002, the number of private sector jobs in New York State decreased by 107,800 or 2 percent, mostly in manufacturing (45,000 jobs) and in finance, insurance and real estate (30,000 jobs). Employment also decreased in transportation and public utilities, wholesale trade, services, construction and retail trade. Governmental employment, however, increased during this period.

New York's economic conditions indicate a need for loans to help revitalize businesses in the city and develop new job opportunities. Job re-training programs are also important.

The assessment area provides ample community development loan and investment opportunities that could help meet both affordable housing and economic development needs. Local banks actively pursue opportunities for loans and investments including grants to strengthen the operational capacity of financial intermediaries.

SCOPE OF EXAMINATION

The evaluation of Deutsche Bank covers the period of June 6, 2000, through September 30, 2002. The bank's performance was evaluated using the *Interagency Procedures and Guidelines for Wholesale and Limited Purpose Institutions.* Under the investment test section of this report, funding of charitable grants and donations came from the bank as well as its affiliate Deutsche Bank Americas Foundation.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The Community Development Test is rated: **"OUTSTANDING."**

Based on the size of the institution, available opportunities, and the operational constraints related to September 11, 2001, Deutsche Bank provided a high level of community development loans, qualified investments and community development services that were responsive to credit and community development needs in the bank's assessment area.

Community Development Lending

Deutsche Bank's community development lending performance was excellent. For details, see Exhibit 1. During the examination period, the bank had 41 community development loans outstanding for a total of $89 million. Approximately $46 million (52 percent) of the community development loans were originated since the previous examination compared with $48 million (40 percent) at the prior CRA examination. In addition, Deutsche Bank has a $5 million letter of credit to an affordable housing project in upper Manhattan.

[redacted]

Assessment Area	Community Development Lending ('000s)	%
PMSA 5600 (New York, NY) (partial)	$60,768	68%
Statewide & Regional	16,549	19%
Outside AA	11,650	13%
[redacted]		
Affordable Housing	78,351	88%
Community Service	576	1%
Economic Development	10,040	11%

Most community development lending activity was concentrated in the PMSA 5600 assessment area where loans totaled $61 million or 68 percent of total activity. Examples of Deutsche Bank's community development lending in the PMSA 5600 assessment area include:

- A $15 million credit line to a large community development intermediary to make short-term bridge loans to its affiliates, as well as to lend directly to community groups, to promote economic development projects by financing businesses that meet the eligibility standards of CRA.
- An $8 million participation in a $70 million low-income housing tax bridge loan supporting the renovation of low-income housing in New York City.

- A $2 million loan to finance the acquisition of 47 one- to five-family and mixed-use homes throughout Queens for rehabilitation and sale to LMI purchasers.
- A $1 million revolving line of credit to a community development venture capital fund that makes small business loans throughout New York City.

The bank also extended loan commitments of $17 million to regional entities in New York State and New Jersey that support community development. A commitment of $8 million was made to the National Community Development Initiative Second Decade. This program advances funds through the Local Initiatives Support Corporation and the Enterprise Foundation to fund grants and below-market loans in CDC programs in areas such as affordable housing, health care and developing community-owned businesses.

Because of the bank's strong performance in the assessment areas, community development loans made beyond these areas were also considered. The bank extended $12 million in community development loan commitments outside the assessment areas to entities that support community development. Specifically, the bank committed to a $10 million participation with National Equity Fund 2001 to provide a tax credit bridge loan for the rehabilitation of low-income housing and a $2 million five-year bullet loan for the purpose of making loans to community-based nonprofit organizations in the Baltimore area.

Community contacts conducted during the examination period identified affordable housing as the most pressing community need. A major portion (88 percent) of Deutsche Bank's community development lending supported initiatives providing affordable housing to LMI individuals, reflecting a strong response by the bank to assessment area needs.

Qualified Investments

Deutsche Bank exhibited excellent responsiveness to the credit and community development needs of the assessment areas through a high level of investments in facilities and organizations that support affordable housing, revitalization and stabilization of LMI neighborhoods, and economic development. For details, see Exhibit 2 on the following page. These investments had a positive impact on the assessment area and were responsive to identified community needs.

EXHIBIT 2

Summary of Qualified Investment Activity [illegible]

June 6, 2000 – September 30, 2002

Assessment Area CMSA 5602	Prior Period Investments ('000s)	%	Current Period Investments ('000s)	%	Total Investments ('000s)	%
PMSA 5600 (NY, NY) (Partial)	$35,657	47%	$18,933	77%	$54,590	54%
Statewide & Regional	0	0%	5,035	21%	5,035	5%
Outside AA	40,945	53%	572	2%	41,517	41%
TOTALS	**$76,602**	**100%**	**$24,540**	**100%**	**$101,142**	**100%**
Affordable Housing	52,935	69%	12,915	53%	65,850	65%
Community Service	0	0%	7,580	31%	7,580	7%
Economic Development	23,667	31%	2,512	10%	26,179	26%
Revitalization & Stabilization	0	0%	1,533	6%	1,533	2%

Deutsche Bank's qualified investments totaled $101 million. Approximately $25 million (25 percent) of investments were new since the previous examination. The level of new investments was less than that of prior examination periods because of the business interruptions from the September 11 attacks. Of total investments, $14 million (14 percent) represented charitable grants and contributions to organizations that support community development projects and programs for LMI persons and areas. Investments of $58 million (58 percent) were concentrated in partnerships that direct corporate equity funds to support affordable housing through the syndication of low-income housing tax credits, primarily in New York City. Tax credit investments are considered complex because they require a substantial amount of time and expertise related to accounting issues. Through these tax credits, Deutsche Bank is responding to the most pressing identified community need: affordable housing.

Of total investments, $60 million or 59 percent were made in the PMSA 5600 assessment area, in New York State, or in the regional area. For example, a $5 million equity investment was made in a fund that rehabilitates critically distressed properties throughout New York and New Jersey. As the investments in the PMSA 5600 assessment area and the broader statewide and regional area are considered satisfactory performance, the additional $42 million invested outside the assessment area region was also considered.

Approximately $23 million or 23 percent of total investments were equity interests in funds that support small businesses and economic development. These investments primarily supported micro-lenders to small businesses in the PMSA 5600 assessment area, throughout New York State, in Maryland, and nationwide.

Community Development Services

Deutsche Bank provided an excellent level of community development services to community development organizations in its assessment areas. While a significant portion of the bank's community development service activities assisted organizations supporting community services for LMI individuals, such activity also helped organizations supporting other categories of community development, as shown in the table below.

Community Development Services	
Category	Number of Activities
Community Services targeted to LMI individuals	24
Affordable Housing for LMI individuals and areas	5
Activities that promote **Economic Development**	10
Activities that **Revitalize or Stabilize** LMI geographies	8
TOTAL	**47**

Activities include technical assistance provided by officers and employees such as fundraising, investment advisory services and trustee activities. Among organizations receiving assistance were Big Brothers/Big Sisters, where Deutsche Bank employees served on the board and as head of the corporate program, which provides one-on-one mentoring of students from the Thurgood Marshall Academy in Harlem. Another employee served as a board member for the Civic Capital Corporation, which provides financial assistance to projects that contribute to the revitalization of economically disadvantaged areas in New York City. Another program receiving support was the Community Resource Exchange, which focuses its efforts on AIDs services and HIV prevention, community and economic development, housing and homelessness, youth development, and recent immigrants.

Several Deutsche Bank employees were steering committee members for the Decatur Clearpool School, which provides year-round school-based education programs for students attending inner-city public schools. Clearpool manages these programs at the Decatur-Clearpool School in Bedford-Stuyvesant, Brooklyn, and the Jonas Bronck Clearpool Family School and the Lab School, both located in the Bronx. A bank employee also served on the coordinating committee 3of Housing First, which is developing an in-depth plan for a ten-year program of public and private investment to develop and preserve all types of affordable housing for New Yorkers. Bank employees also served as a board member and as chair of the New York City advisory board for the Local Initiatives Support Corporation, a national, nonprofit lending and grant-making institution that helps independent, community-based development organizations to improve the physical and economic well-being of their geographic areas.

During the examination period, the bank initiated the Second Story Fund which provides equity to assist four already-successful community organizations to reach the next level of achievement. Because of the changing environments in which community development corporations now operate, these corporations need additional financing tools with which to pursue emerging strategies. To help meet this need, Deutsche Bank has introduced the Second-Story Fund, a $1 million pool of low-cost, high-risk, flexible capital that nonprofits can use in the same way developers use their equity to seize opportunities and launch new initiatives. The fund is positioned as a sequel to the subsidy, grant and tax credit mechanisms that have historically sustained nonprofit developers.

Through the Second-Story Fund, four organizations have been awarded $250 thousand each for a term of five years: Asian Americans for Equality, Greater Jamaica Development Corporation, West Side Federation for Senior and Supportive Housing, and Hope Community. These funds will not be tied to specific projects but can be used for various purposes that further revitalization agendas, such as property acquisitions, joint ventures and private developers, business investments, capital improvements, and research and development. For example, Asian Americans for Equality will apply its loan to the development of low-income housing and a community center in Queens, which has the largest increase in immigrant population in New York City.

The bank also assisted the Neighborhood Housing Services of New York City in structuring the fourth phase of the Closing Assistance Support for Homebuyers ("CASH") program, which provides $2 million for down payment and closing assistance for moderate-income home buyers. Deutsche continues to serve as the agent for the Global Resources for Affordable Neighborhood Development ("GRAND"), a program created by the bank that pools funds from several financial institutions to finance one- to three-family homes for moderate-income buyers.

The bank also joined the New York City Department of Housing Preservation and Development to assist neighborhoods in Bushwick and Willets Point in planning for redevelopment of degraded property ("brownfields" areas). In the aftermath of September 11, 2001, Deutsche convened the Creative Cities initiative that brought planners from Europe to share their expertise concerning the rebuilding of lower Manhattan.

The bank also made over 125 donations of office furniture and hundreds of single-line phones to community organizations. Over 1,600 computers and allied equipment were donated to an organization that refurbishes computers while training young adults in computer repair. In addition, the bank provided its offices and conference facilities for meetings of nonprofit groups.

COMPLIANCE WITH ANTIDISCRIMINATION LAWS

No credit practices that violated the substantive provisions of the antidiscrimination laws and regulations, including the Equal Credit Opportunity Act (Regulation B) and the Fair Housing Act, were identified that would have an impact on Deutsche Bank's CRA rating.

CRA APPENDIX A

SCOPE OF EXAMINATION

Details concerning the scope of examination are found on page BB4.

CRA APPENDIX B

GLOSSARY

Community Development Financial Institution ("CDFI"): A CDFI is an organization that has been certified by the U.S. Treasury as a provider of loans and services that assist specially funded institutions that revitalize LMI areas and assist LMI persons.

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

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

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

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

Geography: A census tract or a block numbering area delineated by the U.S. Bureau of the Census in the most recent decennial census.

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

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

Metropolitan area ("MA"): Any primary metropolitan statistical area ("PMSA"), metropolitan statistical area ("MSA"), or consolidated metropolitan statistical area ("CMSA"), as defined by the Office of Management and Budget, with a population of 250 thousand or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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

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

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

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

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

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

Small loan(s) to business(es): A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income ("Call Report") and the Thrift Financial Reporting ("TFR") instructions. These loans have original amounts of $1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as non-mortgage, commercial loans.

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

Wholesale bank: A bank that is not in the business of extending home mortgage, small business, small farm or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with the CRA regulation.

Deutsche Bank Trust Company Americas

Assessment Area

January 1, 2000 - September 30, 2002