



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **Public Disclosure**

**March 20, 2006**

# **Community Reinvestment Act Performance Evaluation**

**Wilber National Bank  
Charter Number: 2151**

**245 Main Street  
Oneonta, NY 13820**

**Office of the Comptroller of the Currency**

**Upstate New York (Syracuse)  
231 Salina Meadows Parkway 105  
Syracuse, NY 13212**

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

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## Overall CRA Rating

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

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

Performance Levels	Wilber National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- Lending levels that reflect good responsiveness by the bank to the credit needs of its Assessment Area (AA).
- The bank has an adequate record of originating loans among AA geographies.
- The bank has a good record of originating loans among AA borrowers.
- Flexible lending products that had a positive impact on lending performance.
- The bank has a good level of community development investments.
- Bank services are readily accessible to AA residents.

## Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Description of Institution

Wilber National Bank (WNB) is a wholly owned subsidiary of The Wilber Corporation, a one-bank holding company. The Wilber Corporation, as of December 31, 2005, had total average assets of \$755 million. WNB has three operating subsidiaries; Wilber REIT, Inc. and Western Catskill Realty LLC, which are both real estate related organizations, and Mang-Wilber LLC, which is an insurance agency. None of these operating subsidiaries impact WNB's ability to meet the credit needs of its AAs.

WNB is a full service intrastate bank, headquartered in Oneonta, New York. WNB operates twenty branch offices, which serve six counties in the Western Catskill Region of New York State. WNB's twenty branches, represent an increase of two offices during the evaluation period. WNB opened one full-service branch office in Johnson City, New York, which is located in Broome County. WNB also acquired the deposit liabilities of two former branch offices operated by a competitor. One of these two branch offices remains open in Delaware County, NY. WNB offers its customers a wide range of financial services, including traditional deposit and loan products. WNB loan products include commercial and industrial loans, commercial and residential mortgages and consumer loans. WNB also offers trust and insurance services.

As of December 31, 2005, WNB had \$751 million in total assets that included \$397 million in net loans, representing 53% of total assets. Of WNB's total loans, 66% are real estate loans, 16% are loans to individuals, 14% are commercial and industrial loans, and the remainder consists of multifamily and agricultural loans. Of the real estate loans, the majority are commercial and residential real estate. Other real estate loans consist of home equity, construction and development, multifamily and agricultural. As of December 31, 2005, WNB reported Tier One Capital of \$62 million.

WNB operates in a competitive financial services market. The competition includes mortgage companies, large regional and community banks and a large local credit union. WNB is not subject to any known financial, legal or regulatory restrictions that would impede its ability to help meet the credit needs of its AA.

WNB's last CRA exam was August 11, 2003, at which time the bank's performance was rated "Satisfactory."



## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period covers January 1, 2003, through December 31, 2005, for Home Mortgage Disclosure Act (HMDA), small business and small farm loans. HMDA loans include home purchase, home improvement and refinance loans. The evaluation period for Community Development (CD) loans, investments, and services is August 11, 2003, through March 20, 2006. The CD evaluation period represents the time period between the start of the bank's last and current CRA exams. The market share and peer comparisons are based on the information contained in the aggregate HMDA and Small Business/Farm Registers for 2003 and 2004. The 2005 market share information was not available at the time of this examination. The aggregate HMDA and Small Business/Farm Reports are available for public review.

For the Lending Test, which measures the bank's record of originating residential mortgage, small business and small farm loans, it is important to note that the evaluation period covers two separate time periods since assessment area (AA) demographics were affected by census changes resulting from the 2000 census. As a result of the 2000 census, beginning in January 2004, the Office of Management and Budget (OMB) implemented changes, which affected the demographic information against which bank performance is compared. Small business and residential mortgage loans originated during 2003 were compared against 2000 census data and corresponding area demographics. Small business and residential mortgage loans reported during 2004 and forward were compared against 2000 census data and corresponding area demographics impacted by the OMB changes. Because census information and OMB changes affected demographic information, loan data for the two time periods was analyzed separately.

### Data Integrity

An evaluation of the integrity of WNB's publicly filed loan data relating to home mortgage loans and small loans to businesses and farms, as well as WNB's CD loans, investments and services was conducted during February of 2006. The review included an evaluation of WNB's processes to ensure that data is reliable. In conjunction with this review a sample of home mortgage and small business/small farm loans was tested. Testing was performed to ensure that the data on which we rely for our evaluation of the bank's performance under the CRA was accurate. The review revealed that the publicly available information filed by WNB could be relied upon for the purposes of this CRA evaluation.

### Selection of Areas for Full-Scope Review

Of WNB's AAs, the AA in which WNB operated the majority of its branch offices, derived the majority of its deposits and originated the majority of its loans, throughout the evaluation period, is the non-MSA AA. Therefore, the non-MSA AA is the AA designated by WNB, on which a full scope review was performed.

WNB's non-MSA AA, on which the full-scope review was performed, was impacted by the changes implemented by the Office of Management and Budget (OMB) subsequent to the 2000 census. For 2003, WNB's non-MSA AA consists of the New York State Counties of Chenango, Delaware, Otsego in their entirety as well as sixteen selected geographies within Ulster County. For 2004 and forward, WNB's non-MSA AA consists of Chenango, Delaware and Otsego Counties in their entirety. The reconfiguration of WNB's non-MSA AA resulted from changes implemented by the OMB subsequent to the 2000 census, which reassigned Ulster County to the Kingston MSA.

We performed limited scope-reviews of WNB's MSA AAs. For 2003, WNB's MSA AAs consists of its Albany-Schenectady-Troy MSA-AA, which is comprised of Schoharie County in its entirety. For 2004 and forward, WNB's MSA AAs consist of its Albany-Schenectady-Troy MSA-AA, which is comprised of Schoharie County, its Binghamton MSA, which is comprised of selected geographies in Broome County and it's Kingston MSA, which is comprised of selected geographies in Ulster County. Prior to 2004, Ulster County was not located in an MSA and was included in WNB's non-MSA AA. As a result of the OMB changes, Ulster County became part of the Kingston, NY MSA. This resulted in the Ulster County geographies becoming a separate AA.

## **Ratings**

WNB's overall CRA rating is based primarily on the AA that received a full-scope review. When arriving at the Lending Test conclusions, more weight was placed on WNB's performance in the non-MSA AA since this was the AA in which WNB operated the majority of its branch offices, derived the majority of its deposits and originated the majority of its loans.

In arriving at conclusions for the Lending Test, equal weight was placed on WNB's record of originating residential mortgage and small business loans since loan volume over the evaluation period for these products was similar. More weight was placed on WNB's record of originating residential mortgage and small business loans than its record of originating small farm loans, since over the evaluation period, WNB's volume of residential mortgage and small business loan originations was significantly greater than its volume of small farm loan originations. WNB's record of originating residential mortgage loans was measured by evaluating WNB's home purchase, home improvement, and home mortgage refinance loan originations. WNB originated only a nominal number of residential mortgage loans for multi-family housing over the evaluation period. Therefore, an analysis of WNB's record of originating multi-family residential mortgage lending would not have been meaningful and was not performed.

Also, under the Lending Test, we gave greater weight to the borrower distribution of loans than we did to the geographic distribution of loans. This was based on the bank's full scope AA having no low-income geographies and the limited amount of owner occupied housing, businesses and farms located in the moderate-income geographies. Only 1.17% of the owner occupied housing was located in moderate-income geographies in the 2004-2005 time period. It was only slightly higher in 2003 at 3.14%. The percentage of businesses located in moderate-income geographies was below 5% in both the 2003 and 2004-2005 time periods. The percentage of farms in moderate-income geographies was less than 1% in 2004-2005, down from 4.65% in 2003.

WNB's overall rating is the consolidation of conclusions reached for each test in the full-scope AA with consideration of WNB's performance in the limited-scope AAs. The bank's overall rating is based primarily on the AA that received a full-scope review.

## **Other**

Two community contacts were made involving local social and economic development agencies in Otsego and Delaware Counties. These contacts identified primary credit needs relating to small business funding for both start-up and expansion purposes. In addition, the contacts identified a community development need for services that provide financial literacy such as business planning and incubator programs. According to these contacts, local financial institutions are aware of, and participate in, local economic development through both direct participation in agency programs and through partnering to provide funding for business development.

## **Fair Lending or Other Illegal Credit Practices Review**

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## Conclusions with Respect to Performance Tests

### LENDING TEST

#### Conclusions for Areas Receiving Full-Scope Reviews

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

#### Lending Activity

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

WNB's overall lending activity within the non-MSA AA is good considering WNB's size and resources combined with area demographics and competition.

For 2003, WNB's record of originating loans in its non-MSA AA is good. Lending market share was compared to deposit market share within the non-MSA AA. For 2003, WNB's deposit market share within the non-MSA AA was 17.85% ranking it 2nd in market share among institutions taking AA deposits. The institutions that have garnered greater than 5% of the AA's deposit market include large regionally based banks and a credit union.

WNB's small business lending market share for 2003, by dollar was 9.28%, ranking it 3rd among lenders originating small business loans in the non-MSA AA. WNB's small business lending market share for the same year, by count was 3.83%, ranking it 9<sup>th</sup> among lenders originating small business loans in the non MSA-AA.

WNB's home purchase loan market share for 2003, by dollar was 1.70%, ranking it 15<sup>th</sup> among lenders originating home purchase loans in the non-MSA AA. WNB's home purchase loan market share for the same year, by count was 2.91%, ranking it 8<sup>th</sup> among lenders originating home purchase loans in the AA. WNB's home improvement loan market share for 2003, by dollar was 3.50%, ranking it 8<sup>th</sup> among lenders originating home improvement loans in the non-MSA AA. WNB's home improvement loan market share for the same year, by count was 11.58%, ranking it 2<sup>nd</sup> among lenders originating home purchase mortgages in the AA. WNB's home mortgage refinance loan market share for 2003, by dollar was 1.32%, ranking it 22<sup>nd</sup> among lenders originating home mortgage refinance loans in the non-MSA AA. WNB's home mortgage refinance loan market share for the same year, by count was 1.13%, ranking it 25<sup>th</sup> among lenders originating home mortgage refinance loans in the AA.

For 2004, WNB's record of originating loans in its non-MSA AA is good. Lending market share was compared to deposit market share within the non-MSA AA. For 2004, WNB's deposit market share within the non-MSA AA was 19.70% ranking it 2nd in market share among institutions taking AA deposits. The institutions that have garnered greater than 5% of the AA's deposit market include large regionally based banks and a credit union.

WNB's small business lending market share for 2004 by dollar was 18.75%, ranking it 2nd among lenders originating small business loans in the non-MSA AA. WNB's small business lending market share for the same year, by count was 7.30%, ranking it 5<sup>th</sup> among lenders originating small business loans in the non MSA-AA.

WNB's home mortgage market share for 2004, by dollar was 3.11%, ranking it 9<sup>th</sup> among lenders originating home mortgages in the non-MSA AA. WNB's home mortgage market share for the same year, by count was 1.81%, ranking it 14<sup>th</sup> among lenders originating home mortgages in the AA. WNB's home purchase mortgage market share for 2004, by dollar was 3.74%, ranking it 11<sup>th</sup> among lenders originating home purchase mortgages in the non-MSA AA. WNB's home purchase mortgage market share for the same year, by count was 2.72%, ranking it 11<sup>th</sup> among lenders originating home purchase mortgages in the AA. WNB's home improvement loan market share for 2004, by dollar was 6.44%, ranking it 5<sup>th</sup> among lenders originating home improvement loans in the non-MSA AA. WNB's home improvement loan market share for the same year, by count was 11.48%, ranking it 3<sup>rd</sup> among lenders originating home improvement loans in the AA. WNB's home mortgage refinance loan market share for 2004, by dollar was 1.03%, ranking it 21<sup>st</sup> among lenders originating home mortgage refinance loan in the non-MSA AA. WNB's home mortgage refinance loan market share for the same year, by count was .88%, ranking it 24<sup>th</sup> among lenders originating home mortgage refinance loans in the AA.

## **Distribution of Loans by Income Level of the Geography**

The geographic distribution of WNB's home mortgage loans, small loans to businesses and small loans to farms reflects overall adequate penetration throughout the full scope AA.

### ***Home Mortgage Loans***

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

WNB's distribution of home mortgage loans among non-MSA AA borrowers of different income levels is adequate, considering the context in which WNB operates. WNB encounters competition for originating home mortgage loans, which emanates from many larger financial service providers and home mortgage lenders as well as regional and local banks. In WNB's non-MSA AA, various lenders have garnered significant home mortgage market share. Unlike WNB, many of the home mortgage lenders use mortgage brokers. Of all owner-occupied housing available in WNB's non-MSA AA, only 1.17% was located within moderate-income geographies in the 2004-2005 time period, down from the 3.14% level in 2003. Competition for originating home purchase loans combined with the limited availability of owner-occupied housing within moderate-income AA geographies inhibits opportunities for originating home purchase loans in moderate-income AA geographies.

### ***Home Purchase Loans***

For 2003, WNB's geographic distribution of home purchase loans throughout its non-MSA AA geographies is excellent. For 2003, WNB's record of originating home purchase loans in moderate-income non-MSA AA geographies exceeds the percentage of owner-occupied housing located in those geographies. For the same year, WNB's market share of home purchase lending in moderate-income non-MSA AA geographies exceeds its overall market share of home purchase lending in the AA.

For 2004 and 2005, WNB's geographic distribution of home purchase loans throughout its non-MSA AA geographies is adequate. For the same period, WNB's record of originating home purchase loans in moderate-income non-MSA AA geographies is significantly lower than the percentage of owner-occupied housing located in those geographies. For 2004, WNB's market share of home purchase lending in moderate-income non-MSA AA geographies is significantly lower than its overall market share of home purchase lending in the AA.

### ***Home Improvement Loans***

For 2003, WNB's geographic distribution of home improvement loans throughout its non-MSA AA geographies is adequate. For 2003, WNB's record of originating home improvement loans in moderate-income non-MSA AA geographies is lower than the percentage of owner-occupied housing located in those geographies. For the same year, WNB's market share of home improvement lending in moderate-income non-MSA AA geographies is somewhat lower than its overall market share of home improvement lending in the AA.

For 2004 and 2005, WNB's geographic distribution of home improvement loans throughout its non-MSA AA geographies is adequate. For the same period, WNB's record of originating home improvement loans in moderate-income non-MSA AA geographies is significantly lower than the percentage of owner-occupied housing located in those geographies. For 2004, WNB's market share of home improvement lending in moderate-income non-MSA AA geographies is significantly lower than its overall market share of home improvement lending in the AA.

### ***Home Mortgage Refinance Loans***

For 2003, WNB's geographic distribution of home mortgage refinance loans throughout its non-MSA AA geographies is adequate. For 2003, WNB's record of originating home mortgage refinance loans in moderate-income non-MSA AA geographies is lower than the percentage of owner-occupied housing located in those geographies. For the same year, WNB's market share of home mortgage refinance lending in moderate-income non-MSA AA geographies is somewhat lower than its overall market share of home mortgage refinance lending in the AA.

For 2004 and 2005, WNB's geographic distribution of home mortgage refinance loans throughout its non-MSA AA geographies is adequate. For the same period, WNB's record of originating home mortgage refinance loans in moderate-income non-MSA AA geographies exceeds the percentage of owner-occupied housing located in those geographies. For 2004, WNB's market share of home mortgage refinance lending in moderate-income non-MSA AA geographies exceeds above its overall market share of home mortgage refinance lending in the AA.

### ***Small Loans to Businesses***

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

WNB's geographic distribution of small business loans throughout its non-MSA AA geographies is adequate considering the context in which WNB operates. WNB encounters competition for small business loans emanating from many larger financial service providers and credit card banks, some of which have garnered significant AA market share and are ranked ahead of WNB. Additional competition for small business loans emanates from regional and locally based banks.

For 2003, WNB's geographic distribution of loans to small businesses is adequate. For 2003, WNB's record of originating small business loans in moderate-income non-MSA AA geographies is significantly lower than the percentage of small businesses in those moderate-income AA geographies. For the same year, WNB's market share of small loans to businesses originated in moderate-income non-MSA AA geographies is significantly lower than its overall market share of small business lending in the non-MSA AA.

For 2004 and 2005, WNB's geographic distribution of small business loans throughout its non-MSA AA geographies is adequate. For the same period, WNB's record of originating small business loans in

moderate-income non-MSA AA geographies is significantly lower than the percentage of businesses located in those geographies. For 2004, WNB's market share of business lending in moderate-income non-MSA AA geographies is significantly lower than its overall market share of business lending in the AA.

### ***Small Loans to Farms***

Refer to Table 7 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

WNB's geographic distribution of small farm loans throughout its non-MSA AA geographies is adequate considering the context in which WNB operates. WNB encounters competition for small farm loans emanating from many larger financial service providers and credit card banks, a few of which have garnered significant AA market share and are ranked ahead of WNB. Additional competition for small farm loans emanates from regional and locally based banks.

For 2003, WNB's geographic distribution of loans to small farms is adequate. For 2003, WNB's record of originating small farm loans in moderate-income non-MSA AA geographies is significantly lower than the percentage of small farms in those moderate-income AA geographies. For the same year, WNB's market share of small loans to farms originated in moderate-income non-MSA AA geographies is significantly lower than its overall market share of small farm lending in the non-MSA AA.

For 2004 and 2005, WNB's geographic distribution of small farm loans throughout its non-MSA AA geographies is adequate. For the same period, WNB's record of originating small farm loans in moderate-income non-MSA AA geographies is significantly lower than the percentage of farms located in those geographies. For 2004, WNB's market share of farm lending in moderate-income non-MSA AA geographies is significantly lower than its overall market share of farm lending in the AA.

### **Lending Gap Analysis**

Reports detailing WNB's lending activity over the evaluation period for home mortgage loans and small loans to businesses were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

### ***Inside/Outside Ratio***

The analysis of WNB's record of originating loans within its AA was conducted at the bank level. The analysis included all reportable residential mortgage, small business and small farm loans originated by WNB over the evaluation period. The analysis was separated into individual years, since the AAs were reconfigured as a result of the OMB changes resulting from the 2000 census.

The majority of loans originated by WNB, over the evaluation period and included for review, are originated within the AAs.

For 2003, by type, of the total number of small business, small farm and residential mortgage loans originated by WNB, 88%, 75%, and 93%, respectively, were originated within WNB's AAs. For the same year, by type, of the total number of home purchase, home improvement and home mortgage refinance loans originated by WNB, 91%, 95%, and 94%, respectively, were originated within the AAs.

For 2004, by type, of the total number of small business, small farm and residential mortgage loans originated by WNB, 85%, 94%, and 93%, respectively, were originated within WNB's AAs. For the

same year, by type, of the total number of home purchase, home improvement and home mortgage refinance loans originated by WNB, 89%, 96%, and 93%, respectively, were originated within the AAs.

For 2005, by type, of the total number of small business, small farm and residential mortgage loans originated by WNB, 76%, 79%, and 92%, respectively, were originated within WNB's AAs. For the same year, by type, of the total number of home purchase, home improvement and home mortgage refinance loans originated by WNB, 82%, 96%, and 94%, respectively, were originated within the AAs.

WNB's record of originating loans within its AAs was positively factored into the overall geographic distribution analysis.

## **Distribution of Loans by Income Level of the Borrower**

The borrower distribution of WNB's home mortgage loans, small loans to businesses and small farm loans reflects an overall good dispersion among borrowers of different income levels and businesses and farms of different sizes.

### ***Home Mortgage Loans***

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

WNB's distribution of home mortgage loans among non-MSA AA borrowers of different income levels is good, considering the context in which WNB operates. WNB encounters competition for originating home mortgage loans, which emanates from many larger financial service providers and home mortgage lenders as well as regional and local banks. Various lenders have garnered significant home mortgage market share. Unlike WNB, many of the home mortgage lenders use mortgage brokers. AA competition for home purchase loans combined with the cost of AA housing relative to AA income levels inhibits opportunities for originating home purchase loans to low-and moderate-income AA borrowers. Refer to the Market Profile section for further details.

### ***Home Purchase Loans***

For 2003, WNB's distribution of home purchase loans among non-MSA AA borrowers of different income levels is good. For 2003, WNB's record of originating home purchase loans to low-income AA borrowers is somewhat lower than the percentage of low-income AA families. However for the same year, WNB's record of originating home purchase loans to moderate-income AA borrowers exceeds the percentage of moderate-income AA families. For 2003, WNB's market share of home purchase loan originations to low-and moderate-income AA borrowers exceeds its overall market share of home purchase loan originations.

For 2004 and 2005, WNB's distribution of home purchase loans among non-MSA AA borrowers of different income levels is good. For 2004 and 2005, WNB's record of originating home purchase loans to low-income AA borrowers is lower than the percentage of low-income AA families. However, for the same period, WNB's record of originating home purchase loans to moderate-income AA borrowers exceeds the percentage of moderate-income AA families. For 2004, WNB's market share of home purchase lending to low and moderate-income non-MSA AA borrowers exceeds its overall market share of home purchase lending in the AA.

### ***Home Improvement Loans***

For 2003, WNB's distribution of home improvement loans among non-MSA AA borrowers of different income levels is excellent. For 2003, WNB's record of originating home improvement loans to low-



income AA borrowers is near to the percentage of low-income AA families. However for the same year, WNB's record of originating home improvement loans to moderate-income AA borrowers exceeds the percentage of moderate-income AA families. For 2003, WNB's market share of home improvement loan originations to low-and moderate-income AA borrowers exceeds its overall market share of home improvement loan originations.

For 2004 and 2005, WNB's distribution of home improvement loans among non-MSA AA borrowers of different income levels is excellent. For 2004 and 2005, WNB's record of originating home improvement loans to low-income AA borrowers is near to the percentage of low-income AA families. However, for the same period, WNB's record of originating home improvement loans to moderate-income AA borrowers exceeds the percentage of moderate-income AA families. For 2004, WNB's market share of home improvement lending in low and moderate-income non-MSA AA borrowers exceeds its overall market share of home improvement lending in the AA.

### ***Home Mortgage Refinance Loans***

For 2003, WNB's distribution of home mortgage refinance loans among non-MSA AA borrowers of different income levels is adequate. For 2003, WNB's record of originating home mortgage refinance loans to low- and moderate-income AA borrowers is near to the percentage of low- and moderate income AA families. However for the same year, WNB's market share of home mortgage refinance loan originations to low-and moderate-income AA borrowers exceeds its overall market share of home mortgage refinance originations.

For 2004 and 2005, WNB's distribution of home mortgage refinance loans among non-MSA AA borrowers of different income levels is good. For 2004 and 2005, WNB's record of originating home mortgage refinance loans to low-income AA borrowers is somewhat lower than the percentage of low-income AA families. However, for the same period, WNB's record of originating home mortgage refinance loans to moderate-income AA borrowers exceeds the percentage of moderate-income AA families. For 2004, WNB's market share of home mortgage refinance lending to low and moderate-income non-MSA AA borrowers exceeds its overall market share of home mortgage refinance lending in the AA.

### ***Small Loans to Businesses***

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

WNB's distribution of small loans among non-MSA AA businesses of different sizes is good particularly considering the context in which WNB operates. Specifically, WNB encounters competition which emanates from credit card banks and large, regionally based-banks.

For 2003, WNB's distribution of small loans among non-MSA AA businesses of different sizes is adequate. For 2003, WNB's record of originating business loans to small AA businesses (businesses with revenues of \$1 million or less) is near to the percentage of AA businesses that are small. For the same year, WNB's market share of loans originated to small businesses exceeds its overall AA market share of business loan originations.

For 2004 and 2005, WNB's distribution of small business loans among non-MSA AA businesses of different sizes is excellent. For 2004, WNB's record of originating small business loans to AA small businesses exceeds the percentage of small AA businesses. For the same period, WNB's market share of small business lending to AA small businesses significantly exceeds its overall market share of small business lending in the AA.

WNB's commitment to small dollar lending is strong and meets an identified credit need. For 2003, 2004 and 2005, the percentage of WNB's business loans, which are originated for \$100 thousand or less, is significantly larger than the percentages of WNB's business loans, which are originated for more than \$100 thousand.

### ***Small Loans to Farms***

Refer to Table 12 in the Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

WNB's distribution of small loans among non-MSA AA farms of different sizes is good particularly considering the context in which WNB operates. Specifically, WNB encounters competition which emanates from credit card banks and large, regionally based-banks.

For 2003, WNB's distribution of small loans among non-MSA AA farms of different sizes is adequate. For 2003, WNB's record of originating farm loans to small AA farms (farms with revenues of \$1 million or less) is somewhat lower than the percentage of AA farms that are small. For the same year, WNB's market share of loans originated to small farms is somewhat lower than its overall AA market share of farm loan originations.

For 2004 and 2005, WNB's distribution of small business loans among non-MSA AA farms of different sizes is excellent. For 2004, WNB's record of originating small farm loans in the AA exceeds the percentage of small AA farms. For the same period, WNB's market share of small farm lending in the AA significantly exceeds its overall market share of small farm lending in the AA.

WNB's commitment to small dollar lending is strong and meets an identified credit need. For 2003, 2004, and 2005, the percentage of WNB's farm loans which are originated for \$100 thousand or less, is significantly larger than the percentages of WNB's farm loans, which are originated for more than \$100 thousand.

### **Community Development Lending**

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

Over the evaluation period, WNB did not report originating any community development loans. WNB's record of community development lending had a neutral impact on the evaluation of its lending performance activity.

However, WNB did report originating small business loans, which had a community development purpose.

WNB originated loans in conjunction with a local Improvement Loan Fund. The purpose of the loan fund is to revitalize the local downtown area. These loans are designed to promote economic development by providing financing to small businesses at very low rates of interest. The loan program is a revolving loan fund, which is partially funded by a HUD small cities block grant and WNB.

WNB, during the third quarter of 2005, restructured a real estate secured loan to a non-profit community based organization. The purpose of the loan was to revitalize a community center. The

non-profit community organization owns, operates and houses within the community center, a child-care facility, which serves low-and moderate-income AA families.

WNB in 2005 originated a \$250,000 unsecured line of credit to a locally based, not for profit organization for the purpose of financing its operations. The organization's mission is to provide needed services to low-and moderate-income AA individuals. These services include a domestic violence shelter and living assistance, for energy and food as well as child-care.

## **Product Innovation and Flexibility**

WNB's innovative and flexible lending activity had a positive impact on the evaluation of its lending performance. Flexible lending programs are described below.

City of Oneonta Downtown Revolving Loan Fund – Loan proceeds are used to create or maintain jobs for low- and moderate-income individuals. WNB is involved in the revolving loan fund in conjunction with the City of Oneonta. For every two dollars available through the city fund, WNB makes available one dollar of financing at the prevailing interest rate. Qualifying businesses must conform to WNB's credit history and collateral standards. To qualify under the program, applicant must have a minimum 10% owner equity in a project. WNB will finance up to 90% of a project associated with this program, which exceeds its usual 70% requirement. As necessary, WNB will also assist businesses to arrange additional financing through the SBA and/or other programs. WNB made five loans for \$57 thousand during the evaluation period. WNB also originated a \$12 thousand loan under an Otsego County loan fund modeled after the Oneonta City Loan Fund.

Otsego County Wheels to Work Program - The program's goal is to assist qualifying individuals to obtain or maintain employment by providing them with affordable, reliable vehicles. The program is designed to assist low- and moderate-income AA individuals for whom reliable transportation is a barrier to employment. The program is sponsored cooperatively by Opportunities for Otsego, the Department of Labor and local SUNY institutions. Opportunities for Otsego uses findings from the Department of Labor to purchase older model automobiles. Any required repairs are performed by SUNY, Auto Tech students. In conjunction with this program, WNB offers secured installment loans at interest rates below the conventional rate to individuals who would not otherwise qualify for credit. Over the evaluation period, under this program, WNB originated 61 loans for \$30.5 thousand.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the lending test in the Albany MSA, the Binghamton MSA and the Kingston MSA is not inconsistent with the bank's overall "High Satisfactory" Lending Test rating. Refer to Tables 1 through 12 in Appendix C for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the investment test is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the non-MSA AA is adequate.

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

The bank's performance under the non-MSA AA is good in relation to the bank's size and resources and the level of and competition for community development opportunities in the AA. Community development investment opportunities in the non-MSA AA remain limited.

During the evaluation period, WNB invested \$2 million in a Ginnie Mae multi-family project loan packaged and sold as a mortgage backed security (MBS). Investment proceeds served to refinance project funding at a reduced interest rate. Investment proceeds benefit an AA nursing facility located in Delaware County. The nursing facility serves low-and moderate-income AA residents with 68% and 8% of beds dedicated to Medicaid and Medicare patients, respectively, and just 14% to private payers.

During the evaluation period, WNB increased its commitment to a Small Business Investment Corporation (SBIC) from \$1 million to \$2 million. Since the prior evaluation period, WNB invested an additional \$717,259 in the SBIC increasing the total amount paid toward its commitment to \$1,214,223. WNB holds a limited partnership interest in the SBIC. To date, the SBIC has invested capital in sixteen small businesses located throughout the northeast including New York State. WNB has invested a total of \$1,214,223 with an additional \$414,000 thousand as yet an unfunded commitment. The SBIC serves the region in which WNB operates and has the potential to benefit WNB's AAs.

During the evaluation period, within the non-MSA AA, WNB also made twenty-one qualifying grants and donations totaling \$22,150. The grants and donations supported a variety of community development programs including, but not limited to affordable housing, small business development and economic revitalization.

## **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Albany MSA, the Binghamton MSA and the Kingston MSA is inconsistent with the bank's overall "High Satisfactory" Investment Test rating as there were no direct investments in any of the limited scope AAs. Refer to Table 14 in Appendix C for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the non-MSA AA is good.

### **Retail Banking Services**

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

WNB's delivery systems are readily accessible to geographies and individuals of different income levels throughout the non-MSA AA. The distribution of branches throughout the AA is excellent.

The distribution of WNB's offices throughout the moderate-income geographies exceeds the distribution of the population living in such geographies. One branch, which was discussed earlier, was obtained through the bank's acquisition activity. The opening occurred in a middle-income geography. WNB's hours and services offered throughout the AA are good. Services offered are the same among locations regardless of the income level of the geography. All branch offices offer extended hours on various days of the week including Saturday with one branch offering Sunday hours.

WNB offers alternative delivery systems in the form of ATMs. The geographic distribution of the bank's ATMs is similar to its distribution of its branches. Customers and non-customers alike can access their accounts through WNB ATMs, which are connected to the NYCE, PLUS, Exchange, tx and Quest ATM systems. Customers may also use WNB ATM cards to obtain cash at non-proprietary ATMs throughout the world, which bear these logos. WNB also offers alternative delivery systems in the form of bank-by-phone and Internet banking. WNB's internet banking product is full service and includes a voice response system. These services allow customers to obtain deposit and loan account information, transfer funds and reconcile accounts. We did not place significant weight on these alternative delivery systems because no data was available to determine the impact of these retail-banking services on low and moderate-income geographies and individuals.

## **Community Development Services**

WNB's performance in providing community development services is good. The community development organizations supported by WNB representatives were very responsive to the credit and service needs of WNB's non-MSA AA.

The following community development services in which WNB board members, executives and employees are involved serve WNB's non-MSA AA.

A WNB senior vice president has served, throughout the evaluation period, on the loan committee of an improvements project in downtown Oneonta. The mission of the improvements project is to finance capital improvements and create jobs in downtown Oneonta. The project accomplishes its mission by obtaining funds from a combination of banks and the Department of Housing and Urban Development (HUD). The senior vice president has served in this capacity for the entire evaluation period.

A WNB senior vice president has served, throughout the evaluation period, on the loan committee of an industrial development authority in Oneonta. The mission of the authority specifically targets job creation and economic revitalization and provides services throughout Otsego County. The bank also provided assistance to the authority in initiating a pilot program for the sale of leaseback loans, which provide favorable tax treatment for businesses involved in the small business assistance program through the Authority.

A WNB senior vice president played an integral role during 2004 in the establishment of a revitalization program in Otsego County. The program is modeled after a local city project and provides a combination of HUD and bank financing for small business development to promote economic expansion and job creation. The bank also serves in a loan processing and servicing capacity for loans funded through the program.

A WNB senior vice president has participated, throughout the evaluation period, as a member of the loan committee for Wheels to Work (WTW). WTW is a program provided under Opportunities for Otsego (OFO) a nonprofit countywide economic support program. WTW facilitates small dollar loans to assist low-and moderate-income participants in obtaining vehicles needed to obtain and maintain employment. The bank also provides support in the capacity of a WTW loan processor and servicer.

A WNB vice president has served on the board and loan committee of a first homebuyer program in the City of Oneonta. The first homebuyer program is an affordable housing program, which provides funding and financial advisory services to low-and moderate-income individuals and families that are seeking to purchase and/or rehabilitate a home.

A WNB vice president has served, throughout the evaluation period, on the board of directors and loan committee of a local industrial development authority. The development authority serves Broome, Chenango, Delaware, Otsego, Ulster, and Schoharie Counties. The organization promotes economic

revitalization and job creation through a federally designated loan program. Loans funded through the authority must provide for new job creation within the program area.

A WNB director has served throughout the evaluation period, on the loan committee of a business development corporation. The development corporation promotes economic development and job creation throughout the state of New York. The corporation provides low interest loans to businesses for purposes of business start-up or expansion. The loan fund is designed to provide financing to businesses having difficulty in obtaining traditional bank loans. A substantial majority of the businesses receiving loans are small businesses, which will create, improve or retain jobs for low and moderate-income individuals.

A WNB executive has participated, throughout the evaluation period on the advisory board of a small business investment corporation (SBIC). The SBIC is a federally designated program to fund small business development and promote job creation.

A WNB vice president has served in the capacity of both active board member and advisor to a local chapter of an affordable housing organization. The chapter of this organization serves an area, which includes WNB's non-MSA AA and promotes affordable housing for low-and moderate-income families and individuals.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Albany MSA, the Binghamton MSA and the Kingston MSA is inconsistent with the bank's overall "High Satisfactory" Service Test rating as there were no branches in moderate-income geographies. Refer to Table 15 in Appendix C for the facts and data that support these conclusions.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): (1/1/03 to 12/31/05) Investment and Service Tests and CD Loans: (4/11/03 to 3/30/06)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Wilber National Bank, (WNB) Oneonta, NY	Home Mortgage Loans, Small Business and Small Farm Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Non-MSA Albany MSA Binghamton MSA Kingston MSA	“Full-Scope” “Limited-Scope” “Limited-Scope” “Limited-Scope”	

## Appendix B: Market Profiles for Full-Scope Areas

### Non-MSA AA

Demographic Information for Full-Scope Area: (Non-MSA AA)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	41	0.00	2.44	90.24	4.88	2.44
Population by Geography	161,132	0.00	2.01	94.54	1.84	1.60
Owner-Occupied Housing by Geography	46,613	0.00	1.17	98.25	0.58	0.00
Businesses by Geography	9,167	0.00	4.06	95.41	0.49	0.04
Farms by Geography	710	0.00	0.70	99.30	0.00	0.00
Family Distribution by Income Level	41,504	19.48	20.83	22.81	36.87	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	16,733	0.00	2.19	97.50	0.31	0.00
Median Family Income = \$41,761 HUD Adjusted Median Family Income for 2005 = \$48,550 Households Below the Poverty Level = 12.52%			Median Housing Value = \$71,479 Unemployment Rate = 3.38%			

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

WNB's non-MSA AA consists of three contiguous New York counties, which are not located within an MSA. Specifically, the non-MSA AA consists of Otsego, Delaware, and Chenango Counties in their entirety. The AA does not arbitrarily exclude any low-or moderate-income geographies. All segments of the AA are contiguous and consistent with CRA regulatory requirements. Otsego, Delaware, and Chenango Counties are located in the Western Catskill Region of New York State. The three County AA is comprised of forty-one geographies. Of the forty-one geographies, thirty-seven are classified as middle-income, one is classified as moderate-income and two are classified as upper-income. The AA does not contain any low-income geographies. One of the AA's geographies is not classified for income purposes.

The population of the non-MSA AA, which encompasses three New York State Counties, is 161,132. Of the AA population, 16% are sixty-five years of age or older. The updated HUD adjusted median family income is \$48,550. Of AA households, 34% derived income from social security, 23% include retired residents, and 13% are below the poverty level. According to 2000 census data, housing available within the AA consists of one to four family units (77%), mobile homes and trailers (18%), and multi-family units (4%). Of total AA housing units 57% are owner occupied, 20% are renter-occupied, and 23% are vacant. The median AA housing value in the AA is \$70,227 and housing stock consists primarily of older homes with a median year built of 1959.

According to 2005 business demographics data, 9,877 businesses operate within the AA, of which 710 are farms. Small AA businesses, which report revenues less than or equal to \$1,000,000, total 6,366 and represent 65% of total AA businesses. Approximately 61% of AA businesses reported having less



than four employees. Of AA businesses, 34% are classified as service and 18% are classified as retail trade. Remaining AA businesses are classified as follows: construction (7%), agriculture, forestry and fishing (7%), finance, insurance and real estate (5%), manufacturing (4%), transportation and communication (4%), wholesale trade (3%) public administration (3%). Major AA employers include the State University of New York, Bassett Hospital and local school districts.

WNB has a significant presence in the AA. The level of competition among financial service providers in the AA is relatively high and emanates from large mortgage companies, large interstate regional banking companies, and various community banks and large credit unions. According to the FDIC market share report for 2004, the most recent year for which market share is available, WNB ranked second for AA deposit share AA at 19.70%. WNB is a full service lender offering a broad menu of lending products that include business loans, home mortgage loans, home equity loans, and consumer loans. In addition to traditional deposit and loan products, WNB also offers a wide range of financial services, including insurance products and trust services.

Based on OCC internal resources, community contacts and public information, the AA has limited opportunities available for community development lending, services and investments.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

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

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.
- Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.
- Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

## Table 1. Lending Volume

LENDING VOLUME		Geography: WILBER NB						Evaluation Period: January 01, 2003 to December 31, 2003				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Non-MSA AA	96.89	265	11,789	381	19,051	8	166	0	0	654	30970	0.00
<b>Limited Review:</b>												
Albany MSA AA	3.11	14	672	6	1,241	1	60	0	0	21	1,973	0.00

\* Loan Data as of 2003. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is April 11, 2003 to March 20, 2006.

\*\*\* Deposit Data as of 5/30/05. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

## Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: WILBER NB				Evaluation Period: January 01, 2003 to December 31, 2003								
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units**	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA AA	66	92.96	0.00	0.00	3.14	4.55	81.85	90.91	15.01	4.55	2.53	0.00	4.69	2.88	0.65
<b>Limited Review:</b>															
Albany MSA AA	5	7.04	10.00	0.00	35.18	60.00	64.82	40.00	0.00	0.00	1.12	0.00	1.88	0.70	0.00

\* Based on 2000 Peer Mortgage Data: Eastern Region.

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

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

### Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: WILBER NB						Evaluation Period: January 01, 2003 to December 31, 2003						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ*** Units	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA AA	91	93.81	0.00	0.00	3.14	1.10	81.85	97.80	15.01	1.10	18.72	0.00	10.00	22.59	1.22
<b>Limited Review:</b>															
Albany MSA AA	6	6.19	0.00	0.00	35.18	66.67	64.82	33.33	0.00	0.00	12.77	0.00	16.67	8.70	0.00

\* Based on 2003 Peer Mortgage Data: Eastern Region.

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

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

### Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				Geography: WILBER NB				Evaluation Period: January 01, 2003 to December 31, 2003							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA AA	102	97.14	0.00	0.00	3.14	0.98	81.85	99.02	15.01	0.00	1.87	0.00	1.02	2.53	0.00
<b>Limited Review:</b>															
Albany MSA AA	2.86	0.00	0.00	35.18	0.00	64.82	100.00	0.00	0.00	100.00	0.32	0.00	0.00	0.47	0.00

\* Based on 2003 Peer Mortgage Data: Eastern Region.

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

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



## Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: WILBER NB						Evaluation Period: January 01, 2003 to December 31, 2003						
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA AA	6	100.0	0.00	0.00	10.10	0.00	80.26	100.00	9.64	0.00	50.00	0.00	0.00	50.00	0.00
<b>Limited Review:</b>															
Albany MSA AA	0	0.00	0.00	0.00	6.93	0.00	93.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2003 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

## Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: WILBER NB						Evaluation Period: January 01, 2003 to December 31, 2003						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA AA	381	98.45	0.00	0.00	4.21	0.79	76.79	97.11	18.98	2.10	3.89	0.00	0.85	6.59	0.28
<b>Limited Review:</b>															
Albany MSA AA	6	1.55	0.00	0.00	28.15	16.67	71.63	83.33	0.00	0.00	1.05	0.00	0.65	1.53	0.00

\* Based on 2003 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2003.

## Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: WILBER NB				Evaluation Period: January 01, 2003 to December 31, 2003								
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA AA	8	88.89	00.00	0.00	4.65	0.00	86.66	100.00	8.69	0.00	2.11	0.00	0.00	2.37	0.00
<b>Limited Review:</b>															
Albany MSA AA	1	1.11	0.00	0.00	30.50	0.00	69.50	100.00	0.00	0.00	2.63	0.00	0.00	3.85	0.00

\* Based on 2003 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2003.

## Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: WILBER NB						Evaluation Period: January 01, 2003 to December 31, 2003						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA AA	61	95.31	18.55	9.84	19.80	21.31	22.20	29.51	39.45	39.34	2.75	4.88	3.37	3.48	2.01
<b>Limited Review:</b>															
Albany MSA AA	3	4.69	24.98	0.00	25.08	33.33	24.54	33.33	25.40	33.33	0.77	0.00	0.82	0.99	0.92

\* Based on 2003 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0% of loans originated and purchased by Bank.

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

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

### Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: WILBER NB				Evaluation Period: January 01, 2003 to December 31, 2003					Market Share				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overa ll	Low	Mod	Mid	Upp	
	#	% of Total**	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****						
<b>Full Review:</b>																
Non-MSA AA	87	95.60	18.55	14.94	19.80	39.08	22.20	25.29	39.45	20.69	18.71	24.07	30.09	18.64	10.00	
<b>Limited Review:</b>																
Albany MSA AA	4	4.40	24.98	75.00	25.08	25.00	24.54	0.00	25.40	0.00	8.33	20.00	12.50	0.00	0.00	

\* Based on 2003 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0% of loans originated and purchased by Bank.

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

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

## Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: WILBER NB								Evaluation Period: January 01, 2003 to December 31, 2003					
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA AA	88	96.70	18.55	14.77	19.80	18.18	22.20	35.23	39.45	31.82	1.94	6.25	2.38	2.70	1.11
<b>Limited Review:</b>															
Albany MSA AA	3	3.30	24.98	0.00	25.08	33.33	24.54	66.67	25.40	0.00	0.37	0.00	0.45	0.78	0.00

\* Based on 2003 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0% of loans originated and purchased by Bank.

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

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

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: WILBER NB		Evaluation Period: January 01, 2003 to December 31, 2003			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Non-MSA AA	381	98.45	66.63	60.89	90.55	4.72	4.72	3.89	6.52
<b>Limited Review:</b>									
Albany MSA AA	6	1.55	65.79	50.00	66.67	0.00	33.33	1.05	1.50

\* Based on 2003 Peer Small Business Data: US.

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B – 2003).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0% of small loans to businesses originated and purchased by the Bank.

## Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS					Geography: WILBER NB			Evaluation Period: January 01, 2003 to December 31, 2003	
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share <sup>*</sup>	
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Non-MSA AA	8	88.89	94.00	62.50	100.00	0.00	0.00	2.11	1.40
<b>Limited Review:</b>									
Albany MSA AA	1	11.11	96.45	100.00	100.00	0.00	0.00	2.63	2.70

<sup>\*</sup> Based on 2003 Peer Small Business Data: US.

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

<sup>\*\*\*</sup> Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B – 2003).

<sup>\*\*\*\*</sup> Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0% of small loans to farms originated and purchased by Bank.



## Table 1. Lending Volume

LENDING VOLUME		Geography: WILBER NB						Evaluation Period: January 01, 2004 to December 31, 2005				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Non-MSA AA	92.90	444	24,206	299	19,775	16	554	0	0	759	44,535	90.86
<b>Limited Review:</b>												
Albany MSA	4.65	22	1,497	15	812	1	100	0	0	38	2,409	5.75
Binghamton MSA	0.12	1	45	0	0	0	0	0	0	1	45	0.82
Kingston MSA	2.33	11	582	8	504	0	0	0	0	19	1,086	2.57

\* Loan Data as of 2004. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is 4/11/03 to 3/20/06.

\*\*\* Deposit Data as of 5/30/05. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

## Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: WILBER NB						Evaluation Period: January 01, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units**	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA AA	132	94.96	0.00	0.00	1.17	0.00	98.25	99.24	0.58	0.76	3.02	0.00	0.00	3.07	4.76
<b>Limited Review:</b>															
Albany MSA	4	2.88	0.00	0.00	69.05	100.00	30.95	0.00	0.00	0.00	0.81	0.00	1.22	0.00	0.00
Binghamton MSA	1	0.72	0.00	0.00	27.13	100.00	30.90	0.00	41.97	0.00	0.45	0.00	1.28	0.00	0.00
Kingston MSA	2	1.44	0.00	0.00	26.43	0.00	73.57	100.00	0.00	0.00	6.38	0.00	15.38	2.94	0.00

\* Based on 2000 Peer Mortgage Data: Eastern Region.

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

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

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: WILBER NB						Evaluation Period: January 01, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ*** Units	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA AA	223	92.53	0.00	0.00	1.17	0.00	98.25	97.31	0.58	2.69	19.56	0.00	0.00	19.44	50.00
<b>Limited Review:</b>															
Albany MSA	13	5.39	0.00	0.00	69.05	69.23	30.95	30.77	0.00	0.00	6.42	0.00	8.22	2.78	0.00
Binghamton MSA	0	0.00	0.00	0.00	27.13	0.00	30.90	0.00	41.97	0.00	0.00	0.00	0.00	0.00	0.00
Kingston MSA	5	2.07	0.00	0.00	26.43	40.00	73.57	60.00	0.00	0.00	6.38	0.00	15.38	2.94	0.00

\* Based on 2004 Peer Mortgage Data: Eastern Region.

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

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

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE				Geography: WILBER NB				Evaluation Period: January 01, 2004 to December 31, 2005								
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography					
	#	% of Total**	% Owner Occ*** Units	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Non-MSA	82	90.11	0.00	0.00	1.17	1.22	98.25	98.78	0.58	0.00	1.97	0.00	2.94	1.96	0.00	
<b>Limited Review:</b>																
Albany MSA	5	5.49	0.00	0.00	69.05	100.00	30.95	0.00	0.00	0.00	0.34	0.00	0.49	0.00	0.00	
Binghamton MSA	0	0.00	0.00	0.00	27.13	0.00	30.9	0.00	41.97	0.00	0.00	0.00	0.00	0.00	0.00	
Kingston MSA	4	4.40	0.00	26.43	0.00	73.57	100.00	0.00	0.00	0.00	0.94	0.00	0.00	0.00	0.00	

\* Based on 2004 Peer Mortgage Data: Eastern Region.

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

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

## Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: WILBER NB						Evaluation Period: January 01, 2004 to December 31, 2005							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA	7	100.00	0.00	0.00	12.36	0.00	86.79	100.00	0.85	0.00	7.69	0.00	0.00	8.33	0.00
<b>Limited Review:</b>															
Albany MSA	0	0.00	0.00	0.00	21.96	0.00	78.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Binghamton MSA	0	0.00	0.00	0.00	80.72	0.00	11.97	0.00	7.31	0.00	0.00	0.00	0.00	0.00	0.00
Kingston MSA	0	0.00	0.00	0.00	76.00	0.00	24.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

## Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: WILBER NB						Evaluation Period: January 01, 2004 to December 31, 2005						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA	299	92.86	0.00	0.00	4.58	0.00	94.67	99.67	0.74	0.33	7.51	0.00	0.00	8.19	7.69
<b>Limited Review:</b>															
Albany MSA	15	4.66	0.00	0.00	47.75	40.00	51.91	60.00	0.00	0.00	2.75	0.00	1.93	4.97	0.00
Binghamton MSA	0	0.00	0.00	0.00	39.74	0.00	29.21	0.00	31.05	0.00	0.57	1.14	0.00	0.55	0.09
Kingston MSA	8	2.48	0.00	0.00	32.45	0.00	67.55	100.00	0.00	0.00	0.23	0.00	0.18	0.30	0.11

\* Based on 2004 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2004.

## Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: WILBER NB				Evaluation Period: January 01, 2004 to December 31, 2005								
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA	16	94.12	0.00	0.00	0.71	0.00	99.29	100.00	0.00	0.00	4.82	0.00	0.00	4.83	0.00
<b>Limited Review:</b>															
Albany MSA	1	5.88	0.00	0.00	57.34	100.00	42.66	0.00	0.00	0.00	3.23	0.00	4.00	0.00	0.00
Binghamton MSA	0	0.00	0.00	0.00	20.00	0.00	20.00	0.00	60.00	0.00	0.00	0.00	0.00	0.00	0.00
Kingston MSA	0	0.00	0.00	0.00	15.38	0.00	84.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Small Business Data: US.

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

\*\*\* Source Data - Dun and Bradstreet 2004.

## Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: WILBER NB				Evaluation Period: January 01, 2004 to December 31, 2005								
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA	126	95.45	19.48	6.35	20.83	23.81	22.81	28.57	36.87	41.27	3.47	4.72	4.80	2.60	3.17
<b>Limited Review:</b>															
Albany MSA	4	3.03	25.88	0.00	2.57	50.00	24.22	0.00	24.32	50.00	1.00	0.00	1.64	0.00	1.96
Binghamton MSA	0	0.00	24.11	0.00	15.71	0.00	21.44	0.00	38.75	0.00	0.00	0.00	0.00	0.00	0.00
Kingston MSA	2	1.52	20.37	0.00	20.73	0.00	25.16	100.00	33.74	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0% of loans originated and purchased by Bank.

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

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



## Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: WILBER NB				Evaluation Period: January 01, 2004 to December 31, 2005									
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share					
	#	% of Total**	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Overa ll	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Non-MSA	200	92.59	19.48	18.00	20.83	27.00	22.81	28.50	36.87	26.50	18.50	32.79	20.77	18.64	12.86	
<b>Limited Review:</b>																
Albany MSA	12	5.56	25.88	33.33	25.57	25.00	24.22	8.33	24.32	33.33	6.60	14.29	3.03	4.00	7.41	
Binghamton MSA	0	0.00	24.11	0.00	15.71	0.00	21.44	0.00	38.75	0.00	0.00	0.00	0.00	0.00	0.00	
Kingston MSA	4	1.85	20.37	25.00	20.73	50.00	25.16	0.00	33.74	25.00	4.76	14.29	33.33	0.00	0.00	

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0% of loans originated and purchased by Bank.

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

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

## Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: WILBER NB						Evaluation Period: January 01, 2004 to December 31, 2005						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Non-MSA	78	89.66	19.48	11.54	20.83	26.92	22.81	19.23	36.87	42.31	2.25	5.88	2.60	1.56	2.04
<b>Limited Review</b>															
Albany MSA	5	5.75	25.88	0.00	25.57	40.00	24.22	20.00	24.32	40.00	0.40	0.00	0.60	0.00	0.82
Binghamton MSA	0	0.00	24.11	0.00	15.71	0.00	21.44	0.00	38.75	0.00	0.00	0.00	0.00	0.00	0.00
Kingston MSA	4	4.60	20.37	0.00	20.73	25.00	25.16	75.00	33.74	0.00	1.20	0.00	0.00	3.85	0.00

\* Based on 2004 Peer Mortgage Data: Eastern Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 0% of loans originated and purchased by Bank.

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

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

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: WILBER NB		Evaluation Period: January 01, 2004 to December 31, 2005			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Non-MSA	299	92.86	66.58	77.59	87.29	6.69	6.02	7.51	15.13
<b>Limited Review:</b>									
Albany MSA	15	4.66	67.17	80.00	93.33	0.00	6.67	2.75	5.71
Binghamton MSA	0	0.00	69.69	0.00	0.00	0.00	0.00	0.57	1.25
Kingston MSA	8	2.48	72.30	100.00	75.00	25.00	0.00	0.23	0.64

\* Based on 2004 Peer Small Business Data: US.

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B 2004). D

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0% of small loans to businesses originated and purchased by the Bank.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS				Geography: WILBER NB		Evaluation Period: January 01, 2004 to December 31, 2005			
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share <sup>*</sup>	
	#	% of Total <sup>**</sup>	% of Farms <sup>***</sup>	% BANK Loans <sup>****</sup>	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Non-MSA	16	94.12	94.71	100.00	87.50	12.50	0.00	4.82	5.00
<b>Limited Review:</b>									
Albany MSA	1	5.88	95.10	100.00	100.00	0.00	0.00	3.23	3.45
Binghamton MSA	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Kingston MSA	0	0.00	92.31	0.00	0.00	0.00	0.00	0.00	0.00

<sup>\*</sup> Based on 2004 Peer Small Business Data: US.

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

<sup>\*\*\*</sup> Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B- 2004)

<sup>\*\*\*\*</sup> Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0% of small loans to farms originated and purchased by Bank.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: Wilber NB				Evaluation Period: April 11, 2003 TO March 20, 2006			
MA/Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Non-MSA	0	0.00	22	\$2,022,150	22	\$2,022,150	64%	0	0.00
<b>Limited Review:</b>									
Albany MSA	0	0.00	0	0.00	0	0.00	0	0	0.00
Binghamton MSA	0	0.00	0	0.00	0	0.00	0	0	0.00
Kingston MSA	0	0.00	0	0.00	0	0.00	0	0	0.00
Statewide/Regional	1	418,249	1	\$717,259	1	\$1,135,507	36%	0	\$414,000

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS    Geography: Wilber NB    Evaluation Period: April 11, 2003 TO March 20, 2006																		
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population				
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography				
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp	
<b>Full Review:</b>																		
Non-MSA	90.86	17	85.00	0	5.88	94.12	0	2	40.00	0	1	1	0	0.00	2.01	94.54	1.84	
<b>Limited Review:</b>																		
Albany MSA	5.75	1	5.00	0	0	100	0	1	20.00	0	0	1	0	0.00	62.80	33.54	0.00	
Binghamton MSA	0.82	1	5.00	0	0	100	0	1	20.00	0	0	1	0	0.00	41.22	25.58	33.20	
Kingston MSA	2.57	1	5.00	0	0	100	0	1	20.00	0	0	1	0	0.00	25.87	74.13	0.00	