



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

August 29, 2005

Community Reinvestment Act Performance Evaluation

**Glens Falls National Bank and Trust Company
Charter Number: 7699**

**250 Glen Street
Glens Falls, NY 12801**

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 Glens Falls National Bank and Trust Company with respect to the Lending, Investment, and Service Tests:

| Performance Levels | Glens Falls National Bank and Trust Company Performance Tests | | |
|---------------------------|--|-----------------|--------------|
| | Lending Test* | Investment Test | Service Test |
| Outstanding | | | X |
| High Satisfactory | 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 an excellent responsiveness to the credit needs of its assessment area (AA).
- A good distribution of loans among geographies of different income levels throughout the AA.
- A good distribution of loans among borrowers of different income levels throughout the AA.
- Excellent community development lending that had a positive impact on the bank’s lending performance.
- Flexible lending products that had a positive impact on the bank’s lending performance.
- Investments that reflect good responsiveness to the credit and community development needs of the AA.
- Service delivery systems that are readily accessible to geographies and individuals of different income levels in the AA.
- Good performance in providing community development services.

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 household 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

Glens Falls National Bank (GFNB) is headquartered in Glens Falls, New York and is a wholly owned subsidiary of Arrow Financial Corporation (AFC), a \$1.4 billion multi-bank holding company (as of December 31, 2004). Saratoga National Bank and Trust Company is also a subsidiary of AFC.

GFNB has six wholly owned subsidiaries. Arrow Properties Incorporated is a real estate investment trust ("REIT") and its assets consist of residential real estate mortgage loans, commercial mortgages, mortgage backed securities, and other consumer real estate loans. Other bank subsidiaries include North Country Investment Advisors, Inc., NC Financial Services, Inc. (an insurance agency), Capital Financial Group Inc., GFN Community Development Corporation and Arrow Leasing. The operating subsidiaries had no impact on the bank's capacity to lend or invest in the assessment areas where it operates.

GFNB is a full service intrastate bank with 25 full service branches and one drive-up branch serving the counties of Warren, Washington, Clinton, Essex and a portion of Saratoga County located in the northeast section of New York State. During the evaluation period the bank opened a new branch in Queensbury, NY and acquired two branches from HSBC Bank, N.A. that are located in Argyle, NY. GFNB offers a wide range of financial services. In addition to traditional deposit and loan products, GFNB also offers its customers insurance products, trust services, and investment products including a proprietary mutual fund, North Country Funds, which is administered by GFNB.

As of June 30, 2005, GFNB had \$1.27 billion in total assets that included \$783 million in net loans, representing 62% of total assets. Since June 30, 2004, total assets increased \$63.5 million or approximately 5.26%. During the same period, net loans increased \$79.3 million, or 11.26%. As of June 30, 2005 the bank's loan mix consisted of 55% real estate loans, 35% loans to individuals, 9% commercial loans, and 1% other loans. GFNB is a large originator of indirect automobile loans both inside and outside of its assessment areas. As of June 30, 2005, GFNB reported Tier 1 capital of \$106.3 million.

GFNB operates in a very competitive financial services market with strong competition from mortgage companies, large regional banks, credit unions, savings banks, community banks, and finance companies. GFNB is not subject to any known financial, legal, or regulatory restrictions that would impede its ability to help meet the credit needs of its assessment areas.

GFNB's last CRA examination was June 24, 2002, at which time the bank's performance was rated "Satisfactory."

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period covers January 1, 2002 through December 31, 2004, for HMDA loans, small business loans, and consumer loans. HMDA loans include home purchase, home improvement and refinance loans. Consumer loans include home equity, motor vehicle, and other secured and unsecured loans. The evaluation period for Community Development (CD) loans, investments, and services is June 24, 2002, through August 28, 2005. This represents the time period between the start dates 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 2002 and 2003. The aggregate HMDA and Small Business/Farm Reports are available for public review.

In our evaluation of lending we evaluated three time periods separately, the 2002, 2003, and 2004 time periods. We separated the time periods due to the difference in census information used in 2002 versus 2003 and 2004. We used 1990 Census information for 2002, and 2000 Census information for 2003 and 2004. We evaluated 2003 and 2004 separately due to the Metropolitan Statistical Area (MSA) numbering changes between 2003 and 2004, and changes to the HMDA reporting format. Although we evaluated lending data for the three time periods, we only included lending tables for 2003 with the report. We chose 2003 as these tables included the most recent market share data available. We elected not to include the tables for the two other time periods to keep the report to a reasonable size. The CD loan and investment information presented in the tables cover the full evaluation period for these items. The branch distribution contained in Table 15 represents branch locations by income classification per the 2000 Census.

The peer comparisons in this report include only lenders who were required to file HMDA and Small Business/Farm Reports for 2002 and 2003. Any lender with significant mortgage loan activity operating in GFNB's AA was required to file a HMDA report for these years. Small business reporting was required only of bank and thrift institutions with assets of \$250 million or more as of December 31 of the prior two calendar years preceding the reporting year, or an affiliate of a holding company with \$1 billion or more in assets for the same time period. Peer Data for 2004 was not available at the time we conducted this evaluation.

For the Lending Test, we evaluated GFNB's origination of home mortgage loans, small business loans, consumer loans, and CD loans. We did not evaluate GFNB's origination of small farm loans or multi-family dwelling loans, as the volume was not significant enough to perform a meaningful analysis (less than ½ of 1% of the number of loan originations over the Lending Test evaluation period and no multi-family originations in 2004).

Data Integrity

We performed a data integrity examination of the loan information discussed in the Evaluation Period/Products Evaluated section above. The results of our sampling showed the bank's data to be accurate and reliable.

Selection of Areas for Full-Scope Review

We performed a full scope examination of the bank's Glens Falls MSA AA. Between 2002 and 2004 65-68% of the bank's loans were made in this AA each year. Seventy-three percent of the bank's deposits were in this AA as of June 30, 2005. Seventy-two percent of GFNB's branches are in this AA.

Ratings

The bank's overall rating is based primarily on the review of the bank's one full scope AA. The bank's leading product was consumer loans, representing 79% of the number and 37% of the dollars for loans originated during the evaluation period. HMDA loans accounted for 12% of the number and 34% of the dollar amount of originated loans. Small business loans accounted for 9% of the number and 29% of the dollar amount of originated loans. Among the number of originated home mortgage loans, 27% were home purchase loans, 43% were home mortgage refinance loans, and 30% of loans were for home

improvement. When determining conclusions for the Lending Test, consumer loans received slightly more weight than HMDA loans followed by small business loans. Within the home mortgage product category, refinance loans were weighted slightly more than home purchase loans and home improvement loans. This weighting is reflective of GFNB's volume by loan type over the evaluation period.

Other

Two community contacts were made in conjunction with this examination, one in Warren County and the other covering a five county area that includes the full scope AA. The contact in Warren County was made in September 2005, and the other contact made earlier in the year in conjunction with the CRA examination of another bank. Collectively the contacts are very knowledgeable of affordable housing finance, homebuyer education programs, and community-services targeted to people with low and moderate-incomes.

The contacts confirmed that affordable housing mortgages and loans to small-sized businesses were primary credit needs in the AA. The need for affordable housing and small-size business related credit, investments, and services were considered in our evaluation of GFNB's performance under the Lending, Investment, and Service Tests. Refer to the Market Profile in Appendix B of this Evaluation for more information.

Fair Lending or Other Illegal Credit Practices Review

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

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

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

Lending Activity

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

GFNB's lending activity is excellent. GFNB ranks 1st for deposit market share (39.17%) in its full scope AA. Based on 2003 CRA aggregate lending data, GFNB is ranked 4th as an originator/purchaser of small loans to businesses, with a 10.66% market share. The bank also ranks 4th when considering only small loans made to small-size businesses (annual revenues of \$1 million or less), with a 12.59% market share. Based on 2003 aggregate HMDA data, GFNB is ranked 4th as an originator of home purchase loans with a 6.67% market share, 2nd for refinance loans with 8.20% market share, and 1st for home improvement loans with a 38.46% market share. GFNB's share of the home improvement market is more than double that of any other lender in the AA.

The bank is outranked by three large national credit card companies, whose average loans are only \$4-6 thousand, and one larger regional bank in the small loans to businesses market. In the home purchase and home refinance markets, the bank is outranked by three large national mortgage companies and one large regional bank.

Distribution of Loans by Income Level of the Geography

The geographic distribution of GFNB's home mortgage loans, small loans to businesses and consumer loans reflects overall good 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.

The overall geographic distribution of home mortgage loans is excellent. Our geographic distribution analysis is based on the bank's lending activities in the moderate-income geographies of its full scope AA. GFNB does not have any low-income geographies in either its full scope or limited scope AAs.

The overall geographic distribution of home purchase loans is excellent. The portion of home purchase loans made in moderate-income geographies was near to the portion of owner-occupied housing units in those geographies in 2003. In 2002 and 2004, the portion of home purchase loans made in moderate-income geographies exceeded the portion of owner occupied housing units in those geographies.

GFNB's market share of home purchase loans originated in moderate-income geographies substantially met in 2003 and exceeded in 2002 its overall market share of home purchase loans.

The overall geographic distribution of home improvement loans is excellent. The portion of home improvement loans made in moderate-income geographies exceeded the portion of owner-occupied housing units that are in those geographies in 2002, 2003, and 2004. GFNB's market share of home improvement loans originated in moderate-income geographies exceeded the bank's overall market share of home improvement loans in 2002 and substantially met the overall market share in 2003.

The overall geographic distribution of home refinance loans is good. The portion of refinance loans made in moderate-income geographies was somewhat less than the portion of owner-occupied housing units in those geographies in 2003. In 2002 and 2004 the portion of refinance loans made in moderate-income geographies exceeded the portion of owner-occupied housing units in those geographies. GFNB's market share of refinance loans originated in moderate-income geographies substantially met the bank's overall market share of refinance loans in 2003 and exceeded its overall market share in 2002.

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.

The geographic distribution of small loans to businesses is excellent. The portion of loans made in moderate-income geographies exceeded the portion of businesses that are within those geographies in 2002 and 2004, and was near to the portion of businesses in those geographies in 2003. The bank's market share for small business loans in moderate-income geographies exceeded its overall market share for small loans to businesses in 2002 and 2003.

Consumer Loans

Refer to Table 13 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The geographic distribution of consumer loans is good. The portion of loans made in moderate-income geographies was near to the portion of households that are within those geographies in 2002, 2003, and 2004.

Lending Gap Analysis

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

Inside/Outside Ratio

A substantial majority (83%) of the home mortgage loans, small business loans, consumer loans and CD loans were made within the bank's AAs. By product, 95% of the bank's home mortgage loans, 87% of the small loans to businesses, 81% of consumer loans and 100% of the CD loans were within the bank's

AA. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of geography.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of GFNB's home mortgage loans, small loans to businesses and consumer loans reflects an overall good dispersion among borrowers and households of different income levels and businesses 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.

The overall borrower distribution of home mortgage loans is adequate. In the evaluation of borrower distribution of home mortgage loans, we gave consideration to the portion of households living below the poverty level during the three time periods under evaluation. The poverty level in 2003 and 2004 was 9.28%. The poverty level in 2002 was 9.73%. Due to reasons of affordability, it is unlikely that those with incomes below the poverty level would be involved in home mortgage financing. Accordingly, we considered this in evaluating the bank's lending distribution to low-income borrowers.

Home purchase loan borrower distribution is adequate. The portion of loans made to moderate-income borrowers was near to the portion of families defined as such in 2002 and 2004, and somewhat less than the percentage of families defined as such in 2003. The portion of loans made to low-income families was significantly less than the percentage of families defined as such in 2004, but was adequate when considering the percentage of households living below the poverty level. In 2002 and 2003, the portion of loans made to low-income families was substantially less than the percentage of families defined as such and was poor even when considering the percentage of households living below the poverty level. GFNB's market share for home purchase loans made in moderate-income geographies substantially met its overall market share of home purchase loans in 2002, and was somewhat less than its overall market share in 2003. GFNB's market share for home purchase loans made in low-income geographies was somewhat less than its overall market share of home purchase loans in 2002 and 2003.

Home improvement borrower distribution is excellent. The portion of loans made to moderate-income borrowers exceeded the portion of families defined as such in all three-time periods evaluated. The portion of loans made to low-income borrowers in 2002 and 2004 was somewhat less than the families defined as such, and in 2003 was near to the families defined as such. Performance in all three-time periods was excellent when considering the percentage of households living below the poverty level. The market share for loans to low-income borrowers exceeded GFNB's overall market share in the AA for home improvement loans in both 2002 and 2003. The market share for loans to moderate-income borrowers exceeded GFNB's overall market share in the AA in 2002 for home improvement loans and substantially met the overall market share in 2003.

Refinance loan borrower distribution is poor. The portion of loans made to moderate-income borrowers was somewhat less than the portion of families defined as such in all three-time periods under evaluation. In 2003 and 2004, the portion of loans made to low-income borrowers was substantially below the portion of families defined as such, and was poor even when considering the percentage of households living below the poverty level. In 2002, the portion of loans made to low-income borrowers was very poor, even when considering the portion of households living below the poverty level. The

market share for loans to moderate-income borrowers was somewhat less than GFNB's overall market share in the AA for refinance loans in 2003 and substantially met the bank's overall market share in 2002. The market share for loans to low-income borrowers was somewhat less than GFNB's overall market share in the AA for refinance loans in 2003 and was substantially less in 2002.

Small Loans to Businesses

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

The borrower distribution of small loans to businesses is adequate. The portion of small loans to businesses (businesses with revenues of \$1 million or less) was somewhat less than the portion of businesses defined as such in all three-time periods evaluated. The portion of loans of \$100,000 or less exceeded the portion of businesses defined as such in the AA in the three time periods evaluated. The market share of small loans to small businesses exceeded GFNB's overall market share for small loans to all businesses in 2002 and 2003.

Consumer Loans

Refer to Table 13 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The borrower distribution of consumer loans is good. The portion of consumer loans made to moderate-income borrowers exceeded the portion of moderate-income households in all three-time periods evaluated. The portion of consumer loans made to low-income borrowers was somewhat less than the portion of moderate-income households in all three-time periods evaluated.

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 multi-family loans that also qualify as CD loans.

GFNB's level of community development lending was excellent, and had a positive impact on the evaluation of its lending performance activity.

GFNB originated 13 CD loans for \$6.1 million in its full scope AA during the evaluation period. Twelve loans totaling \$3.6 million were made to nonprofit organizations that provide community services targeted to low and moderate-income individuals. One loan for \$2.5 million was made to a small size business that that is creating new jobs in a moderate-income geography.

Small business lending and community services for people with low and moderate-income are primary needs in the AA. None of the CD loans were considered complex or innovative.

Product Innovation and Flexibility

GFNB's flexible mortgage lending programs had a positive impact on the evaluation of its lending performance. Flexible lending programs are described below.

State of New York Mortgage Agency (SONYMA)

GFNB participates in three SONYMA loan programs for first time homebuyers. The programs feature below conventional interest rates and down payments as well as closing cost assistance for qualified borrowers and properties.

- Achieve the Dream Loan Program – a 30-year fixed-rate with a below conventional rate of interest.
- Low Interest Rate Loan Program – a 30-year fixed-rate with a below conventional rate of interest.
- Construction Incentive Program – a 30-year fixed below conventional rate for first four years, and a fixed-rate for remaining 26 years. Zero down payment for new construction.

GFNB originated 14 SONYMA loans totaling \$1,040,815 in the full scope AA.

First Home Club

A first time homebuyers program that GFNB participates in conjunction with the Federal Home Loan Bank. Low to moderate-income applicants are pre-qualified for a mortgage and set up on a systematic plan to save for a conventional mortgage down payment and closing costs. Savings plans cover a 10-30 month period. Savings are matched \$3 for every \$1 saved, up to a total matching amount of \$5,000.

GFNB originated two First Home Club Loans for \$117,000 in the full scope AA.

GFNB First Time Homebuyer Programs

The bank's own loan program features 0 to 10% down payment programs to qualified applicants with no previous home ownership. The property must be an owner occupied single-family residence. Family gifts can be used for down payment and closing costs. The maximum loan is \$100,000. One loan for \$65,000 was closed during the evaluation period.

GFNB - Fast Equity Program

The program allows a borrower to establish a 15% equity position in less than six years with no down payment, no PMI Insurance and a level monthly payment with up to 25 years to repay. A reduced interest rate is charged during the first three years allowing more of the payment to be applied to the principal balance, thereby building "fast equity." A deferred commitment fee of 5% of the original loan amount is added to the loan payoff if the loan is paid off within the first five years. The deferred commitment fee offsets the loss in interest that the Bank has, in effect, subsidized. There were no loans originated under this program during the evaluation period.

GFNB 10% Down Payment Program

No PMI required for this 10% down payment loan. The maximum term is 15 years. The bank closed one loan for \$65,000 in the full scope AA.

Government Grant Mortgage Programs

GFNB participates in assisting first time homebuyers achieve homeownership through various government grant programs, including the City of Glens Falls Grant Program, Homefront (Washington County), Lake Country Housing (Warren-Hamilton County), Village of Hudson Falls and Section 8 Housing Assistance Voucher Program. The bank typically waives the application fee and provides a lower than conventional interest rate in conjunction with these programs.

GFNB originated a total of 12 loans for \$756,500 in conjunction with these government grant programs in the full scope AA.

USDA Guaranteed Rural Housing Program

GFNB participates in this program that provides financing to income-qualified applicants in rural communities. Highlights of the program include a government guaranteed loan from the Bank, no private mortgage insurance, loan amounts up to the appraised value of the home and more and flexible lending criteria. The bank did not originate any loans under this program during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on our limited-scope reviews, the bank's performance under the Lending Test in the Non MSA AA and the Northern Saratoga County AA is not inconsistent with the bank's overall Lending Test rating. Refer to Tables 1 through 13 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 the full-scope review, the bank's performance in the Glens Falls MSA is good.

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 Investment Test is rated "High Satisfactory." Of the \$3.3 million in current period investments, \$3.2 million were investments that contributed to the revitalization/stabilization of moderate-income geographies. All other investments involved organizations that provide community services targeted to people of low and moderate-income. In addition, GFNB rented office space to several organizations that provide community development services at approximately 50% of the fair market rental value. The level of investments is good, given the level of, and competition, for community development investment opportunities in the AA.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, in the Northern Saratoga County AA, the bank's performance is stronger than the bank's overall performance. In the Non MSA AA the bank's performance is weaker than the bank's overall performance. The performance in the Northern AA is stronger due to a

proportionately higher volume of investments in this AA than the full scope AA. The performance in the Non MSA AA is weaker due to a much proportionately lower volume of investments in this AA. The performance differences between the full scope and in the limited scope AAs did not change the overall Investment Test rating. Please 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 Outstanding. Based on the full-scope review, the bank's performance in the Glens Falls MSA AA is excellent.

Retail Banking Services

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

GFNB's service delivery systems are readily accessible to geographies and individuals of different income levels throughout the AA. The bank's distribution of offices in moderate-income geographies significantly exceeds the portion of the population living in those geographies.

The branch network throughout the AA expanded by three branches since the last evaluation. A branch was opened in an upper-income geography on Aviation Road in the Town of Queensbury in June 2003. Two branches located in middle-income geographies were acquired from another financial institution in April 2005. There have been no branch closures during the evaluation period.

GFNB's hours and services offered throughout the full-scope AA are good. Services offered are comparable among locations regardless of the income level of the geography. Management reviews branch office hours at least annually to ensure they meet the needs of area residents and branch customers. Part of the analysis involves comparing branch hours to the office hours of local competition.

GFNB also offers alternative delivery systems of on-line banking, bank-by-phone and bank-by-mail. These services allow customers to obtain deposit and loan account information, make payments on GFNB loans, transfer funds, and pay other household bills. 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.

GFNB offers a basic low cost banking account that is affordable for people with low or moderate-incomes. The account requires only \$25.00 to open, and allows eight free checks each month for a \$3.00 monthly maintenance fee.

GFNB offers alternative delivery systems in the form of ATMs. ATMs are located at 15 of the bank's 18 branches in the full scope AA. Each of the three branches in the moderate-income geographies has an ATM. The bank also has an ATM in the Main Lobby of the Glens Falls Hospital, the largest employer in the AA. Customers and non-customers alike can access their accounts through GFNB ATMs, which are connected to the CIRRUS, NYCE, PLUS, Amex, Discover, and Quest ATM systems.

Customers may also use their GFNB ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear these network logos.

Recipients (customer or non-customer) of New York State Public Assistance through the Electronic Benefits Transfer Program (EBT) can withdraw funds from any GFNB ATMs free of charge. This service provides low-income people convenient access to their funds.

Community Development Services

GFNB's performance in providing community development services is good.

Management and bank employees continue to support various organizations in the communities served by the bank by offering financial expertise to such organizations. Numerous personnel serve on the boards of directors or finance committees of organizations that provide community development services.

GFNB employees provide a good level of support to several community development service organizations. Members of the GFNB staff and Board participated in 17 CD related activities, committing over 450 hours of time annually. Our community contacts were very complimentary of the quality and quantity of the bank's CD services efforts. The CD activities were concentrated primarily in organizations focused on providing services targeted to small sized businesses who employ or will employ people of low and moderate-income, providing community services targeted to assisting persons of low and moderate income, and providing affordable housing for people of low and moderate-income.

GFNB provides loan-processing services free of charge to seven organizations that provide CD services to their clients. The bank expends approximately 50 employee hours per year to provide this service.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Non MSA AA is not inconsistent with the bank's overall Service Test rating. GFNB's performance under the Service Test in the Northern Saratoga AA is stronger than the bank's overall performance. The performance is stronger in this AA due to the greater branch coverage in moderate-income geographies. Both of the branches in the Northern Saratoga AA are located 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”).

| | | |
|---|---|--------------------------|
| Time Period Reviewed | Lending Test (excludes CD Loans): 1/1/2002 to 12/31/2004 Investment and Service Tests and CD Loans: 6/24/2002 to 8/28/2005 | |
| Financial Institution | Products Reviewed | |
| Glens Falls National Bank and Trust Company (GFNB) Glens Falls, New York | HMDA loans, Small Business Loans and Consumer Loans | |
| Affiliate(s) NA | Affiliate Relationship | Products Reviewed |
| | | |
| List of Assessment Areas and Type of Examination | | |
| Assessment Area | Type of Exam | Other Information |
| Glens Falls MSA Non MSA AA Northern Saratoga County | Full-Scope Limited-Scope Limited Scope | |

Appendix B: Market Profiles for Full-Scope Areas

Institution ID: 7699 GLENS FALLS NATIONAL BANK

Glens Falls MSA 2003

| Demographic Information for Full Scope Area: Glens Falls MSA 2003 | | | | | | |
|--|---------|------------|-------------------------------|---------------|--------------|------------|
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts/BNAs) | 33 | 0.00 | 12.12 | 78.79 | 9.09 | 0.00 |
| Population by Geography | 124,345 | 0.00 | 10.39 | 74.77 | 14.84 | 0.00 |
| Owner-Occupied Housing by Geography | 34,670 | 0.00 | 7.87 | 76.58 | 15.56 | 0.00 |
| Business by Geography | 7,407 | 0.00 | 13.66 | 66.61 | 19.72 | 0.00 |
| Farms by Geography | 399 | 0.00 | 3.01 | 87.72 | 9.27 | 0.00 |
| Family Distribution by Income Level | 33,048 | 17.50 | 19.41 | 24.45 | 38.65 | 0.00 |
| Distribution of Low and Moderate Income Families throughout AA Geographies | 12,196 | 0.00 | 14.37 | 74.46 | 11.17 | 0.00 |
| Median Family Income (MFI) | | 45,159 | Median Housing Value | | 91,276 | |
| HUD Adjusted Median Family Income for 2002 | | 48,900 | Unemployment Rate – July 2005 | | 4.0% | |
| Households Below Poverty Level | | 9.28% | | | | |

Sources: 2000 US Census, 2003 HUD for updated MFI, New York State Labor Dept. website for unemployment rates.

(*) The NA category consists of geographies that have not been assigned an income classification.

The Glens Falls MSA AA consists of the entire Glens Falls MSA. The AA consists of Warren and Washington Counties. The AA meets the requirement of the regulation and does not arbitrarily exclude low or moderate-income geographies. The composition of the AA geographies by income level is: 12.12% moderate-income, 78.79% middle-income, and 9.09% upper-income.

Between 2002 and 2004, 65-68% of the bank’s loans were made in this AA each year. Seventy-three percent of the bank’s deposits were in this AA as of June 30, 2005. Seventy-two percent of GFNB’s branches are in the AA.

The competition among financial service providers is strong. GFNB competes with large mortgage companies, large credit unions, large regional banks, and various community and savings banks. GFNB 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. The bank’s business focus is targeted towards consumer, mortgage, and commercial lending.

Eighty-seven percent of the housing in the AA is one-to-four family units, 5% is multi-family units, and 8% is mobile homes. Of the total housing units, 56% is owner-occupied, 22% is renter-occupied, and 22% is vacant. The weighted average of median housing value was \$91,276 in 2000. Housing stock consists mostly of older homes with the median year built of 1960.

According to the 2003 business demographics, there were 7,806 businesses, of which 399 were farms in the AA. Small businesses represent 93% of the 5,129 businesses reporting revenues. Approximately

70% of businesses reported having less than 10 employees. The primary industries in the AA are services 36%, retail trade 20%, and construction 9%. The largest private employers in the AA are Glens Falls Hospital, Finch, Pruyn and Co., Inc., Boston Scientific/Namic Technology Center, C.R. Bard, Inc., and Sagamore Resort.

There are a number of community development opportunities available in the AA.

Two community contacts were made in conjunction with this examination, one in Warren County and the other covering a five county area that includes the full scope AA. The contacts confirmed that affordable housing mortgages and loans to small-sized businesses were primary credit needs in the AA.

Appendix C: Tables of Performance Data

Content of Standardized Tables

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

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding, and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

| LENDING VOLUME | | Geography: GLENS FALLS AA | | | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | | |
|----------------------------|-------------------------------------|---------------------------|------------|---------------------------|------------|---|------------|-------------------------------|------------|----------------------|-----------|--------------------------------------|
| MA/Assessment Area (2002): | % of Rated Area Loans (#) in MA/AA* | Home Mortgage | | Small Loans to Businesses | | Small Loans to Farms | | Community Development Loans** | | Total Reported Loans | | % of Rated Area Deposits in MA/AA*** |
| | | # | \$ (000's) | # | \$ (000's) | # | \$ (000's) | # | \$ (000's) | # | \$(000's) | |
| Full Review: | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 67.89 | 677 | 61,270 | 425 | 42,016 | 3 | 48 | 13 | 6,095 | 1,118 | 109,429 | 73.12 |
| Limited Review: | | | | | | | | | | | | |
| Non MSA AA | 24.73 | 256 | 23,484 | 98 | 11,160 | 0 | 0 | 3 | 5,210 | 7 | 39,854 | 18.46 |
| Northern Saratoga County | 7.38 | 101 | 7,355 | 54 | 4,537 | 0 | 0 | 0 | 0 | 155 | 11,892 | 8.42 |

* Loan Data as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from June 24, 2002 through August 28, 2005.

*** Deposit Data as of June 30, 2004. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

| LENDING VOLUME | | Geography: GLENS FALLS AA | | | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | | | | |
|----------------------------|-------------------------------------|---------------------------|------------|------------------------------------|------------|---|------------|---------------|------------|-------------|------------|------------------------|------------|-----------------------------------|
| MA/Assessment Area (2002): | % of Rated Area Loans (#) in MA/AA* | Total Optional Loans | | Small Business Real Estate Secured | | Home Equity | | Motor Vehicle | | Credit Card | | Other Secured Consumer | | % of Rated Area Deposits in AA*** |
| | | # | \$ (000's) | # | \$ (000's) | # | \$ (000's) | # | \$ (000's) | # | \$ (000's) | # | \$ (000's) | |
| Full Review: | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 61.24 | 3,916 | 54,246 | 0 | 0 | 507 | 14,762 | 2,358 | 33,182 | 0 | 0 | 181 | 2,263 | 73.12 |
| Limited Review: | | | | | | | | | | | | | | |
| Non MSA AA | 24.27 | 1,552 | 24,142 | 0 | 0 | 119 | 3,715 | 1,290 | 19,232 | 0 | 0 | 33 | 625 | 18.46 |
| Northern Saratoga County | 14.48 | 926 | 11,296 | 0 | 0 | 69 | 1,590 | 617 | 8,853 | 0 | 0 | 31 | 258 | 8.42 |

* Loan Data as of December 31, 2003. Rated area refers to either state or multi-state MA rating area.

*** Deposit Data as of June 30, 2004. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

| LENDING VOLUME | | Geography: GLENS FALLS AA | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | |
|----------------------------|---------------------------------|---------------------------|----------------------|---|--|
| MA/Assessment Area (2002): | Other Unsecured Consumer Loans* | | Other Optional Loans | | |
| | # | \$ (000's) | # | \$ (000's) | |
| Full Review: | | | | | |
| Glens Falls MSA 2003 | 870 | 4,039 | 0 | 0 | |
| Limited Review: | | | | | |
| Non MSA AA | 110 | 570 | 0 | 0 | |
| Northern Saratoga County | 209 | 595 | 0 | 0 | |

* The evaluation period for Optional Product Line(s) is from January 01, 2003 to December 31, 2003.

Table 2. Geographic Distribution of Home Purchase Loans

| Geographic Distribution: HOME PURCHASE | | Geography: GLENS FALLS AA | | | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | | Market Share (%) by Geography* | | | | |
|--|---------------------------|---------------------------|------------------------|--------------|-----------------------------|---|---------------------------|--------------|--------------------------|--------------|---------|--------------------------------|------|------|-------|--|
| MA/Assessment Area: | Total Home Purchase Loans | | Low-Income Geographies | | Moderate-Income Geographies | | Middle-Income Geographies | | Upper-Income Geographies | | Overall | Low | Mod | Mid | Upp | |
| | # | % of Total** | % Owner Occ Units*** | % BANK Loans | % Owner Occ Units*** | % BANK Loans | % Owner Occ Units*** | % BANK Loans | % Owner Occ Units*** | % BANK Loans | | | | | | |
| Full Review: | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 158 | 59.40 | 0.00 | 0.00 | 7.87 | 7.59 | 76.58 | 65.19 | 15.56 | 27.22 | 6.67 | 0.00 | 5.61 | 6.10 | 9.19 | |
| Limited Review: | | | | | | | | | | | | | | | | |
| Non MSA AA | 81 | 30.45 | 0.00 | 0.00 | 4.39 | 0.00 | 86.31 | 87.65 | 9.30 | 12.35 | 7.33 | 0.00 | 0.00 | 7.31 | 10.53 | |
| Northern Saratoga County | 27 | 10.15 | 0.00 | 0.00 | 26.53 | 40.74 | 60.98 | 59.26 | 12.48 | 0.00 | 1.81 | 0.00 | 2.93 | 1.96 | 0.00 | |

* Based on 2003 Peer Mortgage Data (Eastern)

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

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

Table 3. Geographic Distribution of Home Improvement Loans

| Geographic Distribution: HOME IMPROVEMENT | | Geography: GLENS FALLS AA | | | | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | Market Share (%) by Geography* | | | | |
|---|------------------------------|---------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|--------------------------------|-------|-------|-------|--|
| MA/Assessment Area: | Total Home Improvement Loans | | Low-Income Geographies | | Moderate-Income Geographies | | Middle-Income Geographies | | Upper-Income Geographies | | Overall | Low | Mod | Mid | Upp | |
| | # | % of Total** | % Owner Occ Units*** | % BANK Loans | % Owner Occ Units*** | % BANK Loans | % Owner Occ Units*** | % BANK Loans | % Owner Occ Units*** | % BANK Loans | | | | | | |
| Full Review: | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 150 | 70.42 | 0.00 | 0.00 | 7.87 | 8.00 | 76.58 | 74.00 | 15.56 | 18.00 | 38.46 | 0.00 | 35.29 | 37.37 | 45.76 | |
| Limited Review: | | | | | | | | | | | | | | | | |
| Non MSA AA | 42 | 19.72 | 0.00 | 0.00 | 4.39 | 4.76 | 86.31 | 88.10 | 9.30 | 7.14 | 20.00 | 0.00 | 20.00 | 20.33 | 16.67 | |
| Northern Saratoga County | 21 | 9.86 | 0.00 | 0.00 | 26.53 | 28.57 | 60.98 | 66.67 | 12.48 | 4.76 | 13.21 | 0.00 | 15.00 | 14.74 | 4.17 | |

* Based on 2003 Peer Mortgage Data (Eastern)

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

| Geographic Distribution: HOME MORTGAGE REFINANCE | | Geography: GLENS FALLS AA | | | | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | Market Share (%) by Geography * | | | | |
|--|-------------------------------------|---------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|---------------------------------|-------|------|------|--|
| MA/Assessment Area: | Total Home Mortgage Refinance Loans | | Low-Income Geographies | | Moderate-Income Geographies | | Middle-Income Geographies | | Upper-Income Geographies | | Overall | Low | Mod | Mid | Upp | |
| | # | % of Total** | % Owner Occ Units*** | % BANK Loans | % Owner Occ Units*** | % BANK Loans | % Owner Occ Units*** | % BANK Loans | % Owner Occ Units*** | % BANK Loans | | | | | | |
| Full Review: | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 368 | 67.03 | 0.00 | 0.00 | 7.87 | 5.71 | 76.58 | 68.21 | 15.56 | 26.09 | 8.20 | 0.00 | 7.53 | 7.88 | 9.38 | |
| Limited Review: | | | | | | | | | | | | | | | | |
| Non MSA AA | 129 | 23.50 | 0.00 | 0.00 | 4.39 | 4.65 | 86.31 | 87.60 | 9.30 | 7.75 | 6.53 | 0.00 | 10.53 | 6.66 | 4.52 | |
| Northern Saratoga County | 52 | 9.47 | 0.00 | 0.00 | 26.53 | 30.77 | 60.98 | 65.38 | 12.48 | 3.85 | 1.75 | 0.00 | 2.76 | 1.89 | 0.34 | |

* Based on 2003 Peer Mortgage Data (Eastern)

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

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

Table 5. Geographic Distribution of Multifamily Loans

| Geographic Distribution: MULTIFAMILY | | Geography: GLENS FALLS AA | | | | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | Market Share (%) by Geography* | | | | |
|--------------------------------------|-------------------------|---------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|--------------------------------|-------|-------|------|--|
| MA/Assessment Area: | Total Multifamily Loans | | Low-Income Geographies | | Moderate-Income Geographies | | Middle-Income Geographies | | Upper-Income Geographies | | Overall | Low | Mod | Mid | Upp | |
| | # | % of Total** | % of MF Units*** | % BANK Loans | % MF Units*** | % BANK Loans | % MF Units*** | % BANK Loans | % MF Units*** | % BANK Loans | | | | | | |
| Full Review: | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 1 | 16.67 | 0.00 | 0.00 | 29.96 | 0.00 | 38.04 | 100.00 | 32.00 | 0.00 | 12.50 | 0.00 | 0.00 | 50.00 | 0.00 | |
| Limited Review: | | | | | | | | | | | | | | | | |
| Non MSA AA | 4 | 66.67 | 0.00 | 0.00 | 12.43 | 0.00 | 77.93 | 100.00 | 9.63 | 0.00 | 44.44 | 0.00 | 0.00 | 44.44 | 0.00 | |
| Northern Saratoga County | 1 | 16.67 | 0.00 | 0.00 | 43.72 | 100.00 | 43.83 | 0.00 | 12.44 | 0.00 | 25.00 | 0.00 | 50.00 | 0.00 | 0.00 | |

* Based on 2003 Peer Mortgage Data (Eastern)

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

| Geographic Distribution: SMALL LOANS TO BUSINESSES | | Geography: GLENS FALLS AA | | | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | | Market Share (%) by Geography* | | | | |
|--|----------------------------|---------------------------|------------------------|--------------|-----------------------------|---|---------------------------|--------------|--------------------------|--------------|---------|--------------------------------|-------|-------|-------|--|
| MA/Assessment Area: | Total Small Business Loans | | Low-Income Geographies | | Moderate-Income Geographies | | Middle-Income Geographies | | Upper-Income Geographies | | Overall | Low | Mod | Mid | Upp | |
| | # | % of Total** | % of Businesses*** | % BANK Loans | % of Businesses*** | % BANK Loans | % of Businesses*** | % BANK Loans | % of Businesses*** | % BANK Loans | | | | | | |
| Full Review: | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 425 | 73.66 | 0.00 | 0.00 | 13.66 | 13.41 | 66.61 | 62.35 | 19.72 | 24.24 | 10.66 | 0.00 | 13.04 | 10.50 | 13.12 | |
| Limited Review: | | | | | | | | | | | | | | | | |
| Non MSA AA | 98 | 16.98 | 0.00 | 0.00 | 6.89 | 13.27 | 83.97 | 83.67 | 8.54 | 3.06 | 3.99 | 0.00 | 8.02 | 4.28 | 2.00 | |
| Northern Saratoga County | 54 | 9.36 | 0.00 | 0.00 | 31.89 | 46.30 | 56.62 | 50.00 | 11.49 | 3.70 | 1.24 | 0.00 | 5.18 | 1.21 | 0.20 | |

* Based on 2003 Peer Small Business Data -- US and PR

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

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

Table 7. Geographic Distribution of Small Loans to Farms

| Geographic Distribution: SMALL LOANS TO FARMS | | Geography: GLENS FALLS AA | | | | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | Market Share (%) by Geography* | | | | |
|---|------------------------|---------------------------|------------------------|--------------|-----------------------------|--------------|---|--------------|--------------------------|--------------|---------|--------------------------------|------|------|------|--|
| MA/Assessment Area: | Total Small Farm Loans | | Low-Income Geographies | | Moderate-Income Geographies | | Middle-Income Geographies | | Upper-Income Geographies | | Overall | Low | Mod | Mid | Upp | |
| | # | % of Total** | % of Farms*** | % BANK Loans | % of Farms*** | % BANK Loans | % of Farms*** | % BANK Loans | % of Farms*** | % BANK Loans | | | | | | |
| Full Review: | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 3 | 100.00 | 0.00 | 0.00 | 3.01 | 0.00 | 87.72 | 100.00 | 9.27 | 0.00 | 5.66 | 0.00 | 0.00 | 6.12 | 0.00 | |
| Limited Review: | | | | | | | | | | | | | | | | |
| Non MSA AA | 0 | 0.00 | 0.00 | 0.00 | 2.02 | 0.00 | 93.94 | 0.00 | 4.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Northern Saratoga County | 0 | 0.00 | 0.00 | 0.00 | 21.24 | 0.00 | 73.45 | 0.00 | 5.31 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |

* Based on 2003 Peer Small Business Data -- US and PR

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

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

Table 8. Borrower Distribution of Home Purchase Loans

| Borrower Distribution: HOME PURCHASE | | Geography: GLENS FALLS AA | | | | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | Market Share* | | | | |
|--------------------------------------|---------------------------|---------------------------|----------------------|------------------|---------------------------|------------------|---|------------------|------------------------|------------------|---------|---------------|------|------|-------|--|
| MA/Assessment Area: | Total Home Purchase Loans | | Low-Income Borrowers | | Moderate-Income Borrowers | | Middle-Income Borrowers | | Upper-Income Borrowers | | Overall | Low | Mod | Mid | Upp | |
| | # | % of Total** | % Families*** | % BANK Loans**** | % Families*** | % BANK Loans**** | % Families*** | % BANK Loans**** | % Families*** | % BANK Loans**** | | | | | | |
| Full Review: | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 158 | 59.40 | 17.50 | 3.92 | 19.41 | 13.07 | 24.45 | 24.18 | 38.65 | 58.82 | 7.62 | 4.72 | 4.69 | 6.60 | 10.07 | |
| Limited Review: | | | | | | | | | | | | | | | | |
| Non MSA AA | 81 | 30.45 | 18.75 | 6.25 | 17.71 | 8.75 | 22.52 | 30.00 | 41.02 | 55.00 | 8.18 | 8.93 | 3.15 | 8.92 | 10.21 | |
| Northern Saratoga County | 27 | 10.15 | 19.11 | 7.69 | 22.48 | 38.46 | 25.82 | 26.92 | 32.59 | 26.92 | 2.04 | 1.96 | 2.99 | 1.94 | 1.47 | |

* Based on 2003 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 2.6% 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: GLENS FALLS AA | | | | | Evaluation Period: JANUARY 1, 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 | | Overall | Low | Mod | Mid | Upp | |
| | # | % of Total ^{**} | % Families ^{***} | % BANK Loans ^{****} | % Families ^{***} | % BANK Loans ^{****} | % Families ^{***} | % BANK Loans ^{****} | % Families ^{***} | % BANK Loans ^{****} | | | | | | |
| Full Review: | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 150 | 70.42 | 17.50 | 15.38 | 19.41 | 19.58 | 24.45 | 18.18 | 38.65 | 46.85 | 38.75 | 59.46 | 35.00 | 24.53 | 45.89 | |
| Limited Review: | | | | | | | | | | | | | | | | |
| Non MSA AA | 42 | 19.72 | 18.75 | 7.14 | 17.71 | 21.43 | 22.52 | 23.81 | 41.02 | 47.62 | 20.49 | 13.64 | 23.68 | 14.29 | 26.67 | |
| Northern Saratoga County | 21 | 9.86 | 19.11 | 35.00 | 22.48 | 20.00 | 25.82 | 15.00 | 32.59 | 30.00 | 13.51 | 25.00 | 13.79 | 7.14 | 12.24 | |

^{*} Based on 2003 Peer Mortgage Data (Eastern)

^{**} As a percentage of loans with borrower income information available. No information was available for 3.8% 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: GLENS FALLS AA | | | | | Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | Market Share* | | | | |
|--|-------------------------------------|---------------------------|----------------------|------------------|---------------------------|------------------|---|------------------|------------------------|------------------|---------|---------------|------|------|------|--|
| MA/Assessment Area: | Total Home Mortgage Refinance Loans | | Low-Income Borrowers | | Moderate-Income Borrowers | | Middle-Income Borrowers | | Upper-Income Borrowers | | | | | | | |
| | # | % of Total** | % Families*** | % BANK Loans**** | % Families*** | % BANK Loans**** | % Families*** | % BANK Loans**** | % Families*** | % BANK Loans**** | Overall | Low | Mod | Mid | Upp | |
| Full Review: | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 368 | 67.03 | 17.50 | 2.22 | 19.41 | 14.40 | 24.45 | 25.76 | 38.65 | 57.62 | 9.18 | 4.71 | 7.99 | 9.22 | 9.90 | |
| Limited Review: | | | | | | | | | | | | | | | | |
| Non MSA AA | 129 | 23.50 | 18.75 | 1.55 | 17.71 | 12.40 | 22.52 | 27.91 | 41.02 | 58.14 | 7.38 | 2.74 | 6.96 | 7.36 | 7.84 | |
| Northern Saratoga County | 52 | 9.47 | 19.11 | 1.96 | 22.48 | 29.41 | 25.82 | 33.33 | 32.59 | 35.29 | 2.07 | 0.74 | 3.11 | 2.17 | 1.69 | |

* Based on 2003 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 1.5% of loans originated and purchased by bank.

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

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

Table 11. Borrower Distribution of Small Loans to Businesses

| Borrower Distribution: SMALL LOANS TO BUSINESSES | | Geography: GLENS FALLS AA | | | Evaluation Period: JANUARY 1, 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 Loans**** | \$100,000 or less | > \$100,000 to \$250,000 | > \$250,000 to \$1,000,000 | All | Rev\$ 1 Million or Less |
| Full Review: | | | | | | | | | |
| Glens Falls MSA 2003 | 425 | 73.66 | 64.28 | 43.29 | 78.35 | 12.00 | 9.65 | 10.66 | 12.59 |
| Limited Review: | | | | | | | | | |
| Non MSA AA | 98 | 16.98 | 62.02 | 42.86 | 78.57 | 10.20 | 11.22 | 3.99 | 4.60 |
| Northern Saratoga County | 54 | 9.36 | 64.77 | 64.81 | 83.33 | 9.26 | 7.41 | 1.24 | 1.95 |

* Based on 2003 Peer Small Business Data -- US and PR

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

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 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 24.26% of small loans to businesses originated and purchased by the bank.

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Table 12. Borrower Distribution of Small Loans to Farms

| Borrower Distribution: SMALL LOANS TO FARMS | | Geography: GLENS FALLS AA | | | Evaluation Period: JANUARY 1, 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 [*] | |
| | # | % of Total ^{**} | % of Farms ^{***} | % BANK Loans ^{****} | \$100,000 or less | > \$100,000 to \$250,000 | > \$250,000 to \$1,000,000 | All | Rev\$ 1 Million or Less |
| Full Review: | | | | | | | | | |
| Glens Falls MSA 2003 | 3 | 100.00 | 92.73 | 0.00 | 100.00 | 0.00 | 0.00 | 5.66 | 0.00 |
| Limited Review: | | | | | | | | | |
| Non MSA AA | 0 | 0.00 | 90.40 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Northern Saratoga County | 0 | 0.00 | 89.38 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

^{*} Based on 2003 Peer Small Business Data -- US and PR

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

^{***} Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2003).

^{****} 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 100.0% of small loans to farms originated and purchased by the bank.

Table 13. Geographic and Borrower Distribution of Consumer Loans (Institution's Option)

| Geographic and Borrower Distribution: CONSUMER LOANS | | | | | | | | | | | | | | | | | | |
|---|-------------------------|-------------|------------------------|-----------------|-----------------------------|-----------------|---------------------------|-----------------|--------------------------|-----------------|-----------------------|-----------------|---------------------------|-----------------|-------------------------|-----------------|------------------------|-----------------|
| Geography: GLENS FALLS AA | | | | | | | | | | | | | | | | | | |
| Evaluation Period: JANUARY 1, 2003 TO DECEMBER 31, 2003 | | | | | | | | | | | | | | | | | | |
| MA/Assessment Area: | Geographic Distribution | | | | | | | | | | Borrower Distribution | | | | | | | |
| | Total Consumer Loans | | Low-Income Geographies | | Moderate-Income Geographies | | Middle-Income Geographies | | Upper-Income Geographies | | Low-Income Borrowers | | Moderate-Income Borrowers | | Middle-Income Borrowers | | Upper-Income Borrowers | |
| | # | % of Total* | % of Hhlds** | % of BANK Loans | % of Hhlds* | % of BANK Loans | % of Hhlds** | % of BANK Loans | % of Hhlds** | % of BANK Loans | % of Hhlds* | % of BANK Loans | % of Hhlds** | % of BANK Loans | % of Hhlds** | % of BANK Loans | % of Hhlds** | % of BANK Loans |
| Full Review: | | | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 3,916 | 61.24 | 0.00 | 0.00 | 11.57 | 9.93 | 73.28 | 74.23 | 15.15 | 15.83 | 21.12 | 13.53 | 17.64 | 20.43 | 21.21 | 20.33 | 40.04 | 25.46 |
| Limited Review: | | | | | | | | | | | | | | | | | | |
| Non MSA AA | 1,552 | 24.27 | 0.00 | 0.00 | 5.93 | 4.19 | 85.22 | 87.56 | 8.84 | 8.05 | 24.23 | 11.79 | 15.73 | 21.84 | 18.71 | 26.29 | 41.33 | 34.02 |
| Northern Saratoga County | 926 | 14.48 | 0.00 | 0.00 | 30.14 | 37.26 | 58.20 | 59.61 | 11.66 | 3.13 | 21.04 | 21.49 | 16.86 | 25.59 | 22.02 | 18.14 | 40.08 | 14.90 |

* Consumer Loans originated and purchased in the MA/AA as a percentage of all consumer loans originated and purchased in the rated area.

** Percentage of households is based on 2000 Census Information.

Table 14. Qualified Investments

| QUALIFIED INVESTMENTS | | | | | | | | | |
|---|---------------------------|-----------|----------------------------|-----------|-------------------|-----------|------------|------------------------|-----------|
| Geography: GLENS FALLS AA | | | | | | | | | |
| Evaluation Period: June 24, 2002 TO August 28, 2005 | | | | | | | | | |
| MA/Assessment Area: | Prior Period Investments* | | Current Period Investments | | Total Investments | | | Unfunded Commitments** | |
| | # | \$(000's) | # | \$(000's) | # | \$(000's) | % of Total | # | \$(000's) |
| Full Review: | | | | | | | | | |
| Glens Falls MSA 2003 | 8 | 170 | 43 | 3,347 | 51 | 3,517 | 62.37 | 0 | 0 |
| Limited Review: | | | | | | | | | |
| Non MSA AA | 0 | 0 | 26 | 34 | 26 | 34 | 0.60 | 0 | 0 |
| Northern Saratoga County | 0 | 0 | 8 | 2,088 | 8 | 2,088 | 37.03 | 0 | 0 |

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

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

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

| DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS | | | | | | | | | | | | | | | | | | |
|---|--------------------------------|--------------------|--------------------------------|---|------|------|------|--------------------------|----------------------|---|-----|-----|-----|---------------------------------------|------|-------|-------|-------|
| Geography: GLENS FALLS AA | | | | | | | | | | | | | | | | | | |
| Evaluation Period: June 24, 2002 TO August 28, 2005 | | | | | | | | | | | | | | | | | | |
| MA/Assessment Area: | Deposits | Branches* | | | | | | Branch Openings/Closings | | | | | | Population | | | | |
| | % of Rated Area Deposits in AA | # of BANK Branches | % of Rated Area Branches in AA | Location of Branches by Income of Geographies (%) | | | | # of Branch Openings | # of Branch Closings | Net change in Location of Branches (+ or -) | | | | % of Population within Each Geography | | | | |
| | | | | Low | Mod | Mid | Upp | | | Low | Mod | Mid | Upp | Low | Mod | Mid | Upp | |
| Full Review: | | | | | | | | | | | | | | | | | | |
| Glens Falls MSA 2003 | 73.12 | 18 | 72 | 0.00 | 17 | 66 | 17 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0.00 | 10.39 | 74.77 | 14.84 |
| Limited Review: | | | | | | | | | | | | | | | | | | |
| Non MSA AA | 18.46 | 5 | 20 | 0.00 | 0.00 | 80 | 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 5.46 | 83.25 | 8.57 |
| Northern Saratoga County | 8.42 | 2 | 8 | 0.00 | 100 | 0.00 | 0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 27.63 | 60.05 | 12.32 |

* Location of branches by income and population within each geography is based on 2000 Census data.

