

LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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Community Reinvestment Act Performance Evaluation

**Evergreen Bank, N.A.
Charter Number: 24012**

**237 Glen Street
Glens Falls, New York 12801**

Office of the Comptroller of the Currency

**Large Bank Supervision
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Washington, DC 20219**

NOTE: 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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General Information

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

*This document is an evaluation of the CRA performance of **Evergreen Bank, N.A. (EBNA)** prepared by the **Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of **October 2, 2000**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 25.*

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this Performance Evaluation. 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 by another company. A company is under common control with another company if both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Block Numbering Area (BNA) - Statistical subdivisions of counties in which census tracts have not been established. BNAs have been established by the United States Census Bureau in conjunction with state agencies.

Census Tract (CT) - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the United States Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten year census and an average population of 4,000.

Community Development (CD) - Affordable 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.

Full-Scope Review - Performance under the Lending, Investment and Service Tests is analyzed considering fully understood performance context, quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

Geography - A census tract or a block numbering area 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 applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

Home Mortgage Loans - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwellings loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

Limited-Scope 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, branch distribution).

Low-Income - Income levels that are less than 50% of the median family income.

Median Family Income (MFI) - The median income determined by the United States 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 Statistical Area (MSA) - Area defined by the Director of the United States Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

Middle-Income - Income levels that are at least 80% and less than 120% of the MFI.

Moderate-Income - Income levels that are at least 50% and less than 80% of the MFI.

Small Business Loans - Loans with original amounts of \$1 million or less that are: (1) secured by nonfarm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

Small Farm Loans - Loans with original amounts of \$500 thousand or less that are: (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

Tier 1 Capital - The total of common shareholders' equity, perpetual preferred shareholder's equity with noncumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income - Income levels that are 120% or more of the MFI.

Overall CRA Rating

This institution is rated "**Satisfactory.**"

The following table indicates the performance level of **Evergreen Bank, N.A.** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Evergreen Bank, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory		X	X
Low Satisfactory	X		
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 adequate responsiveness by EBNA to the credit needs of its assessment area;
- < A high percentage (82%) of EBNA's mortgage-related, small business, and consumer loans originated within the assessment area;
- < Adequate distribution of EBNA's loans among geographies and among borrowers of different income levels throughout its assessment area;
- < Investments that reflect a good responsiveness to the needs of its assessment area;
- < Good accessibility of EBNA's offices to geographies and individuals of different income levels; and,
- < A good level of community development services provided during the evaluation period.

Description of Institution

Evergreen Bank, N.A. is a subsidiary of Banknorth Group, Inc. (BNG), a seven-bank holding company with assets of \$18.5 billion as of June 30, 2000, with headquarters in Portland, Maine. In 1998, EBNA merged into BNG, which at that time was an eight-bank holding company with headquarters in Burlington, Vermont. In May 2000, BNG of Vermont merged into Peoples Heritage Financial Group, Inc. (PHFG), a four-bank holding company based in Portland, Maine. In June 2000, PHFG changed its name to Banknorth Group, Inc. BNG has banks in Maine, New Hampshire, New York, Massachusetts, and Vermont.

EBNA, Glens Falls, New York, is a full service, intrastate bank with 29 branches in nine counties in upstate New York. In addition to providing a complete range of commercial and personal banking products, EBNA also offers trust, asset management, and investment services.

As of June 30, 2000, bank assets totaled \$1.3 billion, \$809 million or 64% of which were net loans and \$353 million or 28% were investments. Total deposits were \$966 million. Tier one capital was \$73 million. The loan portfolio is primarily retail-oriented, with residential real estate and other consumer loans representing 46% and 20% of average gross loans, respectively. Commercial real estate and other commercial loans represent 16% and 9% of average gross loans, respectively. The remaining loan portfolio consists of municipal loans (4%), real estate construction and development loans (3%), and multifamily real estate loans (2%). EBNA is a significant originator of indirect automobile loans both inside and outside its assessment area.

EBNA has one wholly owned subsidiary, Northgroup (EB) Investment Company, which was formed to hold 100% of the stock and receive the dividends of Evergreen Realty Funding Corp., a real estate investment trust (REIT) which holds the residential mortgage loans of EBNA. Total REIT assets were \$256 million as of June 30, 2000. The subsidiary had no impact on the bank's capacity for community reinvestment.

CRA was most recently evaluated as of November 26, 1997. The bank received a "Satisfactory" rating as a result of that review.

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

Scope of the Evaluation

Evaluation Period/Products Evaluated

With the exception of community development (CD) loans, the evaluation period for the lending test covers activity from January 1, 1998 to June 30, 2000. The evaluation period for CD loans, investments and services covers activities from January 1, 1998 to October 2, 2000.

For the lending test, EBNA's origination/purchase of home mortgage loans (home purchase, home improvement, and refinance loans), small loans to businesses, consumer loans (automobile, other secured, other unsecured loans) and CD loans were evaluated. Management opted to provide information regarding consumer loans, although not required to do so under the CRA regulation. EBNA's origination/purchase of small loans to farms was not evaluated, as the volume was not significant enough to perform a meaningful analysis (less than 1% of the number of loan originations/purchases over the lending test evaluation period).

The peer comparisons in this Evaluation include only lenders who were required to file HMDA and Small Business Reports for 1999. Small business reporting is required 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 during the same time periods.

Data Integrity

As part of this CRA evaluation, EBNA's publicly filed information on home mortgage loans and small loans to businesses was tested for accuracy. Consumer loan information is not required to be filed nor is it required to be evaluated for CRA purposes. However, as the bank chose to have it included in our evaluation, we also tested the consumer loans for accuracy. The test included an evaluation of EBNA's processes to ensure that data are reliable.

Errors were noted in key fields of the home mortgage, small loans to businesses, and consumer loan data. EBNA was able to isolate the sources of these errors and expeditiously correct the errors. As a result, this evaluation is based on accurate data. Because errors occurred in the 1999 data, the bank's market share and market rank have been manually adjusted to reflect corrected information.

CD loans, investments, and services submitted by EBNA management were verified to ensure that they met the regulatory definition for CD. All items submitted by EBNA for consideration were included in the evaluation as they met

the definition and purpose of CD.

Selection of Areas for Full-Scope Review

Each of the bank's MSAs received full-scope reviews. For purposes of analyzing performance and presenting data in this Evaluation, the nonmetropolitan Clinton, Columbia, and Essex counties were combined and also received a full-scope review. The counties are geographically proximate with similar performance contexts.

Ratings

The bank's overall rating is based on the three full-scope areas. The performance in the Glens Falls MSA was given somewhat more weight than the performance in the Albany-Schenectady-Troy MSA and the non MSA, as slightly over half of the bank's deposits and home mortgage and small business loans were located in the Glens Falls MSA. Please refer to Appendix B for information regarding each of the MSAs.

Other

Three community contacts were made during the evaluation, one in each of the MSAs and one in the non MSA portion of the AA. Each of the contacts represented a community-based development or financial intermediary. The contacts all noted the need for affordable housing for purchase, especially for first time homebuyers, and/or affordable rental housing. Loans to support economic development are also needed. The needs for economic development and affordable housing-related credit, investments and services were considered in our evaluation of EBNA's performance under the Lending, Investment, and Service Tests. Please refer to the Market Profiles in Appendix B for more information.

Fair Lending Review

An analysis of one year's HMDA, Small Business, and Small Farm lending data, public comments and consumer complaint information was performed according to the OCC's risk-based fair lending approach. The analysis of these data revealed no basis for the OCC to conduct a comprehensive fair lending examination in connection with the CRA evaluation this year. The latest comprehensive fair lending examination was performed in 1997.

Conclusions with Respect to Performance Tests

LENDING TEST

The bank's performance under the Lending Test is rated "low satisfactory". Based on full scope reviews, the bank's performance in the Glens Falls MSA, Albany-Schenectady-Troy MSA, and the non MSA portion of the state is adequate.

Lending Activity

Refer to Table 1 in Appendix C for the facts and data used to evaluate the bank's lending activity.

During the evaluation period, 84% of the loans originated/purchased were consumer loans. Home mortgage loans were 11%, and small loans to businesses were 5%. Less than 1% of the loans were small farm loan originations/purchases. Agricultural lending is not a primary business line of EBNA. If the consumer loans were not included, home mortgage loans would represent 67% of loans originated/purchased, small loans to businesses would be 33%, and small farm loans would be less than 1%.

Within home mortgage loan originations/purchases, 43% were for home mortgage refinance, 32% were for home purchase, and 25% were for home improvement.

EBNA's lending activity is adequate throughout the AA. In the Glens Falls MSA, EBNA ranks first with 36% of deposit market share. Another large commercial bank based in Glens Falls ranked second with 35% of deposit market share. Based on 1999 HMDA aggregate data, EBNA was the fourth largest originator/purchaser of home purchase loans (7%) behind a large nationwide mortgage company and two large commercial banks. EBNA ranks second in the origination/purchase of home improvement loans (25%) behind a large commercial bank. EBNA also ranked second in the origination/purchase of refinance loans (9%) behind a regional bank. Based on 1999 CRA aggregate data, EBNA ranks fourth in small loans to businesses (13%) in the MSA, behind a large commercial bank and two nationwide credit card banks.

In the Albany-Schenectady-Troy MSA, EBNA has a very small percentage of deposit market share (2%). EBNA's market share of home improvement and small loans to businesses equaled its deposit market share, and were slightly less at 1% for both home purchase and refinance loans. There are a large number of commercial, regional, and nationwide mortgage and credit card banks in the MSA.

In the non MSA portion of the AA, EBNA had 12% of deposit market share, ranking third out of eight banks in Clinton county and sixth of six banks in Columbia county. EBNA's market share of home improvement loans (16%) exceeds the market share of deposits, and it is ranked second behind a regional bank. The bank's market share of home purchase loans (6%), refinance loans (3%), and small loans to businesses (3%) were less than its deposit market share.

Distribution of Loans by Income Level of the Geography

The geographic distribution of EBNA's home mortgage loans, small loans to businesses, and consumer loans reflects an adequate penetration throughout the bank's AA. The volume of EBNA's small loans to farms was not significant enough to perform a meaningful analysis.

Home Mortgage Loans

Refer to Tables 2, 3 and 4 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 adequate in the bank's AAs.

Home purchase loan geographic distribution is good throughout the bank's AA. In the Glens Falls MSA, the portion of home purchase loans made in moderate-income geographies slightly exceeds the owner-occupied housing units within the geography. In the non MSA portion of the AA, the portion of home purchase loans made in moderate-income geographies equals the owner-occupied housing units within the geography. In the Albany-Schenectady-Troy MSA, the portion of home purchase loans made in moderate-income geographies was near to the portion of owner-occupied housing units. The market share for loans made in moderate-income geographies in the Glens Falls and Albany-Schenectady-Troy MSAs equaled the overall market share in the MSAs, and the non MSA portion of the AA overall market share slightly exceeded market share in moderate-income tracts.

While 1% of the owner-occupied units were in low-income geographies in the Albany-Schenectady-Troy MSA, the bank did not make any home purchase loans in

low-income geographies. There were no low-income geographies in the Glens Falls MSA or the non MSA portion of the AA.

Home improvement loan geographic distribution is adequate throughout the bank's AA. The portion of home improvement loans made in moderate-income geographies in the Glens Falls and Albany-Schenectady-Troy MSAs and the non MSA portion of the AA were all slightly below the portion of owner-occupied units within the AA. The market share for loans made in moderate-income geographies was significantly below the overall market share in the Glens Falls MSA and was somewhat below in the Albany-Schenectady-Troy MSA and the non MSA portion of the AA.

While 1% of the owner-occupied units were in low-income geographies in the Albany-Schenectady-Troy MSA, the bank did not make any home improvement loans in low-income geographies.

Refinance loan geographic distribution is adequate overall. Performance in the Glens Falls MSA is good, as the portion of loans made in moderate-income geographies equaled the portion of owner-occupied housing units within those geographies. The market share for such loans exceeded EBNA's overall market share in the Glens Falls MSA. In the Albany-Schenectady-Troy MSA, performance was adequate, as the portion of loans made in moderate-income geographies was less than the portion of owner-occupied housing units within those geographies. The market share for such loans equaled EBNA's overall market share. EBNA did not make any refinance loans in the moderate-income geographies in the non MSA portion of the AA.

While 1% of the owner-occupied units were in low-income geographies in the Albany-Schenectady-Troy MSA, the bank did not make any home mortgage refinance loans in low-income geographies.

Small Loans to Businesses

Refer to Table 5 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 good throughout the bank's AA. The portion of small loans to businesses made in moderate-income geographies in the Glens Falls MSA exceeded the portion of businesses that are within those geographies. The market share for such loans exceeded the bank's overall market share. In the Albany-Schenectady-Troy MSA, the portion of small loans to businesses made in low- and moderate-income geographies equaled the portion of businesses in those geographies. The market share for such loans also equaled the bank's overall market share. In the non MSA portion of the AA, the

portion of small loans to businesses made in moderate-income geographies was significantly less than the portion of businesses in those geographies, while the market share for such loans slightly exceeded the overall market share.

Small Loans to Farms

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 farms.

Consumer

Refer to Table 14 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 adequate throughout the AA. In the Glens Falls MSA, the percent of bank loans made in moderate-income geographies equaled the percent of the population in those geographies. In the Albany-Schenectady-Troy MSA and the non MSA portion of the AA, the percent of bank loans made in moderate-income geographies was less than the percent of the population in those geographies. In the Albany-Schenectady-Troy MSA, the percent of bank loans made in low-income geographies was less than the percent of the population in those geographies.

Lending Gap Analysis

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

Inside/Outside Ratio

A majority of home mortgage loans, small loans to businesses and farms, consumer loans, and CD loans originated/purchased by EBNA over the evaluation period were within its AA. Eighty-two percent of the bank's home mortgage and consumer loans, 92% of the small loans to businesses, and 100% of the small loans to farms and CD loans were within the AA. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of the geography.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of EBNA's home mortgage loans, small loans to

businesses, and consumer loans reflects an adequate dispersion among borrowers of different income levels throughout the AA.

Home Mortgage Loans

Refer to Tables 7, 8 and 9 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 bank's AA.

The borrower distribution of home purchase loans is adequate. In the Glens Falls MSA, the portion of home purchase loans made to low- and moderate-income borrowers is significantly below the portion of families that are defined as such. However, the market share for loans made to low-income borrower exceeds the bank's overall market share, but is somewhat below the overall market share for moderate-income borrowers. In the Albany-Schenectady-Troy MSA, the portion of home purchase loans to low-income borrowers is significantly lower and to moderate-income borrowers is slightly lower when compared to the portions of families that are defined as such. The market share for loans made to low- or moderate-income borrowers equaled the bank's overall market share. In the MSA portion of the AA, the portion of home purchase loans made to low-income borrowers is significantly below the portion of families that are defined as such, while the loans made to moderate-income borrowers slightly exceeded the portion of moderate-income families. The market share for loans made to low-income borrowers was below the bank's overall market share, while it was slightly above the overall market share for loans made to moderate-income borrowers.

Home improvement loan distribution is good. In the Glens Falls MSA, the portion of home improvement loans made to low-income borrowers was well below the portion of families that are defined as such, while the loans made to moderate-income borrowers far exceeded the portion of families. Market share for low-income borrowers significantly exceeded the bank's overall market share; the market share for moderate-income borrowers slightly exceeded the overall market share. In the Albany-Schenectady-Troy MSA, the portion of home improvement loans made to low-income borrowers was slightly below while loans made to moderate-income borrowers significantly exceeded the portion of families defined as such. The market share of loans to low-income borrowers exceeded the bank's overall market share, and loans to moderate-income borrowers equaled the bank's overall market share. In the non MSA portion of the AA, the portion of home improvement loans made to low- income borrowers was slightly above the portion of low-income families, while loans made to moderate-income borrowers was slightly below the portion of moderate-income families. EBNA's market share for

loans made to low-income borrowers far exceeded the overall market share, while it was somewhat below the overall market share for moderate-income borrowers.

Refinance loan borrower distribution is adequate. In the Glens Falls MSA, the portion of refinance loans made to low- or moderate-income borrowers was well below the portion of families that are defined as such. The market share of such loans is somewhat lower than EBNA's overall market share in the MSA for refinance loans. In the Albany-Schenectady-Troy MSA and the non MSA portion of the AA, refinance loans made to low-income borrowers was well below the portion

of families defined as such, and loans made to moderate-income borrowers were somewhat below the portion of families defined as such. Overall market share in the Albany-Schenectady-Troy MSA and the non MSA portion of the AA equaled the market share of loans made to low- and moderate-income borrowers.

Small Loans to Businesses

Refer to Table 10 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 throughout the AA. In the Glens Falls and Albany-Schenectady-Troy MSAs and the non MSA portion of the AA, the portion of EBNA's small loans to small businesses (businesses with revenues of \$1 million or less) is below the portion of businesses that are defined as such. A significant percentage of the loans made were for amounts of \$100,000 or less. The market share of small loans made to small businesses approximates EBNA's overall market share for small loans to all businesses in the MSAs and the non MSA portion of the AA.

Small Loans to Farms

Refer to Table 11 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.

Consumer

Refer to Table 14 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. While lending to low-income borrowers in the Glens Falls and Albany-Schenectady-Troy MSAs and the non MSA portion of the AA were somewhat below the percentage of low- income households, the lending in each of the areas to moderate-income borrowers

significantly exceeded the percentage of moderate-income households.

Community Development Lending

Refer to Table 1 in Appendix C for the facts and data used to evaluate the bank's level of community development lending. CD lending had a positive impact on the Lending Test for the Glens Falls MSA and a neutral impact on the Albany-Schenectady-Troy MSA and the non MSA portion of the AA.

During the evaluation period, EBNA funded one CD loan in 1998 for \$559 thousand in the Glens Falls MSA. The loan focused on addressing affordable housing, a primary credit need in the AA. The loan was for the construction of an eight-unit housing complex in the village of Warrensburg to provide rental housing for low-income seniors. A loan for \$271 thousand was committed to during the evaluation period and was for the construction of an eight-unit apartment building in the village of Fort Anne to provide rental housing for low- and moderate-income seniors. The loan is a participation with another local community bank, with EBNA leading the participation.

Of the remaining CD loans, two were in the Glens Falls MSA totaling \$98 thousand and one was in the non MSA portion of the AA for \$23 thousand. All of the loans were to not-for-profit organizations serving primarily low- and moderate-income housing or other community development needs.

In addition, EBNA has originated other loans with CD characteristics throughout the AA that were included in the home mortgage and small loans to businesses lending totals that had a positive impact on the AA.

Product Innovation and Flexibility

Product innovation and flexibility had a positive impact on the Lending Test conclusions.

Bank-wide, EBNA offers flexible mortgage-related lending programs serving low- and moderate-income borrowers through the "Good Neighbor" mortgage and the State of New York Mortgage Agency (SONYMA). Neither of these programs is considered innovative.

The "Good Neighbor" mortgage is a program implemented by EBNA January 1998, which offers financing up to 97% and the ability to finance closing costs. For low- and moderate-income families, the rate for the financing of closing costs is at the same rate as the mortgage loan. If this option was not available to low- and moderate-income borrowers, the interest rate to finance closing costs would be at the bank's personal loan rate, which is higher than the mortgage loan interest rate.

During the evaluation period, EBNA originated 18 "Good Neighbor" mortgage loans totaling \$990 thousand to LMI borrowers.

EBNA participates in the SONYMA single family mortgage programs. During the evaluation period, SONYMA programs have included the "Low Interest Rate Mortgage Program", the "Construction Incentive Program", "Achieving the Dream", and the "Mortgage Assistance Program". The "Low Interest Rate Mortgage Program" offers first time homebuyers a fixed mortgage interest rate below the conventional fixed rate loan market, financing up to 97%, and flexible mortgage loan underwriting requirements. During the evaluation period, EBNA made 24 loans totaling \$1.5 million to LMI borrowers under this program. The "Construction Incentive Program" offers 100% financing for the purchase of newly constructed one and two family homes at a special two-step reduced interest rate, reduced points and a longer commitment period. During the evaluation period, EBNA made six loans totaling \$441 thousand to LMI borrowers under this program. "Achieving the Dream" offers lower income first time homebuyers a very low interest rate and no points. During the evaluation period, EBNA made three loans totaling \$195 thousand to low-income borrowers under this program. The "Mortgage Assistance Program" is for low-income first time homebuyers and provides closing cost assistance with very low fixed interest rate loans primarily in rural areas of the state. During the evaluation period, EBNA made two loans totaling \$119 thousand to low-income borrowers under this program.

In addition to the "Good Neighbor" and SONYMA programs, EBNA also provides financing to qualified participants in location-specific programs for low- and moderate-income first time homebuyers. One such program is in the Glens Falls MSA, the "Village of Hudson Falls First Time Homebuyer's Program". EBNA funds mortgages at rates less than their conventional mortgage financing rates, and has a schedule of reduced closing costs. Participation in the program is limited to LMI borrowers. During the evaluation period, EBNA made 15 loans totaling \$800 thousand. Another program also in the Glens Falls MSA is the "HomeFront Development Corp. First Time Home Buyers Program" available throughout Washington County. EBNA made four loans totaling \$201 thousand during the evaluation period for low- or moderate-income first time homebuyers. In the Albany-Schenectady-Troy MSA, EBNA participates in the "City of Mechanicville's First Time Homebuyers Program", which provides reduced rate mortgages to low- and moderate-income borrowers. During the evaluation period, EBNA made nine loans totaling \$427 thousand.

Prior to the evaluation period, EBNA developed and began promoting a small business loan program for the Glens Falls central business district. During the evaluation period, the bank originated 11 loans totaling \$920 thousand to small businesses that support permanent job creation, retention, and/or improvement. Five of the 11 loans were in the moderate-income geography totaling \$575 thousand. The Glens Falls central business district has been targeted for

redevelopment by the local government.

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 Glens Falls MSA and the non MSA portion of the state is adequate, and the performance in the Albany-Schenectady-Troy MSA is excellent.

Refer to Table 12 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, EBNA made nine investments totaling \$3.2 million. The investments were located in the Albany-Schenectady-Troy MSA or were to statewide organizations. The investments to statewide organizations have been allocated within the AA based on the MSA's and the nonmetropolitan area's pro rata share of deposits. The volume of investments is good, given the moderate level of CD opportunities as described by community contacts in the AA and the responsiveness demonstrated by the bank. All of the investments addressed the identified need for affordable housing or economic development. EBNA also made a \$1.5 million legally binding investment commitment to a statewide small business investment company during the evaluation period. None of the bank's investments are considered innovative or complex.

EBNA invested in six mortgage-backed security bonds totaling \$2.3 million. The securities are backed by mortgage loans made by other banks to low- or moderate-income individuals in low- or moderate-income geographies.

In 1999, EBNA made an equity investment of \$400 thousand in a retail/office park development located in an economically distressed low-income geography in Albany. The purpose of the investment was to revitalize and stabilize the low-income geography. EBNA was one of a number of financial institutions that participated in the equity funding of the project.

Also in 1999, EBNA invested \$25 thousand in a community loan fund for training and technical assistance for low-income entrepreneurs in the Capital district.

In 2000, EBNA invested \$400 thousand in a statewide small business development corporation that provides below market rate loans and equity investments solely to businesses located in the 51 economic development zones in the state. The primary objective of the organization is the creation of new jobs or retention of

existing jobs in the most economically distressed areas of the state.

In addition, EBNA has two investments that were outstanding as of the exam date with a book value of \$881 thousand that were made prior to the evaluation.

These were to a statewide Small Business Development Company and to a statewide corporation that finances the rehabilitation, construction, and refinancing of affordable housing.

Grants/Donations - EBNA provided 35 grants totaling \$132 thousand to approximately 22 local nonprofit organizations for various affordable housing, economic development, and CD initiatives throughout the AA.

SERVICE TEST

The bank's performance under the Service Test is rated "high satisfactory". Based on full scope reviews, the bank's performance in the Glens Falls MSA, Albany-Schenectady-Troy MSA, and the non MSA portion of the state is good.

Retail Banking Services

Refer to Table 13 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.

EBNA's service delivery systems are accessible to geographies and individuals of different income levels throughout the AA. Accessibility is good in the Glens Falls MSA. While there are no branches located in moderate-income geographies, there is only a small (4%) percent of the population living in such geographies. There are three moderate-income geographies in the MSA. One is located in Glens Falls. The bank's main office is within walking distance of the moderate-income geography, and can also be accessed by public transportation. The other moderate-income geographies are in Thurman, which is six miles from the bank's Warrensburg office, and the towns of Hague and Stony Creek. Hague is located 10 miles from the bank's Bolton Landing office, and Stony Creek is 14 miles from the bank's Warrensburg office. These are very rural towns and the bank's branches are the closest banking facilities in the area. Accessibility is very good in the Albany-Schenectady-Troy MSA and the nonmetropolitan portion of the AA. In the Albany-Schenectady-Troy MSA, the distribution of EBNA's offices exceeds the distribution of the population living the low-income geographies and in moderate-income geographies is somewhat lower than the distribution of the population living in those geographies. In the nonmetropolitan portion of the AA, the distribution of EBNA's offices throughout the moderate-income geographies exceeds the distribution of the population living in such geographies. There were no branches closed during the evaluation period.

EBNA's hours and services offered throughout the AA are good. Office hours and services, including the availability of loan officers for all loan products, are comparable among locations regardless of the income level of the geography. All branches offer a full array of banking services. The only branch with a drive up teller that opens at 7:30 AM Monday through Saturday is located in a moderate-income census tract in the nonmetropolitan portion of the AA. Drive up tellers at the remaining branches open between 8:00 AM and 9:00 AM. This early opening time is in response to customer feedback, which is periodically solicited and evaluated.

EBNA offers a no minimum balance checking account throughout the AA that allows customers, including those who are low- and moderate-income, to maintain an account without monthly maintenance or transaction fees.

EBNA's ATM network offers an effective alternative delivery system for delivering retail banking services in low- and moderate-income geographies and to low- and moderate-income individuals. During the evaluation period, EBNA opened an ATM at a branch in a low-income geography in the Albany-Schenectady-Troy MSA. With the exception of a branch in a middle-income geography in the Glens Falls MSA, all branches have ATM's that are available 24 hours per day. EBNA customers can use their ATM cards at any of the over 400 BNG-affiliated ATMs throughout New England at no charge.

Alternative delivery systems also include 24 hour telephone banking services offered to all customers. This service allows customers to check account balances, transfer funds between accounts, confirm recent transactions on checking or savings accounts, and to verify direct deposits. Additionally, Banking Specialists are available by phone Monday through Friday from 7:00 AM to 9:00 PM, on Saturday from 9:00 AM to 5:00 PM, and on Sunday from 10:00 AM to 3:00 PM to open accounts, help customers apply for loans or lines of credit, and to respond to questions regarding the bank's products and services. Because the bank does not monitor how low- and moderate-income individuals or geographies are impacted by the service, significant weight was not placed on the alternative delivery system when arriving at a conclusion for the Service Test.

Community Development Services

EBNA provides a good level of community development services in the AA. A high number of services were provided to a large number of groups that served a good level of LMI individuals. Management supports various organizations, some of which are detailed below, throughout the communities that are served by the bank by offering financial and technical expertise to those groups. Many of the organizations address the identified community credit needs of affordable housing

and economic development loans.

A bank officer is a Board member and Treasurer of an organization that builds affordable housing for very low- to low-income families in Glens Falls. Another bank officer is a Board member of the same organization for the Champlain Valley.

A bank officer is a member of the Regional Loan and Advisory Committee of a statewide organization that provides creative and innovative financing to small businesses.

A bank officer is vice chairman of the mortgage committee of a statewide organization that provides financing for the rehabilitation, construction, or refinancing of affordable housing.

A bank officer is a board member of an organization that provides home ownership opportunities to low- and moderate-income residents of Columbia County.

In addition, a number of bank officers are board members of local organizations that promote credit availability. They provide technical assistance about accessing financial services to help meet the credit needs of low- and moderate-income individuals and small businesses.

EBNA has been one of the financial institutions selected for funding under the U.S. Department of the Treasury's Bank Enterprise Award Program for each year of the evaluation period. EBNA received a total of \$155 thousand, which was reinvested in community development organizations.

In 1999, as a result of the bank's merger with BNG and the subsequent consolidation of various departments and operations, EBNA organized the donation of a large amount of office furniture in good condition to many local nonprofit organizations throughout their AA. Management estimates the value of the donated furniture at \$45 thousand. Many of the nonprofits that received the furniture are community development organizations.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation and loan products considered.

Time Period Reviewed	Lending Test: January 1, 1998 to June 30, 2000 Investment Test: January 1, 1998 to October 2, 2000 Service Test: January 1, 1998 to October 2, 2000	
Financial Institution	Products Reviewed	
Evergreen Bank, N.A. Glens Falls, New York		
	Home purchase, home improvement, and refinance loans reported on the HMDA LAR, small business loans, small farm loans, motor vehicle loans, secured consumer loans, unsecured consumer loans, and community development loans.	
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Glens Falls MSA #2975 Portions of Albany-Schenectady-Troy MSA #0160 Portions of Clinton, Columbia, and Essex Counties in Nonmetropolitan NY	Full Scope procedures. Full Scope procedures. Full Scope procedures.	See "Description of Assessment Area".

Appendix B: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

MSA #2975 Glens Falls, NY.....	B-2
MSA #0160 Albany-Schenectady-Troy, NY	B-4
Nonmetropolitan Area.....	B-6

MSA #2975 Glens Falls, NY

Demographic Information for Full-Scope Area: MSA #2975 Glens Falls, NY						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	35	0	8	83	9	0
Population by Geography	118,539	0	4	82	14	0
Owner-Occupied Housing by Geography	55,953	0	4	82	14	0
Businesses by Geography	4,947	0	5	77	18	0
Farms by Geography	397	0	1	92	7	0
Family Distribution by Income Level	30,976	0	4	81	15	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	11,201	0	6	86	8	0
Median Family Income HUD Adjusted Median Family Income for 2000 Households Below the Poverty Level	= \$34,038 = \$43,200 = 9.7%	Median Housing Value Unemployment Rate				= \$82,865 = 3.4%

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

Source: 1990 U.S. Census, and 2000 HUD updated MFI.

The Glens Falls MSA (MSA 2975) is the second largest AA for the bank in terms of number of geographies and loans originated/purchased, and includes the entire MSA. The bank's headquarters are located in this MSA. The MSA consists of Warren and Washington counties in their entirety. As of June 30, 1999, EBNA had 36% of the deposits of all banks within the MSA, and ranked first in both Warren and Washington counties, with 35% of the deposits in Warren county and 39% of the deposits in Washington county. Fifty three percent of the bank's deposits are located within the MSA. Thirteen branches, or 45% of the bank's total branches, are located in the MSA. All but one of the branches have ATMs with 24 hour per day access.

Thirty six percent of the number and 42% of the dollar volume of loans originated/purchased were from within the MSA.

The MSA has three moderate-income geographies located in the towns of Glens Falls, Hague, and Thurman and Stony Creek.

Competition in the area is intense, with the bank's major competitors in the MSA being two large community banks and a regional bank. The bank's primary business focuses in the MSA are commercial lending, especially lending to small businesses through a low-document small business loan product and the bank's designation as a preferred SBA lender, increasing retail deposit and loan relationships, indirect auto lending, and home equity loans and lines. Economic

conditions were described as good by bank management, with record low unemployment. Job growth is continuing and new businesses are moving into the area, however there is not a lot of high growth potential. The economic base is diverse.

Major employers in the MSA are Glens Falls Hospital, Tribune Media, the paper industry (Encore, Finch Pruyn), Travelers Insurance, the catheter industry (three local plants), and the tourism industry.

Management indicated that community credit needs include residential mortgages, government sponsored affordable mortgage programs, first time homebuyer programs, low documentation small business loans, home improvement loans, SBA lending, and funding for community development projects. We conducted one community contact in the MSA with a community-based development/financial intermediary. The contact noted that while jobs are available, they tend to be lower-income jobs with little opportunity for career development and advancement so more economic development is needed. The community contact indicated that there are community development opportunities available, and was positive about EBNA's level of involvement.

MSA #0160 Albany-Schenectady-Troy, NY

Demographic Information for Full-Scope Area: MSA #0160 Albany-Schenectady-Troy, NY						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	191	4	17	56	22	1
Population by Geography	777,584	4	14	57	25	0
Owner-Occupied Housing by Geography	324,720	1	10	61	28	0
Businesses by Geography	29,721	8	13	53	26	0
Farms by Geography	991	1	5	72	22	0
Family Distribution by Income Level	200,157	3	13	59	25	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	69,592	6	22	59	13	0
Median Family Income HUD Adjusted Median Family Income for 2000 Households Below the Poverty Level	= \$39,425 = \$51,300 = 8.8%	Median Housing Value Unemployment Rate				= \$99,182 = 2.5%

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

Source: 1990 U.S. Census, and 2000 HUD updated MFI.

The Albany-Schenectady-Troy MSA (MSA 0160) is, in terms of number of geographies and loan originations/purchases, the largest AA for the bank. The bank's portion of the MSA consists of Albany, Rensselaer, Saratoga and Schenectady counties in their entirety. The bank does not include either Montgomery or Schoharie counties in the AA portion of the MSA. As of June 30, 1999, EBNA had 2% of the deposits of all banks within the AA portion of the MSA, and ranked twelfth in Albany county, eleventh in Rensselaer county, sixth in Saratoga county, and thirteenth in Schenectady county. Twenty-seven percent of the bank's deposits are located within the AA portion of the MSA. Ten branches, or 34% of the bank's total branches, are located in the AA portion of the MSA. All branches have ATMs with 24-hour access.

Fifty-one percent of the number and 48% of the dollar volume of loans originated/purchased were from within the AA portion of the MSA.

The bank's portion of the MSA has eight low-income geographies located in the cities of Albany (4), Troy (2), and Schenectady (2). There are 33 moderate-income geographies located in Albany (11), Schenectady (11), Troy (4), the towns of Rensselaer (1), Providence and Edinburg (1), Saratoga Springs (1) and Milton (1), and the villages of Hoosick Falls (1), Corinth (1), and Schuylerville and Victory (1). There are also two geographies coded as N/A (not low, moderate, middle, or upper-income) in the 1990 U.S. Census. One is the Skidmore College campus and

the other is a large state-owned uninhabited wooded area.

Major employers include the State of New York, General Electric, the health care industry (there are five hospitals in the region), the state university system and private colleges, and the financial services industry.

Competition is extremely intense in the MSA. The bank's major competitors include a number of regional banks as well as large, mid-sized and small community banks. The bank's primary business focuses in the MSA are commercial lending, especially lending to small businesses through a low-document small business loan product and the bank's designation as a preferred SBA lender, increasing retail deposit and loan relationships, indirect auto lending, and home equity loans and lines. Economic conditions were described as good by bank management, with record low unemployment. Job growth is continuing and new businesses are moving into the area; however, there is not a lot of high growth potential. The economic base is diverse.

Management indicated that community credit needs include residential mortgages, government sponsored affordable mortgage programs, first time homebuyer programs, low documentation small business loans, home improvement loans, SBA lending, and funding for community development projects. We conducted one community contact in the MSA who noted that jobs are available but that they tended to be lower-income jobs with little opportunity for career development and advancement. The community contact indicated that there are community development opportunities available, and there is a need for small-dollar home improvement loans, matching funds for Individual Development Accounts, and inexpensive used car loans. Community credit needs also include construction and rehabilitation loans and technical assistance for those people not yet fully acclimated to the financial process, especially the financial aspects of home purchase. The contact was positive about EBNA's level of involvement.

Nonmetropolitan Portion of the AA

Demographic Information for Full-Scope Area: Nonmetropolitan Portion of the AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	25	0	16	68	12	4
Population by Geography	106,785	0	16	69	13	2
Owner-Occupied Housing by Geography	41,455	0	6	82	12	0
Businesses by Geography	4,020	0	17	74	8	1
Farms by Geography	243	0	1	91	8	0
Family Distribution by Income Level	26,428	0	14	75	11	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	9,883	0	24	70	6	0
Median Family Income HUD Adjusted Median Family Income for 2000 Households Below the Poverty Level	= \$31,472 = \$40,300 = 14.8%	Median Housing Value Unemployment Rate				= \$69,472 = 3.0%

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

Source: 1990 U.S. Census, and 2000 HUD updated MFI.

The nonmetropolitan area is the smallest portion of the AA for the bank. It consists of all of Clinton county and portions of Columbia and Essex counties. As of June 30, 1999, EBNA had 12% of the deposits of all banks within the counties, and ranked third in Clinton county and sixth in Columbia county. The bank has no branches in Essex county. Twenty percent of the bank's deposits are located within the area. Six branches, or 21% of the bank's total branches, are located in the area. All of the branches have ATMs with 24-hour access.

Thirteen percent of the number and 10% of the dollar volume of loans originated/purchased were from within the area.

The non MSA portion of the AA includes four moderate-income geographies, which are located in the cities of Plattsburgh (3) and Hudson (1). One geography was coded as N/A (not low, moderate, middle, or upper-income) in the 1990 U.S. Census, which is the State University of New York at Plattsburgh campus.

Major employers include the state and Federal government, NYS University System, Georgia-Pacific Corporation, Champlain Valley Physicians' Health Care, and the tourism industry.

Competition is intense. The bank's major competitors include regional banks and large, mid-sized, and small community banks. The bank's primary business

focuses in the MSA are commercial lending, especially lending to small businesses through a low-document small business loan product and the bank's designation as a preferred SBA lender, increasing retail deposit and loan relationships, indirect auto lending, and home equity loans and lines. Bank management described economic conditions as good, with record low unemployment. Job growth is continuing and new businesses are moving into the area; however, there is not a lot of high growth potential. The economic base is diverse.

Management indicated that community credit needs include residential mortgages, government sponsored affordable mortgage programs, first time homebuyer programs, low documentation small business loans, home improvement loans, SBA lending, and funding for community development projects. We conducted one community contact in the MSA. The contact noted that it is becoming harder for people who live in the area to afford the existing housing stock. This is due to the increasing percentage of affluent "weekenders" who live and work in New York City but spend their weekends in the area. Jobs are primarily at small manufacturing firms or in the service industry, and there are few large employers. People tend to have jobs, not careers with opportunities for advancement, so additional economic development is necessary. The community contact indicated that there are community development opportunities available. For example, more first time homebuyer products could be provided and more rehabilitation loans made. The contact was positive about EBNA's level of involvement.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the Abank 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: purchased loans are treated as originations/purchases; market rank is based on the number of loans originated and purchased by the bank as compared to all other lenders in the MSA/assessment area; 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 MSA/assessment area.

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 MSA/assessment area.
- 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 rank and 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 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 rank and market share information based on the most recent aggregate market data available.
- Table 6. 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 rank and market share information based on the most recent aggregate market data available.

Table 7. 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 MSA/assessment area. The table also presents market rank and market share information based on the most recent aggregate market data available.

Table 8. Borrower Distribution of Home Improvement Loans - See Table 7.

Table 9. Borrower Distribution of Home Mortgage Refinance Loans - See Table 7.

Table 10. 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. The table also compares the banks percentage distribution with the percentage of loans originated and purchased by all other small business reporters in the bank=s AA to businesses with revenues of \$1 million or less and is based on the most recent aggregate market data available. 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 11. Borrower Distribution of Small Loans to Farms - Compares the percentage distribution of the number of small loans (less than or equal to \$500 thousand) 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. The table also compares the banks percentage distribution with the percentage of loans originated and purchased by all other small farm reporters in the bank=s AA to farms with revenues of \$1 million or less and is based on the most recent aggregate market data available. 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 12. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MSA/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 have been reported on schedule RC-L of the Call Reports as an off-balance sheet item.

Table 13. 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 MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

Table 14. Geographic and Borrower Distribution of Consumer Loans - 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 the population 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 MSA/assessment area.

Table 1. Lending Volume

LENDING VOLUME			State: New York		Evaluation Period: January 1, 1998 to June 30, 2000							
MSA/Assessment Area:	% of Rated Area Deposits in MSA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development		Total Reported Loans		% of Rated Area Loans(#+) in MSA/AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000=\$)	#	\$ (000's)	#	\$ (000's)	
Full-Scope:												
MSA 2975	53	938	68,790	427	32,267	2	36	3	657	1,370	101,750	53
MSA 0160	27	558	46,184	327	28,189	0	0	0	0	885	74,373	35
MSA	20	206	9,359	102	7,205	0	0	1	23	309	16,587	12

* Deposit data as of June 30, 1999.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE				State: New York		Evaluation Period: January 1, 1998 to June 30, 2000												
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans			
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**		
Full-Scope:																		
MSA 2975	N/A	N/A	4	5	82	65	14	30	4	7	N/A	7	6	11	266	48		
MSA 0160	1	0	10	9	61	64	28	27	29	1	0	1	1	0	202	37		
MSA	N/A	N/A	6	6	82	74	12	20	5	6	N/A	4	6	7	82	15		

(*) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT				State: New York				Evaluation Period: January 1, 1998 to June 30, 2000								
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans	
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full-Scope:																
MSA 2975	N/A	N/A	4	3	82	84	14	13	2	25	N/A	7	26	26	241	56
MSA 0160	1	0	10	8	61	77	28	15	10	2	0	1	2	1	102	24
MSA	N/A	N/A	6	5	82	82	12	13	2	16	N/A	13	16	23	84	20

(*) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				State: New York				Evaluation Period: January 1, 1998 to June 30, 2000								
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full-Scope:																
MSA 2975	N/A	N/A	4	4	82	75	14	21	2	9	N/A	15	8	13	431	60
MSA 0160	1	0	10	7	61	68	28	25	32	1	0	1	1	1	253	35
MSA	N/A	N/A	6	0	82	87	12	13	6	3	N/A	0	3	3	39	5

(*) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES				State: New York				Evaluation Period: January 1, 1998 to June 30, 2000								
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans	
	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**
Full-Scope:																
MSA 2975	N/A	N/A	5	7	77	68	18	25	4	13	N/A	18	13	12	427	50
MSA 0160	8	8	13	13	53	49	26	30	13	2	2	2	2	1	327	38
MSA	N/A	N/A	17	11	74	73	9	16	10	3	N/A	4	3	2	102	12

(*) Based on 1999 Aggregate Small Business Data only. Market rank is for all income categories combined.

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

Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS				State: New York		Evaluation Period: January 1, 1998 to June 30, 2000								Market Share by Geography*				
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans			
	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total**		
Full-Scope:																		
MSA 2975	N/A	N/A	1	0	92	100	7	0	3	7	N/A	0	8	0	2	100		
MSA 0160	1	0	5	0	72	0	22	0	N/A	N/A	N/A	N/A	N/A	N/A	0	0		
MSA	N/A	N/A	1	0	91	0	8	0	N/A	N/A	N/A	N/A	N/A	N/A	0	0		

(*) Based on 1999 Aggregate Small Farm Data only. Market rank is for all income categories combined.

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

Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE				State: New York				Evaluation Period: January 1, 1998 to June 30, 2000								
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank* *	Market Share by Borrower Income**					Total Home Purchase Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full-Scope:																
MSA 2975	17	4	19	13	27	27	37	56	4	7	9	4	7	10	266	48
MSA 0160	16	6	18	16	26	25	40	53	29	1	1	1	1	1	202	37
MSA	19	5	18	19	24	32	39	44	5	6	2	7	5	5	82	15

(*) As a percentage of loans with borrower income information available. No information was available for 1% of loans originated and purchased by the bank.

(**) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT				State: New York				Evaluation Period: January 1, 1998 to June 30, 2000								
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank* *	Market Share by Borrower Income**					Total Home Improvement Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total** *
Full-Scope:																
MSA 2975	17	12	19	25	27	29	37	34	2	25	36	26	26	26	241	56
MSA 0160	16	15	18	26	26	24	40	35	10	2	5	2	2	1	102	24
MSA	19	20	18	16	24	34	39	30	2	16	28	11	18	15	84	20

(*) As a percentage of loans with borrower income information available. No information was available for 1% of loans originated and purchased by the bank.

(**) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE				State: New York				Evaluation Period: January 1, 1998 to June 30, 2000								
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank* *	Market Share by Borrower Income**					Total Home Mortgage Refinance Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total***
Full-Scope:																
MSA 2975	17	3	19	11	27	24	37	62	2	9	6	7	11	12	431	60
MSA 0160	16	2	18	14	26	26	40	58	32	1	1	1	1	1	253	35
MSA	19	5	18	13	24	26	39	56	6	3	3	3	4	3	39	5

(*) As a percentage of loans with borrower income information available. No information was available for 1% of loans originated and purchased by the bank.

(**) Based on 1999 Aggregate HMDA Data only. Market rank is for all income categories combined.

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

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		State: New York		Evaluation Period: January 1, 1998 to June 30, 2000					
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share****		Total Small Loans to Businesses	
	% 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	#	% of Total*****
Full-Scope:									
MSA 2975	87	65	84	10	6	13	14	427	50
MSA 0160	87	58	79	13	8	2	1	327	38
MSA	86	50	81	15	4	3	2	102	12

(*) Businesses with revenues of \$1 million or less as a percentage of all businesses.

(**) Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses.

(***) The market consists of all other Small Business reporters in the MSA/AA and is based on 1999 Aggregate Small Business Data only.

((****)) Based on 1999 Aggregate Small Business Data only.

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

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			State: New York		Evaluation Period: January 1, 1998 to June 30, 2000				
MSA/Assessment Area:	Farms with Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share****		Total Small Farm Loans	
	% of Farms*	% BANK Loans**	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,00 0 to \$500,000	All	Rev \$1 million or less	#	% of Total*****
Full-Scope:									
MSA 2975	97	100	100	0	0	7	7	2	100
MSA 0160	97	0	0	0	0	N/A	N/A	0	0
MSA	96	0	0	0	0	N/A	N/A	0	0

(*) Farms with revenues of \$1 million or less as a percentage of all farms.

(**) Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms and purchased by the bank.

(***) The market consists of all other Small Farm reporters in the MSA/AA and is based on 1999 Aggregate Small Farm Data only.

(****) Based on 1999 Aggregate Small Farm Data only.

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

Table 12. Qualified Investments

QUALIFIED INVESTMENTS		State: New York		Evaluation Period: January 1, 1998 to October 2, 2000						
MSA/Assessment Areas:		Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
		#	\$ (000's)	#***	\$ (000's)	#	\$ (000's)	% of Total \$=s	#	\$ (000's)
Full-Scope:										
MSA 2975		***	238	6	126	6	364	9	***	405
MSA 0160		***	467	29	3,058	29	3,525	84	***	795
MSA		***	176	9	108	9	284	7	***	300

(*) APrior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.

(**) AUnfunded Commitments means legally binding investment commitments reported on the Report of Condition Schedule-L AOff Balance Sheet Items.

(***) Investments in statewide organizations are distributed based on the percent of deposits in the area. There were two investments in the prior period, one in the current period, and one unfunded commitment.

Table 13. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				State: New York				Evaluation Period: January 1, 1998 to October 2, 2000									
MSA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in MSA/AA	# of BANK Branches	% of Rated Area Branches in MSA/AA	Location of Branches by Income of Geographies				# of Branch Closings	# of Branch Openings	Net Change in Location of Branches (+ or -)				% of the Population within Each Geography			
	Low	Mod	Mid	Upp	Low	Mod	Mid			Upp	Low	Mod	Mid	Upp			
Full-Scope:																	
MSA 2975	53	13	45	N/A	0	85	15	0	0	0	0	0	0	N/A	4	82	14
MSA 0160	27	10	34	10	10	40	40	0	2	0	0	+1	+1	4	14	57	25
MSA	20	6	21	N/A	33	50	17	0	0	0	0	0	0	N/A	16	69	13

Table 14. Geographic and Borrower Distribution of Consumer Loans

Geographic and Borrower Distribution: CONSUMER LOANS								State: New York		Evaluation Period: January 1, 1998 to June 30, 2000								
MSA/Assessment Area:	Geographic Distribution								Borrower Distribution									
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Total Consumer Loans	
	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Hshlds	% BANK Loans	% of Hshlds	% BANK Loans	% of Hshlds	% BANK Loans	% of Hshlds	% BANK Loans	#	% of Total*
Full-Scope:																		
MSA 2975	N/A	N/A	4	4	82	82	14	14	22	16	17	27	22	28	39	29	4,483	33
MSA 0160	4	1	14	11	57	65	25	23	22	18	16	30	20	27	42	25	7,386	54
MSA ***	N/A	N/A	16	6	69	82	13	12	24	17	16	27	20	27	40	29	1,874	13

(*) The percentage of the population in the MSA/assessment area that resides in these geographies.

(**) Consumer loans originated and purchased in the MSA/AA as a percentage of all consumer loans originated and purchased in the rated area.

(***) 2% of the population is in N/A geography.