



PUBLIC DISCLOSURE

April 23, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Glens Falls National Bank and Trust Company
Charter Number 7699

250 Glen Street
Glens Falls, NY 12801-9989

Office of the Comptroller of the Currency

5000 Brittonfield Parkway
Suite 102B
East Syracuse, NY 13057

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.

Table of Contents

OVERALL CRA RATING	1
DEFINITIONS AND COMMON ABBREVIATIONS	2
DESCRIPTION OF INSTITUTION	6
SCOPE OF THE EVALUATION.....	7
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	8
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....	9
LENDING TEST	9
INVESTMENT TEST.....	15
SERVICE TEST	16
APPENDIX A: SCOPE OF EXAMINATION	APPENDIX A-1
APPENDIX B: COMMUNITY PROFILES FOR FULL-SCOPE AREAS.....	APPENDIX B-1
APPENDIX C: TABLES OF PERFORMANCE DATA	APPENDIX C-1

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** (GFNB) 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 a good responsiveness by GFNB to the credit needs of its assessment areas (AA).
- Adequate distribution of loans among borrowers of different income levels throughout the AAs.
- Good geographic distribution of loans among census tracts of different income levels throughout the AAs
- A good ratio of loans originated inside the AAs.
- Community development (CD) lending that had a significantly 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 CD needs of the AAs.
- Service delivery systems that are readily accessible to census tracts and individuals of different income levels in the AAs.
- Excellent performance in providing CD 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 generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. 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 Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family

households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct 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, the disposition of the application (e.g., approved, denied, and withdrawn, 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 five years and used to determine the income level category of geographies. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) 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 Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties 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) 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 at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Description of Institution

Glens Falls National Bank and Trust Company (GFNB) is headquartered in Glens Falls, New York (N.Y.), and is a wholly owned subsidiary of Arrow Financial Corporation (AFC), a multi-bank holding company. Saratoga National Bank and Trust Company (SNB) is also a subsidiary of AFC. As of December 31, 2017, GFNB's assets totaled \$2.3 billion.

GFNB is a full service intrastate bank with 30 office locations serving the northeast section of New York State in the counties of Warren, Washington, and portions of Clinton, Essex, and Saratoga. During the exam period the bank neither opened nor closed any branch offices.

In addition to providing a wide range of traditional deposit, lending, and trust services, GFNB provides commercial and personal insurance services through three wholly owned subsidiaries, i.e. Capital Financial Group, Inc., Upstate Agency, LLC, and North Country Investment Advisers, Inc. The bank's other operating subsidiaries include a real estate investment trust (REIT), Arrow Properties Inc., and Glens Falls National Community Development Corporation.

As of December 31, 2017, GFNB had \$2.3 billion in total assets that included \$1.5 billion in net loans, representing approximately 65 percent of total assets. As of December 31, 2017, the bank's loan mix consisted of 64 percent real estate loans (38 percent residential and 26 percent commercial), 32 percent loans to individuals, three percent commercial loans, and two percent other loans. As of December 31, 2017, GFNB reported net Tier 1 Capital of \$205 million.

GFNB operates in a competitive financial services market with strong competition from national banks and mortgage companies, large regional banks, credit unions, savings banks, community banks, finance companies and non-traditional internet based lenders. 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 AAs.

GFNB's last CRA evaluation was dated January 5, 2015, at which time the bank's performance was rated "Satisfactory."

Scope of the Evaluation

Evaluation Period/Products Evaluated

The Lending Test evaluation covers the time period January 1, 2014 through December 31, 2017, for HMDA, small business, and small farm loans. HMDA loans include home purchase, home improvement and refinance loans. The 2014-2016 and 2017 time period are analyzed separately due to changes in census information effective in 2017. The census changes were a result of the Census Bureau's 2015 American Community Survey (ACS). The evaluation period for CD loans, investments, and services is January 5, 2015 through December 31, 2017. The CD evaluation period began where the last evaluation left off. The market share and peer comparisons are based on the information contained in the aggregate HMDA and Small Business/Farm Registers for 2016. The Registers for 2017 were not available for this evaluation. The aggregate HMDA and Small Business/Farm Registers are available for public review.

The peer comparisons in this report include only lenders who were required to file HMDA and Small Business/Farm Registers for 2016. Any lender with significant mortgage loan activity operating in the bank's three AAs would be required to file a HMDA report for 2016. Small business reporting for 2016 was required only of bank and thrift institutions with assets of \$1.216 billion or more, as of December 31 of the prior two calendar years preceding the reporting year.

Data Integrity

We performed a data integrity examination of the GFNB's HMDA and Small Business/Farm Registers by reviewing the bank's internal testing of the data. The internal testing found no significant issues with the data. We took our own sample of the bank's loan sample to validate the quality of the testing work performed. The bank's testing of the data was of sufficient scope and quality for us to place reliance on its results.

Selection of Areas for Full-Scope Review

GFNB has three AAs, the Glens Falls N.Y. MSA AA, the Non MSA AA and the Saratoga County AA. The AAs meet the requirements of the regulation and do not arbitrarily exclude low- or moderate-income census tracts. The Glens Falls MSA AA consists of the entire Glens Falls MSA, which covers Warren and Washington counties. The Non MSA AA consists of portions of Clinton and Essex counties in the northeastern portion of New York State. In Clinton County, the AA covers 16 whole census tracts in the eastern portion of the county, which includes the City of Plattsburgh. In Essex County, the AA covers nine whole census tracts, covering all but the northwest portion of the county. The Saratoga County AA consists of a portion of Saratoga County, which is part of the Albany N.Y. MSA. The AA covers 15 whole census tracts in the northeastern portion of the county, which includes the Town of Saratoga.

The Glens Falls MSA AA was selected for a full-scope review. Seventy four percent of the bank's deposits, 70 percent of its branches and 66 percent of its loans during the evaluation period were located in the AA. The New York State Non MSA AA and Saratoga County

(Albany MSA) were selected for limited-scope reviews. Please refer to Appendix A for more information on the scope of the evaluation.

Ratings

The bank's overall rating is based primarily on the area that received the full-scope review. The greatest weight was given to home mortgage loans which represented 62 percent of the number of loans made, followed by small business loans at 37 percent and small farm loans at only 0.03 percent. Of the home mortgage loans, the greatest weight was given to home purchase loans which represented 45 percent of the number of home mortgage loans made, followed by home improvement loans at 40 percent, refinance loans at 15 percent and multifamily at less than one percent. The 2014-2016 time period was given more weight than 2017, with 77 percent of the number and 75 percent of the dollar activity for the entire evaluation period occurring during this three year period.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution [or any affiliate whose loans have been considered as part of the institution's lending performance] has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

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

Lending Activity

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

GFNB's lending activity in the full-scope AA was good. GFNB ranked first for deposits with a 53.90 percent market share. Based on 2016 aggregate HMDA data (number of loans), GFNB ranked third as originator/purchaser of home purchase loans with a 10.74 percent market share, first for home improvement loans with a 43.09 percent market share, fifth for refinance loans with a 5.17 percent market share and was tied for first place with four other lenders for multifamily dwelling loans with a 14.29 percent market share. Based on 2016 CRA aggregate data (number of loans), GFNB ranked second as originator/purchaser of small loans to businesses with a 11.71 percent market share and fourth when considering only small business loans to small sized businesses with a 8.03 percent market share. The bank ranked twelfth as originator/purchaser of small loans to farms with a 2.22 percent market share. In small business lending, GFNB was outranked only by a large national credit card lender. The credit card lender made average loans of only \$13,000 compared to GFNB's average loan of \$106,000, giving GFNB the number one ranking for dollar market share of small business loans.

Distribution of Loans by Income Level of the Geography

The geographic distribution of GFNB's home mortgage loans, small loans to businesses, and small loans to farms reflects overall good penetration throughout the full-scope AA census tracts.

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 was good. The analysis of activity in the bank's full-scope AA is based only on moderate-income census tracts, as there are no low-income tracts in the AA.

The overall geographic distribution of home purchase loans was good. The geographic distribution was excellent in both the 2014-2016 and 2017 time periods. The portion of home purchase loans made in moderate-income census tracts exceeded the portion of owner

occupied housing units that are in those census tracts in both time periods. The market share of loans originated in moderate-income census tracts was significantly below the bank's overall market share of home purchase loans.

The overall geographic distribution of home improvement loans was adequate. The portion of home improvement loans made in moderate-income census tracts in 2014-2016 was below, and in the 2017 exceeded the portion of owner occupied housing units that are in those census tracts. The market share of loans originated in moderate-income census tracts was significantly below the bank's overall market share of home improvement loans.

The overall geographic distribution of refinance loans was excellent. The geographic distribution was excellent in both the 2014-2016 and 2017 time periods. The portion of refinance loans made in moderate-income census tracts exceeded the portion of owner occupied housing units that are in those census tracts in both time periods. The market share of loans originated in moderate-income census tracts exceeded the bank's overall market share of refinance loans.

The overall geographic distribution of multifamily dwelling loans was excellent. The geographic distribution was excellent in 2014-2016. GFNB did not make any multifamily dwelling loans in the full-scope AA in 2017. The market share of loans originated in moderate-income census tracts exceeded the bank's overall market share of multifamily dwelling loans.

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 overall geographic distribution of small loans to businesses was excellent. The geographic distribution of small business loans was excellent in both the 2014-2016 and 2017 time periods. The portion of small loans to businesses made in moderate-income census tracts exceeded the portion of businesses that are in those census tracts in both time periods. The market share of small business loans originated in moderate-income census tracts exceeded the bank's overall market share of small business loans.

Small Loans to Farms

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

The overall geographic distribution of small loans to farms was adequate. The geographic distribution was adequate in 2014-2016. GFNB did not make any small farm loans in 2017. While the portion of small loans to farms made in moderate-income census tracts in both AAs was significantly below the portion of farms that are in those census tracts, the level is considered adequate. Only three farms were located in moderate-income census tracts during the entire evaluation period. The bank made only seven small farm loans, all in middle income census tracts where 93 percent of AA farms are located. As would be expected with the limited farm lending opportunities in moderate-income census tracts, the market share of small farm loans originated was significantly below the bank's overall market share of small farm loans.

Lending Gap Analysis

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

Inside/Outside Ratio

This portion of the evaluation was performed at the bank level. The majority of the bank's home mortgage loans, small business loans and small farm loans were made within the bank's AAs in the 2014-2016 and 2017 time periods. By product, 93 percent of the bank's home mortgage loans, 79 percent of the small loans to businesses, and 75 percent of the small loans to farms were made within the bank's AAs in 2014-2016. In 2017, 93 percent of the bank's home mortgage loans and 75 percent of the small loans to businesses were made within the bank's AAs. GFNB did not make any small farm loans in 2017. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of census tracts.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of GFNB's home mortgage loans, small loans to businesses and small loans to farms reflects an adequate dispersion among borrowers of different income levels. In the evaluation of borrower distribution, we gave consideration to the high household poverty for both time periods, i.e., 10.57 percent in 2014-2016 and 12.55 percent in 2017. 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 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 distribution of home mortgage loans in the full-scope AA was adequate.

Home purchase loan borrower distribution was adequate. The portion of home purchase loans made to moderate-income borrowers was below in 2014-2016 and exceeded in 2017 the portion of moderate-income families in the AA. The portion of home purchase loans to low-income borrowers was significantly below the portion of low-income families in the AA. The bank's market share of loans made to low- and moderate-income borrowers was below the overall market share for home purchase loans made to low- and moderate-income borrowers in the AA.

Home improvement loan borrower distribution was good. The portion of home improvement loans made to moderate-income borrowers exceeded the portion of moderate-income families in the AA in 2014-2016 and 2017. The portion of home improvement loans made to low-income borrowers was below the portion of low-income families in the AA in 2014-2016 and 2017. The bank's market share of home improvement loans made to moderate-income

borrowers exceeded, and to low-income borrowers was below its overall market share of home improvement loans in the AA.

Refinance loan borrower distribution was adequate. The portion of refinance loans made to moderate-income borrowers was below in 2014-2016, and significantly below in 2017, the portion of moderate-income families in the AA. The portion of refinance loans made to low-income borrowers was significantly below in 2014-2016, and below in 2017, the portion of low-income families in the AA. The bank's market share of refinance loans made to moderate-income borrowers was below, and to low-income borrowers significantly below, its overall market share of refinance loans.

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 was adequate. The portion of loans to small size businesses (businesses with revenues of \$1 million or less) was significantly below the portion of these businesses in the AA in both 2014-2016 and 2017. The ratio is adequate when considering the large portion of loans that GFNB did not report revenue and the portion of its loans that were for \$100,000 or less. GFNB did not report business revenue for 41.67 percent of its small business loans in the 2014-2016 period, and 39.93 percent in 2017, which may have negatively impacted the loans to businesses ratio. Of the bank's small business loans, 73 percent of its loans were for \$100,000 or less in 2014-2016 and 76 percent in 2017. Loans for \$100,000 or less are considered a proxy for loans made to small size businesses, due to their small size. The bank's market share of small loans to businesses was below its overall market share of small loans to businesses.

Small Loans to Farms

Refer to Table 12 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 farms was adequate. The portion of loans to small size farms (businesses with revenues of \$1 million or less) was significantly below the portion of these businesses in the AA in 2014-2016. GFNB made seven small farm loans in the AA in 2014-2016, but did not make any in 2017. The ratio is adequate when considering the large portion of loans that GFNB did not report revenue on and the portion of its loans that were for \$100,000 or less. GFNB did not report revenue for 77.78 percent of its loans, which may have negatively impacted the loans to farms ratio. Of the bank's small farm loans, 100 percent of its loans were for \$100,000 or less. Loans for \$100,000 or less are considered a proxy for loans made to small size farms, due to their small size. The bank's market share of small loans to farms was below its overall market share of small loans to farms.

Community Development Lending

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic

lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

GFNB's excellent level of CD lending had a significantly positive impact on the evaluation of its lending performance in the full-scope AA.

GFNB originated 14 CD loans for \$27.9 million in the full-scope AA. The loans covered several CD purposes, with eight loans totaling \$13.5 million supporting community services targeted to people with low- and moderate-income, three loans for \$13.2 million in economic development, providing funding for small businesses that are creating and/or retaining jobs in the AA, and three loans for \$1.2 million that are revitalizing/stabilizing a moderate-income census tract. A large portion of the community services involved providing medical services for low- and moderate-income people. The economic development related loans were made to businesses under the Small Business Administration (SBA) Loan 504 Program (Certified Development Company).

Product Innovation and Flexibility

GFNB is an active participant in several flexible mortgage lending programs, which had a positive impact on the evaluation of its lending performance. The flexible lending programs are described below.

Federal Housing Administration (FHA) Mortgages

GFNB participates in a FHA home purchase mortgage loan program which allows for down payments as low as 3.5 percent, six percent seller contributions, and credit scores as low as 640.

The bank originated 84 loans totaling \$11.8 million during the evaluation period.

United States Department of Agriculture (USDA) Guaranteed Rural Housing Program

GFNB participates in this program, which provides financing to income qualified applicants in rural communities. Highlights of the program include a 0.35 percent guarantee fee, a one percent upfront fee which can be financed above the appraised value of the home, loan amounts up to the appraised value of the home, and six percent seller's concessions.

The bank originated 62 loans totaling \$7.4 million during the evaluation period.

Veterans Administration (VA) Mortgage Loans

GFNB participates in the VA Mortgage Loan Program. The borrower must be an eligible veteran. The loan program features a zero percent down payment, no private mortgage insurance (PMI) or other monthly fees, a funding fee of 2.15 percent for a first time borrower, and allows for credit scores as low as 620.

The bank made 46 loans for \$7.8 million during the evaluation period.

State of New York Mortgage Agency (SONYMA) Program

GFNB participates in the SONYMA income based mortgage programs. The program features include a three percent down payment, and the availability of a down payment assistance loan for a 0.375 percent rate increase.

The bank made one loan for \$159,603 during the evaluation period.

Government Grant Mortgage Programs

GFNB participates in assisting first time homebuyers through various government grant programs, including the City of Glens Falls Grant Program, Clinton County Housing Assistance Program, Housing Assistance Program of Essex County, Homefront Development Purchase Assistance, and the Section 8 Housing Assistance Voucher Program. The bank waives the processing fee and provides a lower than conventional interest rate in conjunction with these programs when market conditions allow.

The bank originated 21 loans totaling \$1.6 million under these government grant programs during the evaluation period.

First Home Club

GFNB participates in this program in conjunction with the Federal Home Loan Bank. Income eligible 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 10-24 month period. Savings are matched by New York State, \$4 for every \$1 saved by the participant, with the match going as high as \$7,500.

The bank originated 12 First Home Club loans for \$1.6 million during the evaluation period.

First Time Homebuyer Program

This income based program features a three percent minimum down payment and no PMI, in conjunction with standard fixed rate and seven and ten year adjustable rate mortgages. GFNB pays for the PMI and waives standard processing and origination fees for these loans.

Under this program which began in 2016, the bank originated 47 loans for \$5.2 million during the evaluation period.

Home Possible Mortgages

This Freddie Mac home purchase mortgage program has several flexible lending features. Income eligible borrowers can purchase a one-to-four family home with as little as a five percent down payment, requires no minimum contribution from personal funds, has no maximum housing ratio and allows a debt to income ratio up to 45 percent. The home must be the borrower's primary residence.

The bank made four loans for \$377,246 during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Non MSA and Saratoga County AAs is not inconsistent with the bank's overall good performance under the Lending Test. Refer to Tables 1 through 12 in Appendix C for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test is rated High Satisfactory. Based on the full-scope review, the bank's performance was good.

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

GFNB made current period investments totaling \$7.7 million in the full-scope AA. The investments were responsive to the community need for revitalizing and stabilizing a moderate-income census tract in downtown Glens Falls. The investments consisted of seven municipal bonds that helped revitalize/stabilize the census tract. The bank also made \$120 thousand in qualified CD grants in the AA. The grants were primarily used for community services targeted to low- and moderate-income individuals.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance in the Saratoga County AA was stronger, and the Non MSA was weaker, than its good performance in the full-scope AA. The Saratoga County AA stronger performance is attributable to a larger proportionate level of investment activity in the AA compared to the other two AAs. The Non MSA AA weaker performance is attributable to a smaller proportionate level of investment activity in the AA compared to the other two AAs. These performance differences did not change the Investment Test rating resulting from the full-scope AA review.

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 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 delivery systems are readily accessible to census tracts and individuals of different income levels throughout the full-scope AA.

The portion of branches in the AA located in moderate-income census tracts exceeded the portion of the population living in moderate-income census tracts in both the 2014-2016 and 2017 time periods. There are no low-income census tracts in the AA.

Branch openings and closings have not affected GFNB's branch distribution in the full-scope AA. The bank did not open or close any branches in any of its AAs during the evaluation period.

GFNB's hours and services offered throughout the full-scope AA do not vary in a way to inconvenience any census tracts or individuals. Management sets branch hours based on customer needs and traffic patterns in each area. Substantially, all branch offices offer extended hours on various days of the week, with some offering Saturday hours. Services offered are comparable among locations regardless of the income level of the geography. The majority of the branches have drive-in windows with hours that extend longer than the lobby hours.

GFNB offers services that provide easy access to funds for low-income people who receive government assistance. Recipients (customer or non-customer) of Electronic Benefits Transfer Programs (EBT) can withdraw funds from any GFNB automated teller machine (ATM) free of charge.

The bank has several checking options that are affordable options for people with low- or moderate-income. The Free Checking is a no cost account provided the customer accepts online statements. The Classic Checking is a free account (including paper statements) for those with direct deposit of their paycheck or government benefits. The Basic Checking costs \$3 per month and provides eight free checks per month before a \$0.35 per check charge kicks in. The account provides free paper statements. The Fresh Start Checking is for those with past credit problems. The account costs \$7 per month and includes paper statements. All accounts can be opened with a \$5 deposit. A free debit card is available with each account along with unlimited use of GFNB ATMs. For people without computers, a telephone system is available for basic account information.

GFNB offers alternative delivery systems in the form of ATMs. The geographic distribution of the ATMs is the same as the branch distribution, with one exception. The Fort Edwards

branch, located in a middle-income census tract, does not have an ATM. All ATMs are located at branch office facilities. Customers and non-customers alike can access their accounts through GFNB ATMs, which are connected to the Visa, NYCE, Quest and PLUS ATM systems. Customers may also use their GFNB ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear the VISA, NYCE, Quest or PLUS logos.

GFNB offers online banking and mobile check deposit alternative delivery systems. The online banking services include access to deposit and loan account information, making payments on GFNB loans, transferring funds, and applying for residential mortgage or home equity loans. Customers who are signed up for the internet banking service can use their smart phones to make deposits to their accounts. We did not place significant weight on these alternative delivery systems because no data was available to determine the impact of these retail banking services on low- and moderate-income census tracts and individuals.

Community Development Services

GFNB's performance in providing CD services was excellent in the full-scope AA.

Management and bank employees provide an excellent level of support to various organizations in the communities served by the bank, by offering financial expertise to such groups. Numerous employees are members of the Boards of Directors, loan committees, finance committees, or serve as treasurers of organizations that provide CD services. Several employees serve in leadership roles in the organizations they serve.

GFNB employees participated in over 25 community organizations that are involved in CD activities, devoting approximately 3,480 hours to such activities during the evaluation period. The organizations collectively cover a wide range of CD activities, i.e., providing community services targeted to low- and moderate-income people, supporting affordable housing for low- and moderate-income people, supporting economic development by financing small businesses that are creating and retaining jobs for low- and moderate-income people or in low- and moderate-income census tracts or in areas designated for economic development by federal, state or local government, and revitalizing or stabilizing low- and moderate-income census tracts.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Non MSA and the Saratoga County AAs is not inconsistent with the bank's excellent performance under the Service Test. 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 nonmetropolitan 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): 1/1/2014 to 12/31/2017 Investment and Service Tests and CD Loans: 1/5/2015 to 12/31/17	
Financial Institution	Products Reviewed	
Glens Falls National Bank and Trust Co. (GFNB) Glens Falls, NY	Home Purchase, Home Improvement, Refinance and Multifamily Dwelling Loans reported on the HMDA LAR, Small Business and Small Farm Loans reported on the CRA Register, and CD Loans.	
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Glens Falls N.Y. MSA Non MSA (Clinton and Essex Counties in N.Y.) Saratoga County (Albany N.Y. MSA)	Full-Scope Limited-Scope Limited-Scope	

Appendix B: Community Profiles for Full-Scope Areas

Institution ID: GLENS FALLS NATIONAL BANK Charter #7699

Glens Falls MSA AA 2014 to 2016

Demographic Information for Full-Scope Area: Glens Falls MSA AA – Effective 1/1/2014 to 12/31/2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	36	0.00	5.56	83.33	11.11	0.00
Population by Geography	128,923	0.00	3.47	83.45	13.08	0.00
Owner-Occupied Housing by Geography	37,761	0.00	1.69	84.43	13.88	0.00
Business by Geography	7,669	0.00	6.42	79.76	13.82	0.00
Farms by Geography	454	0.00	0.66	93.39	5.95	0.00
Family Distribution by Income Level	35,107	18.07	19.24	23.61	39.09	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	13,097	0.00	4.48	87.08	8.44	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		60,649 64,800 10.54%	Median Housing Value Unemployment Rate (2010 U.S. Census)		171,097 3.46%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2016 FFIEC updated MFI

Glens Falls MSA AA 2017

Demographic Information for Full-Scope Area: Glens Falls MSA AA - Effective 1/1/2017 to 12/31/2017						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	36	0.00	8.33	80.56	11.11	0.00
Population by Geography	127,880	0.00	7.04	82.56	10.40	0.00
Owner-Occupied Housing by Geography	36,421	0.00	4.08	83.77	12.15	0.00
Business by Geography	7,717	0.00	8.82	82.36	8.81	0.00
Farms by Geography	443	0.00	0.90	78.78	20.32	0.00
Family Distribution by Income Level	33,461	20.19	17.14	23.76	38.90	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	12,492	0.00	9.57	83.63	6.80	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below Poverty Level		64,495 64,100 12.55%	Median Housing Value Unemployment Rate for 2017		177,161 5.0%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2015 ACS U.S. Census and 2017 FFIEC updated MFI

The Glens Falls AA consists of the entire Glens Falls MSA, which covers the counties of Warren and Washington. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income census tracts. During the 2014-2016 time period the composition of the AA census tracts by income level was 5.56 percent moderate-income, 83.33 percent middle-income, and 11.11 percent upper-income. The Census Bureau's 2015 ACS changed the composition of the AA census tracts slightly by reclassifying one middle-income census tract to moderate-income in 2017. This resulted in 8.33 percent of AA census tracts being moderate-income and 80.56 percent middle-income.

The AA is GFNB's largest, encompassing a substantial portion of its branches, deposits and loans. The AA contains 21 out of the bank's 30 office locations, domiciled 74 percent of the bank's total deposits as of June 30, 2017, and accounted for 66 percent of the loans made during the evaluation period.

The AA is a competitive market for financial services. GFNB competes with other community banks and credit unions, as well as, large national and regional banks, mortgage companies, and non-traditional internet lenders. According to the FDIC market share report as of June 30, 2017, GFNB was ranked first in the Glens Falls AA in market share of deposits, with a 53.90 percent share. GFNB is a full service lender offering a broad range of lending products. The bank's lending focus is on residential mortgage, indirect consumer, and commercial loans.

During the 2014-2016 time period, 86 percent of the housing in the AA were one-to-four family units, seven percent were multifamily units, and six percent were mobile homes. Of the total housing units, 56 percent were owner occupied, 23 percent were renter occupied, and approximately 21 percent were vacant. The housing composition remained essentially the same after the 2015 ACS Census. The weighted average of median housing value was \$171,097 in the 2010 census and increased to \$177,161 as a result of the 2015 ACS Census. Housing stock consists mostly of older homes, with 1962 the median age of a home in the 2010 census and 1966 in the 2015 ACS Census. The senior citizen population increased from 16 to 18 percent of the total population in the five year period between the two censuses.

According to 2016 business demographics, there were 7,669 non-farm businesses and 454 farms in the Glens Falls AA. Non-farm small businesses represented 81 percent of the non-farm businesses reporting revenues. Of all non-farm businesses, approximately 13 percent in the AA did not report their revenues. Approximately 86 percent of the non-farm businesses and farms reported having less than 10 employees. These demographics did not change significantly in 2017. The primary industries in the AA are services, retail trade and construction. The largest employers in the AA are Glens Falls Hospital, C.R. Bard, AngioDynamics/Navilyst, Finch Paper, and Hudson Headwaters Health Network. Most of the service employment is in the healthcare, financial services and education fields.

We made two community contacts for this evaluation, one in the Glens Falls MSA AA, and the other that covered a 14 county area that includes all five counties that comprise GFNB's three AAs. We also reviewed a community contact that was made within the last year in Saratoga County. All three of the organizations have a primary purpose of economic development. The contact in the Glens Falls MSA AA commented on the need for economic development in downtown Glens Falls, including vacant structures on South Street. The contact also commented on the need for support for small businesses and the improvement in broadband access in the area. The contact whose organization covers all of GFNB's AAs, commented on

the need for venture capital in the area, broadband expansion throughout the region, but especially in Clinton and Essex counties, and rebuilding infrastructure, especially related to water and transportation. The Saratoga County contact commented on the need for affordable housing, including the construction of one-to-four family dwellings and apartment rentals. The contact mentioned making use of dilapidated building and vacant sites for the new housing construction. The contact also commented on the need for new and rehabilitated commercial property, improved broadband access, improved water and sewer lines in the area, vehicle financing, and support for small business startups. Opportunities or CD activities exist for many of these needs, whether it be through grants, CD services, or financing through CD loans and/or investments. The information learned from the community contacts was considered in our evaluation of GFNB's performance under the Lending, Investment and Service Tests.

The AA unemployment rate for 2017 was 5.0 percent compared to a 4.8 percent rate for the entire State of New York.

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.

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. See Interagency Q&As 12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- 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. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

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/A

2014-2016 Tables (Investment Table 14 covers 1/5/2015 to 12/31/2017)

Institution ID: GLENS FALLS NATIONAL BANK Charter #7699

Table 1. Lending Volume

LENDING VOLUME		Geography: GLENS FALLS NB						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
Assessment Area (2016):	% 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 AA	66.94	1,149	160,090	711	81,848	7	62	14	27,871	1,881	269,871	74.00
Limited Review:												
GFNB Non MSA AA	21.91	397	55,008	213	26,361	1	23	15	13,558	626	94,950	19.23
GFNB Saratoga County (Albany MSA) AA	11.15	214	26,974	96	8,327	1	25	4	1,156	315	36,482	6.77

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 05, 2015 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: GLENS FALLS NB						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Glens Falls MSA AA	489	61.90	0.00	0.00	1.69	2.25	84.43	76.89	13.88	20.86	10.71	0.00	2.94	10.42	13.24
Limited Review:															
GFNB Non MSA AA	211	26.71	0.00	0.00	7.99	9.00	57.69	54.50	34.32	36.49	7.45	0.00	3.49	8.62	6.87
GFNB Saratoga County (Albany MSA) AA	90	11.39	0.00	0.00	7.35	4.44	79.37	88.89	13.28	6.67	2.79	0.00	2.11	3.10	1.70

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: GLENS FALLS NB				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
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 AA	480	69.36	0.00	0.00	1.69	1.25	84.43	85.83	13.88	12.92	43.09	0.00	28.57	46.33	26.67	
Limited Review:																
GFNB Non MSA AA	125	18.06	0.00	0.00	7.99	4.80	57.69	68.00	34.32	27.20	16.41	0.00	15.79	18.92	12.63	
GFNB Saratoga County (Albany MSA) AA	87	12.57	0.00	0.00	7.35	5.75	79.37	94.25	13.28	0.00	11.50	0.00	17.65	13.42	0.00	

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: GLENS FALLS NB				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Glens Falls MSA AA	173	64.79	0.00	0.00	1.69	2.31	84.43	75.72	13.88	21.97	5.11	0.00	5.56	4.37	8.43	
Limited Review:																
GFNB Non MSA AA	58	21.72	0.00	0.00	7.99	5.17	57.69	58.62	34.32	36.21	5.37	0.00	0.00	6.79	4.22	
GFNB Saratoga County (Albany MSA) AA	36	13.48	0.00	0.00	7.35	11.11	79.37	75.00	13.28	13.89	2.22	0.00	4.88	2.06	1.92	

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: GLENS FALLS NB					Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
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 AA	7	63.64	0.00	0.00	11.90	14.29	73.10	85.71	15.00	0.00	14.29	0.00	100.00	9.09	0.00	
Limited Review:																
GFNB Non MSA AA	3	27.27	0.00	0.00	43.23	66.67	27.98	0.00	28.79	33.33	33.33	0.00	20.00	0.00	100.00	
GFNB Saratoga County (Albany MSA) AA	1	9.09	0.00	0.00	7.67	0.00	63.31	100.00	29.03	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2016 Peer Mortgage Data -- US and PR

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

*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES				Geography: GLENS FALLS NB				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				Market Share (%) by Geography*				
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 AA	711	69.71	0.00	0.00	6.42	12.24	79.76	77.64	13.82	10.13	11.71	0.00	23.24	11.53	9.15	
Limited Review:																
GFNB Non MSA AA	213	20.88	0.00	0.00	19.63	16.43	47.63	48.83	31.28	34.74	4.66	0.00	5.08	4.91	4.42	
GFNB Saratoga County (Albany MSA) AA	96	9.41	0.00	0.00	7.83	9.38	78.65	87.50	13.52	3.13	1.11	0.00	1.45	1.41	0.40	

* Based on 2016 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS												Geography: GLENS FALLS NB		Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016			
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*						
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp		
Full Review:																	
Glens Falls MSA AA	7	77.78	0.00	0.00	0.66	0.00	93.39	100.00	5.95	0.00	2.22	0.00	0.00	2.22	0.00		
Limited Review:																	
GFNB Non MSA AA	1	11.11	0.00	0.00	1.94	0.00	69.90	100.00	26.70	0.00	0.00	0.00	0.00	0.00	0.00		
GFNB Saratoga County (Albany MSA) AA	1	11.11	0.00	0.00	4.88	0.00	87.20	100.00	7.93	0.00	0.00	0.00	0.00	0.00	0.00		

* Based on 2016 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 (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: GLENS FALLS NB						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families ¹	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Glens Falls MSA AA	489	61.90	18.07	5.61	19.24	15.80	23.61	24.12	39.09	54.47	11.97	7.87	7.92	9.41	16.56
Limited Review:															
GFNB Non MSA AA	211	26.71	17.82	3.85	18.69	12.98	19.42	25.00	44.07	58.17	8.76	7.89	5.33	6.85	11.64
GFNB Saratoga County (Albany MSA) AA	90	11.39	21.58	8.54	19.61	30.49	22.83	23.17	35.98	37.80	3.11	2.04	4.18	2.44	3.07

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.4% of loans originated and purchased by bank.

¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: GLENS FALLS NB						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families ²	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Glens Falls MSA AA	480	69.36	18.07	8.44	19.24	21.65	23.61	23.59	39.09	46.32	42.48	33.33	48.08	44.59	41.03
Limited Review:															
GFNB Non MSA AA	125	18.06	17.82	6.56	18.69	18.85	19.42	19.67	44.07	54.92	16.93	13.64	16.67	11.27	21.24
GFNB Saratoga County (Albany MSA) AA	87	12.57	21.58	14.63	19.61	18.29	22.83	26.83	35.98	40.24	10.42	18.18	5.71	8.62	12.50

* Based on 2016 Peer Mortgage Data -- US and PR

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 3.8% of loans originated and purchased by bank.

² Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: GLENS FALLS NB				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					Market Share [*]				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ³	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}						
Full Review:																
Glens Falls MSA AA	173	64.79	18.07	3.64	19.24	15.15	23.61	25.45	39.09	55.76	5.87	2.56	3.97	5.58	7.05	
Limited Review:																
GFNB Non MSA AA	58	21.72	17.82	3.57	18.69	12.50	19.42	16.07	44.07	67.86	7.07	0.00	4.26	4.82	9.58	
GFNB Saratoga County (Albany MSA) AA	36	13.48	21.58	11.11	19.61	16.67	22.83	16.67	35.98	55.56	2.82	0.00	0.89	1.59	4.95	

^{*} Based on 2016 Peer Mortgage Data -- US and PR

^{**} 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 Families is based on the 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 3.7% of loans originated and purchased by bank.

³ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: GLENS FALLS NB			Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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 AA	711	69.71	81.21	27.99	73.42	13.78	12.80	11.71	8.03
Limited Review:									
GFNB Non MSA AA	213	20.88	77.14	28.64	72.77	12.21	15.02	4.66	3.45
GFNB Saratoga County (Albany MSA) AA	96	9.41	85.58	41.67	73.96	15.63	10.42	1.11	0.67

* Based on 2016 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 - 2016).

**** 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 41.67% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			Geography: GLENS FALLS NB		Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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 \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Glens Falls MSA AA	7	77.78	96.26	28.57	100.00	0.00	0.00	2.22	0.00
Limited Review:									
GFNB Non MSA AA	1	11.11	94.17	0.00	100.00	0.00	0.00	0.00	0.00
GFNB Saratoga County (Albany MSA) AA	1	11.11	90.85	0.00	100.00	0.00	0.00	0.00	0.00

* Based on 2016 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 - 2016).

**** 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 77.78% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: GLENS FALLS NB				Evaluation Period: JANUARY 5, 2015 TO DECEMBER 31, 2017			
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 AA	0	0	105	7,790	105	7,790	73.70	0	0
Limited Review:									
GFNB Non MSA AA	0	0	28	380	28	380	3.60	0	0
GFNB Saratoga County (Albany MSA) AA			14	1,900	14	1,900	17.98	0	0
Broader Regional Area	1	500	0	0	1	500	4.73	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 NB			
														Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016			
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 AA	74.00	21	70.00	0.00	9.52	80.95	9.52	0	0	0	0	0	0	0.00	3.47	83.45	13.08
Limited Review:																	
GFNB Non MSA AA	19.23	7	23.33	0.00	14.29	57.14	28.57	0	0	0	0	0	0	0.00	14.54	52.28	30.24
GFNB Saratoga County (Albany MSA) AA	6.77	2	6.67	0.00	50.00	50.00	0.00	0	0	0	0	0	0	0.00	6.20	79.15	14.65

2017 Tables

Institution ID: GLENS FALLS NATIONAL BANK Charter #7699

Table 1. Lending Volume

LENDING VOLUME												
Geography: GLENS FALLS NB												
Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017												
Assessment Area (2017):	% 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 AA	64.81	358	56,326	189	18,935	0	0	0	0	547	75,261	74.00
Limited Review:												
GFNB Non MSA AA	25.59	147	23,672	69	7,366	0	0	0	0	216	31,038	19.23
GFNB Saratoga County (Albany MSA) AA	9.60	56	11,504	25	2,074	0	0	0	0	81	13,578	6.77

* Loan Data as of December 31, 2017. Rated area refers to either state or multi-state MA rating area.

** Please refer to the CD Loan information in Table I for the 2014-2016 time period for CD Loan information for the 1/5/2015 to 12/31/2017 CD evaluation period.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: GLENS FALLS NB				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					Market Share (%) by Geography*				
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 AA	191	60.25	0.00	0.00	4.08	6.81	83.77	82.72	12.15	10.47	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
GFNB Non MSA AA	96	30.28	0.74	2.08	2.19	1.04	80.71	77.08	16.36	19.79	0.00	0.00	0.00	0.00	0.00	
GFNB Saratoga County (Albany MSA) AA	30	9.46	0.00	0.00	17.70	26.67	67.64	73.33	14.66	0.00	0.00	0.00	0.00	0.00	0.00	

** 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 2015 ACS Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: GLENS FALLS NB				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					Market Share (%) by Geography*				
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 AA	119	69.19	0.00	0.00	4.08	4.20	83.77	84.87	12.15	10.92	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
GFNB Non MSA AA	34	19.77	0.74	0.00	2.19	2.94	80.71	94.12	16.36	2.94	0.00	0.00	0.00	0.00	0.00	
GFNB Saratoga County (Albany MSA) AA	19	11.05	0.00	0.00	17.70	21.05	67.64	78.95	14.66	0.00	0.00	0.00	0.00	0.00	0.00	

** 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 2015 ACS Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: GLENS FALLS NB				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017									
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography					
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Glens Falls MSA AA	48	71.64	0.00	0.00	4.08	4.17	83.77	87.50	12.15	8.33	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
GFNB Non MSA AA	13	19.40	0.74	0.00	2.19	0.00	80.71	100.00	16.36	0.00	0.00	0.00	0.00	0.00	0.00	
GFNB Saratoga County (Albany MSA) AA	6	8.96	0.00	0.00	17.70	0.00	67.64	66.67	14.66	33.33	0.00	0.00	0.00	0.00	0.00	

** 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 2015 ACS Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: GLENS FALLS NB						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017							
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Glens Falls MSA AA	0	0.00	0.00	0.00	22.49	0.00	70.78	0.00	6.73	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
GFNB Non MSA AA	4	80.00	12.75	0.00	11.21	0.00	61.47	50.00	14.57	50.00	0.00	0.00	0.00	0.00	0.00
GFNB Saratoga County (Albany MSA) AA	1	20.00	0.00	0.00	26.19	100.00	47.23	0.00	26.58	0.00	0.00	0.00	0.00	0.00	0.00

** 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 2015 ACS Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: GLENS FALLS NB				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					Market Share (%) by Geography				
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 AA	189	66.78	0.00	0.00	8.82	16.93	82.36	78.84	8.81	4.23	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
GFNB Non MSA AA	69	24.38	6.57	4.35	2.86	0.00	76.99	91.30	12.78	4.35	0.00	0.00	0.00	0.00	0.00	
GFNB Saratoga County (Albany MSA) AA	25	8.83	0.00	0.00	21.19	44.00	64.79	56.00	14.02	0.00	0.00	0.00	0.00	0.00	0.00	

** 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 (2017).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: GLENS FALLS NB				Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					Market Share (%) by Geography				
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 AA	0	0.00	0.00	0.00	0.90	0.00	78.78	0.00	20.32	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
GFNB Non MSA AA	0	0.00	0.48	0.00	0.97	0.00	92.75	0.00	5.80	0.00	0.00	0.00	0.00	0.00	0.00	
GFNB Saratoga County (Albany MSA) AA	0	0.00	0.00	0.00	12.43	0.00	79.29	0.00	8.28	0.00	0.00	0.00	0.00	0.00	0.00	

** 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 (2017).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: GLENS FALLS NB					Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					Market Share*				
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 ⁴	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Glens Falls MSA AA	191	60.25	20.19	5.85	17.14	20.74	23.76	20.21	38.90	53.19	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
GFNB Non MSA AA	96	30.28	19.86	6.25	15.95	16.67	21.40	17.71	42.79	59.38	0.00	0.00	0.00	0.00	0.00	
GFNB Saratoga County (Albany MSA) AA	30	9.46	19.47	0.00	20.63	32.14	22.52	28.57	37.39	39.29	0.00	0.00	0.00	0.00	0.00	

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 1.6% of loans originated and purchased by bank.

⁴ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**** As a percentage of loans with borrower income information available. No information was available for 1.6% of loans originated and purchased by bank.

**** As a percentage of loans with borrower income information available. No information was available for 1.6% of loans originated and purchased by bank.

**** As a percentage of loans with borrower income information available. No information was available for 1.6% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: GLENS FALLS NB					Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017					Market Share*				
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 ⁵	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Glens Falls MSA AA	119	69.19	20.19	10.34	17.14	18.97	23.76	26.72	38.90	43.97	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
GFNB Non MSA AA	34	19.77	19.86	6.06	15.95	12.12	21.40	18.18	42.79	63.64	0.00	0.00	0.00	0.00	0.00	
GFNB Saratoga County (Albany MSA) AA	19	11.05	19.47	15.79	20.63	26.32	22.52	26.32	37.39	31.58	0.00	0.00	0.00	0.00	0.00	

** 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 Families is based on the 2015 ACS Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.3% of loans originated and purchased by bank.

⁵ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: GLENS FALLS NB						Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share ⁷				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ⁶	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Glens Falls MSA AA	48	71.64	20.19	6.52	17.14	8.70	23.76	23.91	38.90	60.87	0.00	0.00	0.00	0.00	0.00
Limited Review:															
GFNB Non MSA AA	13	19.40	19.86	0.00	15.95	16.67	21.40	16.67	42.79	66.67	0.00	0.00	0.00	0.00	0.00
GFNB Saratoga County (Albany MSA) AA	6	8.96	19.47	0.00	20.63	16.67	22.52	66.67	37.39	16.67	0.00	0.00	0.00	0.00	0.00

^{**} 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 Families is based on the 2015 ACS Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 4.5% of loans originated and purchased by bank.

⁶ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: GLENS FALLS NB			Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
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 AA	189	66.78	80.94	35.98	75.66	13.76	10.58	0.00	0.00
Limited Review:									
GFNB Non MSA AA	69	24.38	76.09	24.64	81.16	7.25	11.59	0.00	0.00
GFNB Saratoga County (Albany MSA) AA	25	8.83	85.34	16.00	68.00	28.00	4.00	0.00	0.00

** 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 - 2017).

**** 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 39.93% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: GLENS FALLS NB			Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017				
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 \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Glens Falls MSA AA	0	0.00	95.94	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:									
GFNB Non MSA AA	0	0.00	94.69	0.00	0.00	0.00	0.00	0.00	0.00
GFNB Saratoga County (Albany MSA) AA	0	0.00	90.53	0.00	0.00	0.00	0.00	0.00	0.00

** 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 - 2017).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS														Geography: GLENS FALLS NB			
														Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017			
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 AA	74.00	21	70.00	0.00	9.52	85.71	4.76	0	0	0	0	0	0	0.00	7.04	82.56	10.40
Limited Review:																	
GFNB Non MSA AA	19.23	7	23.33	14.29	0.00	71.43	14.29	0	0	0	0	0	0	3.17	3.82	75.11	14.75
GFNB Saratoga County (Albany MSA) AA	6.77	2	6.67	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	19.00	66.31	14.69