



Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

August 15, 2016

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Bank of Greene County
Charter Number 718028

302 Main Street Catskill, NY 12414

Office of the Comptroller of the Currency

340 Madison Avenue 4th Floor New York, NY 10017-2613

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, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

INSTITUTION'S CRA RATING: This institution is rated Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Outstanding.

The Bank of Greene County's (TBOG) performance in meeting the credit needs of its assessment area (AA) is Satisfactory based on the following:

- TBOG's loan-to-deposit ratio is reasonable in relation to the bank's financial condition, lending capacity and lending opportunities within the AA;
- The bank originated the majority of its primary loan product, residential loans, to borrowers within its AA;
- TBOG's distribution of residential loans reflects reasonable penetration amongst borrowers of different incomes;
- The bank's geographic distribution of residential loans reflects excellent dispersion throughout the moderate-income geographies; and
- TBOG demonstrated excellent responsiveness to the community development needs of its AA.

Scope of Examination

We conducted a review of The Bank of Greene County (“TBOG” or “bank”) Community Reinvestment Act performance for the period of January 1, 2012 through December 31, 2015. We assessed TBOG under the Intermediate Small Bank (ISB) evaluation procedures, which consist of a lending test and a community development (“CD”) test. The lending test determines how the bank has met the credit needs of the assessment area (“AA”) through its lending activities. The CD test evaluates the bank’s responsiveness to the financial needs of its AA through loans, investments, and services.

TBOG’s primary business product is residential loans including home purchases, refinances, and home improvement loans. TBOG is a HMDA reporter and a data integrity review was conducted prior to this evaluation to determine the accuracy of the bank’s HMDA data. The bank’s HMDA data was found to be reliable and was used to evaluate the bank’s lending performance.

Description of Institution

TBOG was chartered in 1889 and is an intrastate stock thrift institution. TBOG was formerly chartered under New York State and known as the Greene County Savings Bank. The bank is a subsidiary of, Greene County Bancorp, Inc. TBOG has rapidly grown over the past year with an increase in total assets of 17.5 percent. At June 30, 2016, the bank reported total assets of \$866,724,000 and Tier 1 Capital of 8.36 percent.

At June 30, 2016, the bank reported loans and leases of \$532,428,000. The primary lending product is residential mortgage loans at approximately 62 percent of total loan products.

Table 1, represents the bank’s loan portfolio composition.

Table 1: Loan Portfolio Composition		
Product Category	Gross Loans as of June 30, 2016	
	Dollar (000’s)	Percent
Residential Mortgage Loans	\$ 327,670	61.54%
Commercial Real Estate Including Commercial & Industrial	\$ 164,282	30.86%
Construction & Land Development	\$ 30,908	5.81%
Individuals	\$ 4,402	0.83%
All Other	\$ 5,166	0.97%
Total	532,428	100%

Source: June 30, 2016 Report of Condition

The Bank of Greene County is headquartered in the county seat of Greene County, Catskill, NY. The bank operates 13 full service branches throughout Greene, Columbia, Albany, and Ulster Counties. The first Ulster County branch opened in February 2015, in the City of Kingston. The

majority of the bank's branches are located throughout the Greene and Columbia (AA) with a total of 10 branches; six are located in Greene County and four are located in Columbia County. Two branches are located in Albany County and one branch is located in Ulster County. Two branches are located in moderate-income census tracts, eight branches are located in middle-income census tracts, and three branches are located in upper-income census tracts. TBOG has not closed any branches during our evaluation period.

The bank offers an array of products and services including residential mortgage loan products for home purchase, home refinancing, and home equity lines of credit. Branch lobby hours are set to meet customer needs with all branches opening Monday through Friday and most locations opening on Saturdays. All branches are equipped with automated teller machines (ATMs) that dispense cash and twelve ATMs can receive deposits. TBOG also offers online and mobile banking for additional convenience to its customers. In addition, the bank offers personal and commercial checking and savings accounts, certificate of deposits, and merchant services.

The bank is not subject to any legal or financial restrictions that could impair its ability to help meet the credit needs of its AAs. TBOG was rated "Satisfactory" on its last CRA Performance Evaluation dated May 20, 2013.

Description of Assessment Area(S)

The Bank of Greene County’s AAs are located within the state of New York and include Albany County, Greene and Columbia Counties and Ulster County: which was recently added to the AA in February 2015. The bank’s AAs comply with regulatory requirements and do not arbitrarily exclude any low- or moderate-income census tracts.

Albany County AA

The Albany County AA is located in the Albany-Schenectady-Troy Metropolitan Statistical Area (MSA). TBOG’s AA in Albany County is located along the southern border of the County and consists of four (4) contiguous middle-income census tracts located in Westerlo, Rensselaerville, Coeymans, and Ravena. The AA County seat is Albany.

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	4	0.00	0.00	100.00	0.00	0.00
Population by Geography	12,622	0.00	0.00	100.00	0.00	0.00
Owner-Occupied Housing by Geography	3,959	0.00	0.00	100.00	0.00	0.00
Business by Geography	587	0.00	0.00	100.00	0.00	0.00
Farms by Geography	48	0.00	0.00	100.00	0.00	0.00
Family Distribution by Income Level	3,496	16.82	22.03	30.46	30.69	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	1,358	0.00	0.00	100.00	0.00	0.00
Median Family Income		74,739	Median Housing Value		169,209	
HUD Adjusted Median Family Income for 2015		82,700	**Unemployment Rate		3.90%	
Households Below Poverty Level		6%	(December 2015)			

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2010 US Census and 2015 HUD updated MFI. **The U.S. Bureau of Labor Statistics December 2015.

According to the 2010 U.S Census, the median family income is \$74,739. In the Albany County AA, 19.73 percent of families are low-income, 16.61 percent are moderate-income, 21.99 percent are middle-income, and 41.66 percent are upper-income. Approximately 6 percent of households are below the poverty level. The AA has a population of 12,622, which includes 3,496 families and 5,074 households. Total housing units is 6,223 and consists of 3,959 owner occupied units, 1,115 rental-occupied units, and 1,149 vacant units. The median housing value is \$169,209.

State and local governments employ nearly a quarter of the Albany area workforce, which has brought a long-term stability to the economy. Other industries include healthcare, education, and a growing high-tech sector. Home prices, unemployment rates, and poverty levels are all below national averages. Albany’s unemployment rate at December 2015 was 3.9 percent, which compares favorably to New York State’s average of 4.7 percent during the same period.

According to the 2014 Peer Mortgage Data, TBOG ranks fourth (4th) out of thirty-eight (38) top lenders for home purchases in the MSA with 4.4 percent of the market share. Competition in the AA primarily includes larger banks, such as Homestead Funding Corp, Wells Fargo Bank, and SEFCU Services LLC with 38 percent, 36 percent, and 11 percent of the market share, respectively.

Greene/Columbia AA

The Greene and Columbia AA is located in a Non-MSA and is comprised of all municipalities physically located within Greene and Columbia Counties. Greene County is located west of the Hudson River and south of Albany. Columbia County is located southeast of Albany and west of the Massachusetts border with the Hudson River forming its western border. The Greene County seat is Catskill and the Columbia County seat is Hudson.

Table 3: Demographic Information for Full Scope Area: TBOG Greene/Columbia AA 99999						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	36	0.00	5.56	50.00	41.67	2.78
Population by Geography	112,317	0.00	7.30	46.71	43.52	2.47
Owner-Occupied Housing by Geography	32,424	0.00	7.00	44.87	48.12	0.00
Business by Geography	7,185	0.00	6.72	50.88	42.38	0.01
Farms by Geography	482	0.00	3.53	43.78	52.70	0.00
Family Distribution by Income Level	28,356	16.04	16.54	19.38	48.05	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	9,236	0.00	11.05	54.03	34.92	0.00
Median Family Income HUD Adjusted Median Family Income for 2015 Households Below Poverty Level		54,386 60,000 10%	Median Housing Value **Unemployment Rate (Greene County) **Unemployment Rate (Columbia County)	207,005 5.40% 3.60%		

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2010 US Census and 2015 HUD updated MFI. **The U.S. Bureau of Labor Statistics December 2015.

The Non-MSA contains thirty-six (36) census tracts with two (2) moderate-income tracts, eighteen (18) middle-income tracts, fifteen (15) upper-income tracts, and one (1) zero-income tract. There are no low-income census tracts located in the AA.

The most recent U.S. Census completed in 2010 reported 28,356 families within in the AA and 44,188 households with a total population of 112,317. The median family income in the Greene and Columbia AA is \$54,386. The 2015 HUD reported median income for the AA is \$60,000. Based on the family income of the total families located in the AA, 16.04 percent are low-income, 16.54 are moderate-income, 19.38 are middle-income and 48.05 upper-income. There are 10 percent of households living below the poverty line. According to the U.S. Bureau of Labor Statistics, at December 2015 the unemployment rate in Greene and Columbia Counties were 5.4 percent and 3.6 percent, respectively. The unemployment rates for both Counties were below the December 2015, New York State unemployment rate of 5.5 percent in a Non-MSA.

The primary housing dwelling in the AA is 1-4 family units. The majority of the households in Greene and Columbia Counties are owner-occupied at 52.82 percent of total housing units. Renters occupy 19.16 percent of total housing in the AA. Vacant housing units totaled 17,196 out of the 61,384 units or 28.01 percent of total housing. The median home value is \$207,005. Competition in the Greene and Columbia AA is high with twenty-six (26) financial institutions including TBOG in the market. The bank compares favorably to the competition, ranking third (3rd) in home purchase loans with 7.27 percent of the market share based on the number of loans purchased or originated. The majority of TBOG’s biggest competitors are larger banks such as Homestead Funding Corporation, Wells Fargo Bank, and First Niagara Bank.

Ulster County AA

The Ulster County AA is located in the Kingston-MSA. Ulster County sits in the heart of the Hudson River Valley with the Hudson River located on its eastern edge. The County seat is Kingston. The Ulster County AA contains seventeen (17) census tracts with three (3) moderate-income tracts, thirteen (13) middle-income tracts, and one (1) upper-income tract.

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	17	0.00	17.65	76.47	5.88	0.00
Population by Geography	56,591	0.00	20.98	76.22	2.80	0.00
Owner-Occupied Housing by Geography	14,550	0.00	16.05	80.37	3.57	0.00
Business by Geography	4,557	0.00	21.24	76.41	2.35	0.00
Farms by Geography	121	0.00	13.22	80.99	5.79	0.00
Family Distribution by Income Level	14,304	21.81	22.03	22.81	33.35	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	6,270	0.00	23.83	74.13	2.04	0.00
Median Family Income HUD Adjusted Median Family Income for 2015 Households Below Poverty Level		70,513 75,200 11%	Median Housing Value **Unemployment Rate (December 2015)		208,271 4.30%	

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2010 US Census and 2015 HUD updated MFI. **The U.S. Bureau of Labor Statistics December 2015.

The 2010 U.S Census, reported a population of 56,591 in Ulster County. The AA has total households of 26,220 of which 90.54 percent are owner-occupied. The percentage of vacant homes in the AA is moderate at 9.46 percent. Housing dwellings in Ulster County are primarily 1-4 family homes at 80.05 percent of total housing units, followed by multi-family homes at 15.11 percent. Owner-occupied homes in the AA account for 55.49 percent of total homes and renter-occupied homes account for 35.05 percent. The median home value in the AA is \$208,271.

The median family income is \$70,513 and the 2015 HUD adjusted median family income is \$75,200. The percentage of families living below the poverty level is 11 percent. Approximately 37 percent of the households in Ulster County pay mortgages or rents within 30 percent of their family income. The Ulster County AA income distribution of families is as follows: 21.81 percent are low-income, 22.03 percent are moderate-income, 22.81 are middle-income, and 33.35 percent are upper-income. In December 2015, The U.S Bureau of Labor Statistics reported an unemployment rate of 4.30 percent in the AA.

The bank competes with several larger banks in the Ulster County AA including M&T Bank, Bank of America, and Wells Fargo Bank. TBOG ranks sixteenth (16th) out of twenty-five, in home purchase lending for a market share of 1.14 percent. The market leader in home purchase lending for the AA is Ulster Savings Bank with a 21.37 percent market share. The bank is competing well considering the bank's Ulster County branch has operated in the AA for less than two years.

Community Contacts

We conducted three community contacts with not-for-profit organizations to determine the community development needs of the bank's AA. In addition, we considered bank provided community reference letters from local not-for-profit organizations in the Greene and Columbia AA. The primary purpose of the organizations we contacted ranged from promoting affordable housing, childcare, community services, and loans to small businesses. All three-community contacts mentioned the AA needs affordable housing and more job opportunities. The Greene and Columbia AA organization also mentioned the AA needed greater access to public transportation. TBOG helps the Greene and Columbia AA meet its need for transportation through its partnership with Community Action of Greene County, Inc. in its Wheels for Work program. The bank also extends loans to these organizations with one organization using the funds to create affordable housing for seniors and for support of its mobile home replacement program.

Conclusions with Respect to Performance Tests

LENDING TEST

TBOG's performance under the lending test is rated satisfactory. We conducted a review of the bank's performance in each AA with greater consideration given to the Greene and Columbia AA, where the bank made the majority of its consumer loans. In some tests, the Albany AA was either not considered or not given equal weight, as it has no low- or moderate-income tracts. The quarterly average loan-to-deposit ratio is reasonable. TBOG originated the majority of its residential lending inside the AA. The distribution of loans to borrowers of different incomes

reflects reasonable penetration and the geographic distribution of loans reflects excellent dispersion throughout the AA.

Loan-to-Deposit Ratio

The bank's average loan-to-deposit ratio during the evaluation period is reasonable in relation to its financial condition, lending capacity and lending opportunities in the AAs. Over the past 16 quarters, January 1, 2012 through December 31, 2015, TBOG's average loan-to-deposit ratio was 65.92 percent. During this period, the bank's loan-to-deposit ratio ranged from a low of 59.38 percent (March 2013) to a high of 72.24 percent (December 2014). The bank compares favorably with other financial institutions located in the AAs and of similar size. The peer banks' average loan-to-deposit ratio was 76.18 percent and ranged from as low as 51.41 percent to as high as 88.08 percent over the same period.

Lending in Assessment Area

TBOG originated the majority of its lending inside the AA with the number of residential loans inside the AA at 77.38 percent. The bank's dollar amount of residential loans inside the AA was 58.51 percent, which is lower than the 77.38 percent, number of loans extended inside in the AA. The lower percentage in the dollar amount of loans inside the AA is attributed to homes outside the AA having higher purchase prices than homes purchased within the AA. Table 5, depicts the distribution of residential lending inside and outside of the AA.

Table 5 - Lending in AA (Combined)										
Type of Loan	Number of Loans					Dollars of Loans (000's)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Purchase	498	58.66%	351	41.34%	849	\$86,779	38.15%	\$140,670	61.85%	\$227,449
Home Refinance	772	88.74%	98	11.26%	870	\$110,121	84.88%	\$19,618	15.12%	\$129,739
Home Improvement	375	92.14%	32	7.86%	407	\$35,523	88.71%	\$4,520	11.29%	\$40,043
Totals	1645	77.38%	481	22.62%	2126	\$232,423	58.51%	\$164,808	41.49%	\$397,231

Source: HMDA reported residential loans for the period of January 1, 2012 through December 31, 2015.

Lending to Borrowers of Different Incomes

Overall, the distribution of loans to borrowers of different incomes reflects reasonable penetration in all three AAs. More weight was given to performance in the Greene and Columbia AA, where the majority of the bank's residential loans are originated or purchased.

Borrower Distribution in Albany County AA

Table 6 - Borrower Distribution of Residential Real Estate Loans Albany- Schenectady-Troy MSA: Albany County AA								
Borrower Income Level	Low		Moderate		Middle		Upper	
% of AA Families	16.82		22.03		30.46		30.69	
Loan Type	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)
Home Purchase	9.09	15.00	27.27	32.86	22.73	30.00	40.91	22.14
Home Improvement	5.88	9.09	29.41	22.73	23.53	36.36	41.18	31.82
Home Mortgage Refinance	13.95	20.00	16.28	28.33	18.60	26.67	51.16	25.00

Source: TBOG January 1, 2012 through December 31, 2015 HMDA Data; 2014 Peer Mortgage Data

The distribution of residential loans in the Albany County AA reflects reasonable penetration towards borrowers of different incomes. TBOG distribution of loans to low-income borrowers is near the percentage of families in the AA. Loans to moderate-income borrowers neared or surpassed the 22.03 percent of families. When compared to the peer aggregate for low- and moderate-income borrowers in the AA with the exception of home improvement loans to moderate-income families, TBOG is below peer. Lending activity is less than 7 percent of total residential loans in the Albany AA.

Borrower Distribution in Greene/Columbia County AA

Table 7 - Borrower Distribution of Residential Real Estate Loans Non-MSA: Greene & Columbia Counties AA								
Borrower Income Level	Low		Moderate		Middle		Upper	
% of AA Families	16.04		16.54		19.38		48.05	
Loan Type	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)
Home Purchase	3.02	2.82	11.41	17.40	21.48	24.49	64.09	55.30
Home Improvement	3.76	6.98	12.78	20.00	22.56	20.93	60.90	52.09
Home Mortgage Refinance	3.67	3.10	9.39	12.19	23.47	22.52	63.47	62.19

Source: TBOG January 1, 2012 through December 31, 2015 HMDA Data; 2014 Peer Mortgage Data

The distribution of residential loans within the Non-MSA of Greene and Columbia Counties is reasonable. The bank’s lending to low-income borrowers ranged from a high 3.76 percent in home improvement loans to low 3.02 percent in home purchases. Residential lending to moderate-income families was higher with 16.54 percent of families located in the moderate census tract and lending activity ranging from 9.39 percent to 12.78 percent. TBOG compares favorably to the peer aggregate ratios for low- and moderate-income borrowers and exceeded the aggregate ratios for low-income borrowers in home purchases and home refinance loans.

Borrower Distribution in Ulster County

Table 8 - Borrower Distribution of Residential Real Estate Loans								
Kingston MSA: Ulster County AA								
Borrower Income Level	Low		Moderate		Middle		Upper	
% of AA Families	21.81		22.03		22.81		33.35	
Loan Type	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)
Home Purchase	16.67	7.17	16.67	24.43	0.00	28.66	66.67	39.74
Home Improvement	0.00	10.87	25.00	23.91	25.00	33.70	50.00	31.52
Home Mortgage Refinance	0.00	9.09	17.39	22.73	8.70	29.55	73.91	38.64

Source: TBOG January 1, 2012 through December 31, 2015 HMDA Data; 2014 Peer Mortgage Data

TBOG distribution of loans to borrowers of different incomes in the Ulster County AA is reasonable. Home purchase lending to low-income borrowers in the AA was 16.67 percent and approaching the 21.81 percent of families. Home improvement and home refinance loans to low-income borrowers were zero; however, lending opportunities to low-income borrowers is limited given the median salary for low-income borrowers is approximately \$35,257. The bank’s lending to moderate-income borrowers is higher with percentages approaching or exceeding the number of families in the AA.

Geographic Distribution of Loans

The geographic distribution of loans reflects excellent dispersion throughout the AA. We focused on the bank’s performance in the Greene and Columbia County AA, as the majority of the bank’s branches are located there. In addition, we did not consider the distribution of loans in the Albany County AA, as there are no low-or-moderate-income CTs. The Ulster County AA was considered in our assessment. Our focus for this test was centered on moderate-income geographies, as the bank has no low-income CTs in its AAs. TBOG AA does not have any conspicuous gaps in the geographic distribution of loans throughout the AA.

Greene/Columbia County AA

Table 9 - Geographic Distribution of Residential Real Estate Loans Non-MSA: Greene & Columbia Counties AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
% of AA Owner Occupied Housing	0.00		7.00		44.87		48.12	
Loan type	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)
Home Purchasing	0.00	0.00	10.00	7.39	57.71	45.09	32.29	47.52
Home Improvement	0.00	0.00	15.05	9.33	52.33	45.78	32.62	44.89
Home Mortgage Refinance	0.00	0.00	14.84	8.06	48.44	38.25	36.72	53.69

Source: TBOG January 1, 2012 through December 31, 2015 HMDA Data; 2014 Peer Mortgage Data

The distribution of residential loans to borrowers reflects excellent dispersion in the moderate-income census tract. TBOG exceeded the 7 percent of moderate-income families located in the Greene and Columbia AA, with the number of loans made in the AA ranging from 10 percent to 15.05 percent.

Ulster County AA

Table 10 - Geographic Distribution of Residential Real Estate Loans Kingston MSA: Ulster County AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
% of AA Owner Occupied Housing	0.00		16.05		80.37		3.57	
Loan type	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)	% of # of Loans (TBOG)	Aggregate (Peer Banks)
Home Purchasing	0.00	0.00	10.00	15.36	80.00	81.16	10.00	3.48
Home Improvement	0.00	0.00	33.33	21.28	66.67	73.40	0.00	5.32
Home Mortgage Refinance	0.00	0.00	23.08	13.04	69.23	84.54	7.69	2.42

Source: TBOG January 1, 2012 through December 31, 2015 HMDA Data; 2014 Peer Mortgage Data

The distribution of residential loans to borrowers reflects excellent dispersion among moderate-income census tracts. There are no low-income census tracts in the Ulster County AA. The dispersion of loans to moderate-income families exceeded the 16.05 percent of families for home improvement and home refinances. Home purchase loans neared the percentage of families at 10 percent.

Responses to Complaints

There were no consumer complaints regarding the bank’s CRA performance or complaints indicating illegal or discriminatory lending practices during this evaluation.

COMMUNITY DEVELOPMENT TEST

TBOG’s performance in the Community Development (CD) test is rated outstanding. The bank demonstrates excellent responsiveness in its AA through its CD lending, investments and services.

Number and Amount of Community Development Loans

The bank showed excellent responsiveness to its AA through its CD loans. During the evaluation period, the bank originated nine loans totaling \$1,526,000 to seven organizations, which qualify as CD organizations. Seven of the CD loans were originated in the Greene and Columbia AA totaling \$1,626,205 and the remaining two loans were originated in the Ulster County AA totaling \$101,205. There were no CD qualifying loans in the Albany County AA. The bank provided loans to CD organizations that provide a variety of services to low-and moderate-

income individuals and families. This includes transportation services of \$26,205, learning centers of \$75,000, community redevelopment of \$1,000,000, affordable housing renovations of \$100,000, and community services of \$425,000.

Number and Amount of Qualified Investments

The bank demonstrated excellent responsiveness to its AA through donations and qualified investments. TBOG made 63 qualified donations and contributions totaling \$32,500 to 33 qualified community development organizations. Bank donations totaled \$25,500 to qualifying CD organizations serving the Greene and Columbia AA, \$4,750 to organizations serving the Ulster County AA, \$1,750 to organizations serving the Albany AA, and \$500 dollars to an organization serving all three AAs. The organizations provide a variety of services to low-and-moderate-income families in the AAs, such as economic development, affordable housing, affordable healthcare, youth programs, job training, and community services.

In addition, the bank maintained one qualifying investment totaling \$50,000 to the State Business Development Corporation during the evaluation period. All three AAs benefit from the qualifying investment. Overall, this is an improvement from the last CRA performance evaluation.

Extent to Which the Bank Provides Community Development Services

TBOG demonstrated excellent responsiveness to AA needs through its CD services. The bank has four employees that provide financial related services to three qualified organizations. The bank also has eight employees that provide Board level supervision to seven qualifying CD organizations. All qualifying organizations serve the Greene and Columbia AA, where the majority of the bank's lending activity takes place. These organizations provide community services and affordable housing to low-and moderate-income individuals. The organizations also promote economic development in low- and moderate-income geographies.

Responsiveness to Community Development Needs

TBOG demonstrates excellent responsiveness to the community development needs of its AA through community development loans, qualified investments and donations, and community services. Since the last CRA performance evaluation completed in May 2013, the bank increased its community development loans and qualified investments and donations.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's (bank) or Federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any AA by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

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