



**NEW YORK STATE
DEPARTMENT OF FINANCIAL SERVICES
FINANCIAL FRAUDS AND CONSUMER PROTECTION DIVISION**

One State Street
New York, NY 10004

PUBLIC SUMMARY

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Date of Evaluation: December 31, 2014

Institution: Tioga State Bank
One North Main Street
Spencer, NY 14883

Note: This evaluation is not an assessment of the financial condition of this institution. The rating assigned does not represent an analysis, conclusion or opinion of the New York State Department of Financial Services concerning the safety and soundness of this financial institution.

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GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (“CRA”) performance of Tioga State Bank (“TSB”) prepared by the New York State Department of Financial Services (“DFS” or the “Department”). This evaluation represents the Department’s current assessment and rating of the institution’s CRA performance based on an evaluation conducted as of December 31, 2014.

Section 28-b of the New York Banking Law, as amended, requires that when evaluating certain applications, the Superintendent of Financial Services shall assess a banking institution’s record of helping to meet the credit needs of its entire community, including low- and moderate-income (“LMI”) areas, consistent with safe and sound operations.

Part 76 of the General Regulations of the Superintendent implements Section 28-b and further requires that the Department assess the CRA performance records of regulated financial institutions. Part 76 establishes the framework and criteria by which the Department will evaluate the performance. Section 76.5 further provides that the Department will prepare a written report summarizing the results of such assessment and will assign to each institution a numerical CRA rating based on a 1 to 4 scoring system. The numerical scores represent an assessment of CRA performance as follows:

- (1) Outstanding record of meeting community credit needs;
- (2) Satisfactory record of meeting community credit needs;
- (3) Needs to improve in meeting community credit needs; and
- (4) Substantial noncompliance in meeting community credit needs.

Section 76.5 further requires that the CRA rating and the written summary (“Evaluation”) be made available to the public. Evaluations of banking institutions are primarily based on a review of performance tests and standards described in Section 76.7 and detailed in Sections 76.8 through 76.13. The tests and standards incorporate the 12 assessment factors contained in Section 28-b of the New York Banking Law.

For an explanation of technical terms used in this report, please consult the **GLOSSARY** at the back of this document.

OVERVIEW OF INSTITUTION'S PERFORMANCE

DFS evaluated Tioga State Bank ("TSB") according to the intermediate small bank performance criteria pursuant to Part 76.7 and Part 76.12 of the General Regulations of the Superintendent ("GRS"). The assessment period included calendar years 2012, 2013 and 2014. DFS assigns TSB a CRA rating of "2," indicating a "Satisfactory" record of helping to meet community credit needs.

The rating is based on the following factors:

Lending Test: "Satisfactory"

- **Loan-to-Deposit Ratio and Other Lending-Related Activities:** "Satisfactory"

TSB's average loan-to-deposit ("LTD") ratio was reasonable considering its size, business strategy, financial condition and peer group activity.

TSB's average LTD ratio for the evaluation period was 81.5%, which was above its peer group's average ratio of 75.2%.

- **Assessment Area Concentration:** "Outstanding"

During the evaluation period, TSB originated 89.7% by number, and 85.3% by dollar value of its total HMDA-reportable, small business, and consumer loans within the assessment area. This substantial majority of lending inside its assessment area was an outstanding record of lending.

- **Distribution by Borrower Characteristics:** "Satisfactory"

TSB's distribution of loans based on borrower characteristics demonstrated a reasonable rate of lending among individuals of different income levels and businesses of different revenue sizes.

- **Geographic Distribution of Loans:** "Satisfactory"

TSB's distribution of HMDA-reportable and small business loans based on lending in census tracts of varying income levels demonstrated a reasonable rate of lending; however, its distribution of consumer loans demonstrated a poor rate of lending. The satisfactory rating reflects the greater weight given to the combined HMDA-reportable and small business lending.

- **Action Taken in Response to Written Complaints with Respect to CRA:**

Neither TSB nor DFS received any written complaints regarding TSB's CRA performance since the prior CRA evaluation.

Community Development Test (Loans, Investments, Services): “Outstanding”

TSB’s community development performance demonstrated excellent responsiveness to the community development needs of its assessment area through community development loans, investments and services, considering TSB’s capacity and the need for and availability of opportunities for community development in its assessment area.

- **Community Development Loans: “Outstanding”**

During the evaluation period, TSB had 29 qualified community development loans totaling \$16.5 million of which \$11.7 million was new money and \$4.8 million remained outstanding from prior evaluation periods. This demonstrated an excellent level of community development lending over the course of the evaluation period.

- **Community Development Qualified Investments: “Satisfactory”**

During the evaluation period, TSB made \$1.4 million in new community development investments, and had \$272,000 outstanding from prior evaluation periods. In addition, TSB made \$33,000 in community development grants. This demonstrated an adequate level of community development investments over the course of the evaluation period.

- **Community Development Services: “Outstanding”**

TSB demonstrated an excellent level of community development services over the course of the evaluation period.

- **Innovative or Complex Practices:**

TSB demonstrated an adequate level of innovative and flexible community development practices.

- **Responsiveness to Credit and Community Development Needs:**

TSB demonstrated a reasonable level of responsiveness to credit and community development needs.

This evaluation was conducted based on a review of the 12 assessment factors set forth in Section 28-b of the New York Banking Law and Part 76 of the GRS.

PERFORMANCE CONTEXT

Institution Profile:

Tioga State Bank (“TSB”), chartered in New York State in 1884, is a full service commercial bank located in Spencer, New York and serves the counties of Broome, Chemung, Tioga and Tompkins. TSB is a wholly owned subsidiary of TSB Services, Inc.

Per the Consolidated Report of Condition (the “Call Report”) as of December 31, 2014, filed with the Federal Deposit Insurance Corporation (“FDIC”), TSB reported total assets of \$396.6 million, of which \$ 263.3 million were net loans and lease finance receivables. It also reported total deposits of \$302.9 million, resulting in a loan-to-deposit ratio of 86.9%. According to the latest available comparative deposit data as of June 30, 2014, TSB obtained a market share of 5.5%, or \$306.3 million in a market of \$5.6 billion, ranking it 7th among 14 deposit-taking institutions within its assessment area.

The following is a summary of TSB’s loan portfolio, based on Schedule RC-C of the bank’s call reports as of December 31, 2012, 2013 and 2014.

TOTAL GROSS LOANS OUTSTANDING						
Loan Type	2012		2013		2014	
	\$000's	%	\$000's	%	\$000's	%
1-4 Family Residential Mortgage Loans	120,884	47.4	119,406	45.9	117,722	44.0
Commercial & Industrial Loans	51,234	20.1	51,646	19.8	52,479	19.6
Commercial Mortgage Loans	54,785	21.5	57,482	22.1	61,815	23.1
Multifamily Mortgages	9,691	3.8	14,855	5.7	18,284	6.8
Consumer Loans	7,592	3.0	8,089	3.1	7,357	2.8
Agricultural Loans	3,002	1.2	2,829	1.1	2,800	1.0
Construction Loans	6,425	2.5	4,610	1.8	5,514	2.1
Obligations of States & Municipalities	0	0.0		0.0	112	0.0
Other Loans	1,366	0.5	1,285	0.5	1,211	0.5
Total Gross Loans	254,979		260,202		267,294	

As illustrated in the above table, residential real estate at 44.0% represents the largest segment of TSB’s loan portfolio as of December 31, 2014.

TSB operates 11 banking offices, two of which are in moderate-income census tracts, five are in middle-income census tracts and four are in upper-income census tracts. Of the 11 banking offices four offer Saturday hours. Another two banking offices (one each in middle- and upper-income census tracts) do not have lobby hours; instead, as an alternative they offer drive-up window weekday hours. Supplementing the banking offices is an automated teller machine (“ATM”) network consisting of 11 deposit taking

ATMs, one at each banking office. In addition, customers have surcharge free access to ATMs at eight Weis Market locations throughout Broome County.

Examiners did not find evidence of financial or legal impediments that had an adverse impact on TSB's ability to meet the credit needs of its community.

Assessment Area:

TSB's assessment area is comprised of Tioga County in its entirety and portions of Broome, Chemung and Tompkins counties.

There are 63 census tracts in the area, of which 5 are low-income, 14 are moderate-income, 28 are middle-income and 16 are upper-income tracts.

Assessment Area Census Tracts by Income Level							
County	N/A	Low	Mod	Middle	Upper	Total	LMI %
Tioga	0	0	0	8	2	10	0.0
Chemung*	0	0	0	2	0	2	0.0
Broome*	0	5	12	17	14	48	35.4
Tompkins*	0	0	2	1	0	3	66.7

**partial county*

Demographic & Economic Data

The assessment area had a population of 250,842 during the examination period. About 15.9% of the population were over the age of 65, and 18.2% were under the age of sixteen.

Of the 63,639 families in the assessment area 20.5% were low-income, 18.4% were moderate-income, 21.5% were middle-income, and 39.6% were upper-income families. There were 101,696 households in the assessment area, of which 13.9% had income below the poverty level and 3.7% were on public assistance.

The weighted average of median family income in the assessment area was \$59,688. Chemung and Tompkins counties both had lower weighted average median family incomes of \$54,209 and \$58,456, respectively, while Broome and Tioga counties had higher weighted averages of \$59,783 and \$60,537 respectively.

There were 112,024 housing units within the assessment area, of which 81.2% were one-to-four family units and 11.2% were multi-family units. A majority (62.6%) of the area's housing units were owner occupied while 28.2% were renter-occupied. Of the 70,094 owner-occupied housing units, 15.5% were in LMI census tracts, while 84.5% were in middle- and upper-income census tracts. Of the 31,602 renter-occupied

housing units, 43.4% were in LMI geographies, 41.7% were in middle-income census tracts, and 14.9% were in upper-income census tracts. The median age of the housing stock was 57 years, and the median home value in the assessment area was \$101,973.

There were 14,189 non-farm businesses in the assessment area. Of these, 72.7% were businesses with reported revenues of less than or equal to \$1 million, 5.1% reported revenues of more than \$1 million and 22.2% did not report their revenues. Of all the businesses in the assessment area, 83.8% were businesses with less than 50 employees while 88.6% operated from a single location. The largest industries in the area were services (45.7%), retail trade (15.0%) and construction (7.9%), while 8.8% of businesses in the assessment area were not classified.

According to the New York State Department of Labor, the unemployment rate for New York State peaked at 8.5% in 2012. Broome County's unemployment rates exceeded the state's rates each year of the evaluation period while Tompkins County's rates were consistently well below the state's rates.

The table below shows the unemployment rates for New York State and Broome, Chemung, Tioga and Tompkins counties for 2012, 2013 and 2014.

Assessment Area Unemployment Rate					
	Statewide	Broome	Chemung	Tioga	Tompkins
2012	8.5	8.7	8.4	7.9	6.1
2013	7.7	7.8	7.9	7.2	5.2
2014	6.3	6.6	6.3	6.1	4.3
3 year average	7.5	7.7	7.5	7.1	5.2

Community Information

Parts of TSB's assessment area were severely affected by Tropical Storm Lee and Hurricane Irene in 2011. The Susquehanna River that runs through the Town of Owego overflowed and flooded the city, causing significant damage to many homes, businesses, buildings and roads in the area. The city still has not fully recovered.

Examiners met and interviewed key personnel from two nonprofit community service organizations. The two community service organizations mainly serve Tioga and Broome counties and provide services and assistance to low-income individuals and families to advance self-sufficiency. Interviewees indicated that Tioga County is mainly rural, poor, has few industries, and there are too few jobs to accommodate the number of students graduating from high schools and local colleges. Interviewees also noted that while banks reach out to the community, they can do more by being creative and offering a "first time home buyers' club program".

PERFORMANCE STANDARDS AND ASSESSMENT FACTORS

DFS evaluated TSB under the intermediate small bank performance standards in accordance with Parts 76.7 and 76.12 of the GRS, which consist of the lending test and the community development test.

The lending test includes:

- 1. Loan-to-deposit ratio and other lending-related activities;*
- 2. Assessment area concentration;*
- 3. Distribution by borrower characteristics;*
- 4. Geographic distribution of loans; and*
- 5. Action taken in response to written complaints regarding CRA*

The community development test includes:

- 1. Community development lending;*
- 2. Community development investments;*
- 3. Community development services; and*
- 4. Responsiveness to community development needs*

DFS also considered the following factors in assessing TSB's record of performance:

- 1. The extent of participation by the board of directors or board of trustees in formulating CRA policies and reviewing CRA performance;*
- 2. Any practices intended to discourage credit applications;*
- 3. Evidence of prohibited discriminatory or other illegal credit practices;*
- 4. Record of opening and closing offices and providing services at offices; and*
- 5. Process factors, such as activities to ascertain credit needs and the extent of marketing and special credit related programs*

DFS derived statistics employed in this evaluation from various sources. TSB submitted bank-specific information both as part of the examination process and on its Call Report submitted to the FDIC. DFS obtained aggregate lending data from the Federal Financial Institutions Examination Council ("FFIEC") and deposit data from the FDIC. DFS calculated loan-to-deposit ratios from information shown in the Bank's Uniform Bank Performance Report, submitted to the FDIC.

DFS derived the demographic data referred to in this report from the 2010 U.S. Census and the FFIEC. DFS based business data in this report on Dun & Bradstreet reports which are updated annually. DFS obtained unemployment data from the New York State Department of Labor. Some non-specific bank data are only available on a county-wide basis, and are used even where the institution's assessment area includes partial counties.

The assessment period included calendar years 2012, 2013 and 2014.

Examiners considered TSB's HMDA-reportable, small business and consumer loans in evaluating factors (2), (3) and (4) of the lending test noted above.

HMDA-reportable, small business and consumer loan data evaluated in this performance evaluation represented actual originations.

At its **prior** Performance Evaluation, as of December 31, 2011, DFS assigned TSB a rating of “2,” reflecting a “Satisfactory” record of helping to meet community credit needs.

Current CRA Rating: “Satisfactory”

Lending Test: “Satisfactory”

TSB’s HMDA-reportable, small business and consumer lending activities were reasonable considering aggregate and peer group activity and the demographics of the assessment area.

Loan-to-Deposit Ratio and other Lending-Related Activities: “Satisfactory”

TSB’s average loan-to-deposit (“LTD”) ratio was reasonable considering its size, business strategy, financial condition and peer group activity.

TSB’s quarterly LTD ratios, except for the first quarter of 2012, were consistently higher than its peer group’s ratios during the evaluation period. Thus, TSB’s average LTD ratio of 81.5% was above its peer group’s ratio of 75.2% for the evaluation period. Furthermore, TSB’s current average loan-to-deposit ratio represented a substantial increase from the 72.9% reported at the prior CRA evaluation.

The table below shows TSB’s LTD ratios in comparison with the peer group’s ratios for the 12 quarters since the prior evaluation.

Loan-to-Deposit Ratios													
	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	Avg.
Bank	72.8	77.5	79.0	81.8	76.3	81.5	83.4	85.9	81.7	85.6	85.2	86.9	81.5
Peer	73.3	74.3	74.5	74.0	73.2	74.9	75.1	75.8	74.9	77.0	77.6	78.3	75.2

Assessment Area Concentration: “Outstanding”

During the evaluation period, TSB originated 89.7% by number and 85.3% by dollar value of total HMDA-reportable, small business and consumer loans within the assessment area. This substantial majority of lending within the assessment area was an excellent record of lending.

HMDA-Reportable Loans:

TSB originated 87.3% by number and 87.2% by dollar value of its HMDA-reportable loans

within the assessment area. This substantial majority of HMDA loans was an excellent concentration of lending within TSB's assessment area.

Small Business Loans:

TSB originated 87.7% by number and 79.1% by dollar value of its small business loans within the assessment area. This majority of lending inside the assessment area was a reasonable record of lending.

Consumer Loans:

TSB originated 91.9% by number and 91.9% by dollar value of its consumer loans within the assessment area. This substantial majority of lending inside the assessment area was an excellent concentration of lending.

The following table shows the percentages of TSB's HMDA reportable, small business and consumer loans originated inside and outside of the assessment area.

Distribution of Loans Inside and Outside of the Assessment Area										
Loan Type	Number of Loans					Loans in Dollars (in thousands)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
HMDA-Reportable										
2012	320	90.7%	33	9.3%	353	27,261	89.2%	3,316	10.8%	30,577
2013	280	85.6%	47	14.4%	327	25,338	88.0%	3,440	12.0%	28,778
2014	242	84.9%	43	15.1%	285	24,177	84.3%	4,492	15.7%	28,669
Subtotal	842	87.3%	123	12.7%	965	76,776	87.2%	11,248	12.8%	88,024
Small Business										
2012	130	92.9%	10	7.1%	140	20,646	83.1%	4,197	16.9%	24,843
2013	106	89.8%	12	10.2%	118	14,191	85.4%	2,423	14.6%	16,614
2014	91	79.1%	24	20.9%	115	9,519	65.0%	5,124	35.0%	14,643
Subtotal	327	87.7%	46	12.3%	373	44,356	79.1%	11,744	20.9%	56,100
Consumer										
2012	424	92.8%	33	7.2%	457	8,737	89.9%	984	10.1%	9,721
2013	465	91.2%	45	8.8%	510	9,405	92.8%	731	7.2%	10,136
2014	377	91.7%	34	8.3%	411	7,432	93.2%	546	6.8%	7,978
Subtotal	1,266	91.9%	112	8.1%	1,378	25,574	91.9%	2,261	8.1%	27,835
Grand Total	2,435	89.7%	281	10.3%	2,716	146,706	85.3%	25,253	14.7%	171,959

Distribution by Borrower Characteristics: "Satisfactory"

TSB's distribution of loans based on borrower characteristics demonstrated reasonable rates of lending among individuals of different income levels and businesses of different revenue sizes.

HMDA-Reportable Loans:

TSB's 1-4 family HMDA-reportable loans demonstrated reasonable rates of lending to borrowers of different income levels.

During the evaluation period, TSB originated 30.1% by number and 15.8% by dollar value of loans to LMI borrowers. While TSB's performance compared favorably to the aggregate's rate of lending of 29.7% by number of loans, it compared unfavorably with the aggregate's rate of lending of 19.9% by dollar value of loans. Both TSB and the aggregate's rate of lending were below the demographics of 38.9% of LMI families within the assessment area.

The following table provides a summary of the distribution of 1-4 family HMDA-reportable loans by borrower income.

Distribution of 1-4 Family HMDA-Reportable Lending by Borrower Income									
2012									
Borrower Income	Bank				Aggregate				Fam.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	23	8.6%	795	3.7%	355	8.0%	19,669	4.3%	20.5%
Moderate	50	18.7%	2,767	13.0%	932	20.9%	72,653	15.8%	18.4%
LMI	73	27.2%	3,562	16.7%	1,287	28.9%	92,322	20.1%	38.9%
Middle	82	30.6%	5,908	27.7%	1,165	26.2%	106,031	23.1%	21.5%
Upper	99	36.9%	10,092	47.2%	1,831	41.1%	242,072	52.7%	39.6%
Unknown	14	5.2%	1,801	8.4%	168	3.8%	18,945	4.1%	
Total	268		21,363		4,451		459,370		
2013									
Borrower Income	Bank				Aggregate				Fam.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	17	7.4%	185	1.1%	302	7.4%	16,502	3.9%	20.5%
Moderate	49	21.3%	2,179	13.5%	794	19.5%	59,196	14.0%	18.4%
LMI	66	28.7%	2,364	14.6%	1,096	27.0%	75,698	17.9%	38.9%
Middle	48	20.9%	3,350	20.7%	1,000	24.6%	90,691	21.4%	21.5%
Upper	96	41.7%	8,574	53.0%	1,774	43.7%	230,543	54.4%	39.6%
Unknown	20	8.7%	1,881	11.6%	193	4.8%	26,795	6.3%	
Total	230		16,169		4,063		423,727		
2014									
Borrower Income	Bank				Aggregate				Fam.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	28	14.2%	711	3.9%	366	11.5%	17,761	5.6%	20.5%
Moderate	42	21.3%	2,203	12.0%	731	22.9%	53,415	16.9%	18.4%
LMI	70	35.5%	2,914	15.8%	1,097	34.4%	71,176	22.5%	38.9%
Middle	42	21.3%	2,760	15.0%	841	26.4%	75,589	23.9%	21.5%
Upper	74	37.6%	8,101	44.0%	1,148	36.0%	152,125	48.0%	39.6%
Unknown	11	5.6%	4,631	25.2%	103	3.2%	17,990	5.7%	
Total	197		18,406		3,189		316,880		
GRAND TOTAL									
Borrower Income	Bank				Aggregate				Fam.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	68	9.8%	1,691	3.0%	1,023	8.7%	53,932	4.5%	
Moderate	141	20.3%	7,149	12.8%	2,457	21.0%	185,264	15.4%	
LMI	209	30.1%	8,840	15.8%	3,480	29.7%	239,196	19.9%	
Middle	172	24.7%	12,018	21.5%	3,006	25.7%	272,311	22.7%	
Upper	269	38.7%	26,767	47.9%	4,753	40.6%	624,740	52.1%	
Unknown	45	6.5%	8,313	14.9%	464	4.0%	63,730	5.3%	
Total	695		55,938		11,703		1,199,977		

Small Business Loans:

The distribution of small business loans by the revenue size of the business demonstrated excellent rates of lending among businesses of different revenue sizes.

TSB originated 72.2% by number and 62.8% by dollar value of its small business loans during the evaluation period to businesses with gross annual revenues of \$1 million or less. TSB's rate of lending to businesses with gross annual revenues of \$1 million or less

significantly exceeded the aggregate's rate of lending to these businesses for each year of the evaluation period.

The following table provides a summary of TSB's small business lending distribution based on revenue size.

Distribution of Small Business Lending by Revenue Size of Business									
2012									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	95	73.1%	14,110	68.3%	1,170	42.4%	40,234	41.0%	70.5%
Rev. > \$1MM	35	26.9%	6,538	31.7%					4.0%
Rev. Unknown		0.0%		0.0%					25.4%
Total	130		20,648		2,759		98,040		
2013									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	74	69.8%	7,946	56.0%	1,082	42.6%	33,939	38.0%	70.7%
Rev. > \$1MM	32	30.2%	6,250	44.0%					4.3%
Rev. Unknown		0.0%		0.0%					25.0%
Total	106		14,196		2,541		89,316		
2014									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	67	73.6%	5,811	61.0%	1,110	40.4%	40,959	32.4%	72.7%
Rev. > \$1MM	24	26.4%	3,709	39.0%					5.0%
Rev. Unknown		0.0%		0.0%					22.3%
Total	91		9,520		2,750		126,272		
GRAND TOTAL									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	236	72.2%	27,867	62.8%	3,362	41.8%	115,132	36.7%	
Rev. > \$1MM	91	27.8%	16,497	37.2%					
Rev. Unknown	-	0.0%	-	0.0%					
Total	327		44,364		8,050		313,628		

Consumer Loans:

TSB's distribution of consumer loans based on the income of the borrowers demonstrated a reasonable rate of lending among borrowers of different income levels.

During the evaluation period, TSB originated 52.1% by number and 29.0% by dollar value of its consumer loans to LMI borrowers. While TSB's rate of lending by number of loans compared favorably to the demographics (40.6% of the households in the assessment area were LMI) its rate of lending by dollar value was below the demographics.

The following table provides a summary of the distribution of TSB's consumer loans to borrowers of different income levels.

Distribution of Consumer Lending by Borrower Income					
2012					
Borrower Income	Bank				HH Dem.
	#	%	\$000's	%	%
Low	114	26.9%	1,019	11.7%	24.5%
Moderate	108	25.5%	1,627	18.6%	16.1%
LMI	222	52.4%	2,646	30.3%	40.6%
Middle	82	19.3%	1,556	17.8%	17.6%
Upper	98	23.1%	4,139	47.4%	41.8%
Unknown	22	5.2%	396	4.5%	
Total	424		8,737		
2013					
Borrower Income	Bank				HH Dem.
	#	%	\$000's	%	%
Low	110	23.7%	1,006	10.7%	24.5%
Moderate	117	25.2%	1,511	16.1%	16.1%
LMI	227	48.8%	2,517	26.8%	40.6%
Middle	105	22.6%	1,969	20.9%	17.6%
Upper	104	22.4%	4,431	47.1%	41.8%
Unknown	29	6.2%	488	5.2%	
Total	465		9,405		
2014					
Borrower Income	Bank				HH Dem.
	#	%	\$000's	%	%
Low	117	31.0%	920	12.4%	24.5%
Moderate	93	24.7%	1,346	18.1%	16.1%
LMI	210	55.7%	2,266	30.5%	40.6%
Middle	71	18.8%	1,274	17.1%	17.6%
Upper	77	20.4%	3,738	50.3%	41.8%
Unknown	19	5.0%	154	2.1%	
Total	377		7,432		
GRAND TOTAL					
Borrower Income	Bank				HH Dem.
	#	%	\$000's	%	%
Low	341	26.9%	2,945	11.5%	
Moderate	318	25.1%	4,484	17.5%	
LMI	659	52.1%	7,429	29.0%	
Middle	258	20.4%	4,799	18.8%	
Upper	279	22.0%	12,308	48.1%	
Unknown	70	5.5%	1,038	4.1%	
Total	1,266		25,574		

Geographic Distribution of Loans: "Satisfactory"

While TSB's distribution of HMDA-reportable and small business loans based on lending in census tracts of varying income levels demonstrated a reasonable rate of lending, its distribution of consumer loans demonstrated a poor rate of lending. The rating reflects the greater weight given to the combined HMDA-reportable and small business lending.

HMDA-Reportable Loans:

The distribution of HMDA-reportable loans based on the income level of the geography demonstrated a reasonable rate of lending in LMI areas.

During the evaluation period, TSB originated 15.3% by number and 16.3% by dollar value of its HMDA-reportable loans in LMI geographies. TSB's performance compared favorably to its aggregate's rate of lending of 13.0% and 11.1%, respectively.

The following table provides a summary of the distribution of TSB's HMDA-reportable loans by the income level of the geography.

Distribution of HMDA-Reportable Lending by Geographic Income of the Census Tract									
2012									
Geographic Income	Bank				Aggregate				OO HUs
	#	%	\$000's	%	#	%	\$000's	%	%
Low	4	1.3%	331	1.2%	78	1.7%	6,036	1.2%	2.3%
Moderate	35	10.9%	3,061	11.2%	495	10.6%	54,877	10.8%	13.2%
LMI	39	12.2%	3,392	12.4%	573	12.3%	60,913	12.0%	15.5%
Middle	236	73.8%	20,243	74.3%	2,554	54.9%	257,132	50.6%	54.0%
Upper	45	14.1%	3,626	13.3%	1,523	32.8%	190,330	37.4%	30.5%
Unknown		0.0%		0.0%		0.0%		0.0%	
Total	320		27,261		4,650		508,375		
2013									
Geographic Income	Bank				Aggregate				OO HUs
	#	%	\$000's	%	#	%	\$000's	%	%
Low	7	2.5%	686	2.7%	79	1.9%	6,349	1.4%	2.3%
Moderate	45	16.1%	1,921	7.6%	490	11.5%	40,416	8.8%	13.2%
LMI	52	18.6%	2,607	10.3%	569	13.4%	46,765	10.2%	15.5%
Middle	176	62.9%	16,697	65.9%	2,305	54.1%	236,139	51.6%	54.0%
Upper	52	18.6%	6,034	23.8%	1,388	32.6%	174,723	38.2%	30.5%
Unknown		0.0%		0.0%		0.0%		0.0%	
Total	280		25,338		4,262		457,627		
2014									
Geographic Income	Bank				Aggregate				OO HUs
	#	%	\$000's	%	#	%	\$000's	%	%
Low	5	2.1%	2,733	11.3%	63	1.9%	6,857	2.0%	2.3%
Moderate	33	13.6%	3,754	15.5%	389	11.5%	30,071	8.9%	13.2%
LMI	38	15.7%	6,487	26.8%	452	13.4%	36,928	10.9%	15.5%
Middle	160	66.1%	11,827	48.9%	1,923	56.9%	177,414	52.5%	54.0%
Upper	44	18.2%	5,863	24.3%	1,006	29.8%	123,604	36.6%	30.5%
Unknown		0.0%		0.0%		0.0%		0.0%	
Total	242		24,177		3,381		337,946		
GRAND TOTAL									
Geographic Income	Bank				Aggregate				OO HUs
	#	%	\$000's	%	#	%	\$000's	%	%
Low	16	1.9%	3,750	4.9%	220	1.8%	19,242	1.5%	2.3%
Moderate	113	13.4%	8,736	11.4%	1,374	11.2%	125,364	9.6%	13.2%
LMI	129	15.3%	12,486	16.3%	1,594	13.0%	144,606	11.1%	15.5%
Middle	572	67.9%	48,767	63.5%	6,782	55.2%	670,685	51.4%	54.0%
Upper	141	16.7%	15,523	20.2%	3,917	31.9%	488,657	37.5%	30.5%
Unknown	-	0.0%	-	0.0%	-	0.0%	-	0.0%	
Total	842		76,776		12,293		1,303,948		

Small Business Loans:

The distribution of small business loans based on the income level of the geography of the business demonstrated reasonable rates of lending.

TSB's rate of lending by dollar value was comparable to the aggregate's rate for 2012 and 2013 but fell below the aggregate's rate in 2014. Still, for the evaluation period TSB originated 23.2% by number and 26.6% by dollar value of small business loans in LMI geographies comparable to the aggregate's lending rate for the evaluation period of 25.3% by number and 26.8% by dollar value of loans.

The following table provides a summary of the distribution of TSB's small business loans by the income level of the geography.

Distribution of Small Business Lending by Geographic Income of the Census Tract									
2012									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	15	11.5%	4,312	20.9%	240	8.7%	10,846	11.1%	7.9%
Moderate	16	12.3%	1,667	8.1%	432	15.7%	15,061	15.4%	15.4%
LMI	31	23.8%	5,979	29.0%	672	24.4%	25,907	26.4%	23.3%
Middle	56	43.1%	7,156	34.7%	1,269	46.0%	45,539	46.4%	49.6%
Upper	43	33.1%	7,511	36.4%	818	29.6%	26,594	27.1%	27.1%
Unknown		0.0%		0.0%		0.0%		0.0%	
Total	130		20,646		2,759		98,040		
2013									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	10	9.4%	2,599	18.3%	248	9.8%	8,973	10.0%	7.9%
Moderate	21	19.8%	2,110	14.9%	417	16.4%	12,890	14.4%	15.4%
LMI	31	29.2%	4,709	33.2%	665	26.2%	21,863	24.5%	23.3%
Middle	50	47.2%	4,679	33.0%	1,150	45.3%	37,560	42.1%	49.3%
Upper	25	23.6%	4,803	33.8%	726	28.6%	29,893	33.5%	27.4%
Unknown		0.0%		0.0%		0.0%		0.0%	
Total	106		14,191		2,541		89,316		
2014									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	1	1.1%	48	0.5%	230	8.4%	12,177	9.6%	8.3%
Moderate	13	14.3%	1,045	11.0%	469	17.1%	24,075	19.1%	16.1%
LMI	14	15.4%	1,093	11.5%	699	25.5%	36,252	28.7%	24.5%
Middle	55	60.4%	5,629	59.1%	1,205	43.8%	50,145	39.7%	48.1%
Upper	22	24.2%	2,797	29.4%	846	30.8%	39,875	31.6%	27.4%
Unknown		0.0%		0.0%					
Total	91		9,519		2,750		126,272		
GRAND TOTAL									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	26	8.0%	6,959	15.7%	718	8.9%	31,996	10.2%	
Moderate	50	15.3%	4,822	10.9%	1,318	16.4%	52,026	16.6%	
LMI	76	23.2%	11,781	26.6%	2,036	25.3%	84,022	26.8%	
Middle	161	49.2%	17,464	39.4%	3,624	45.0%	133,244	42.5%	
Upper	90	27.5%	15,111	34.1%	2,390	29.7%	96,362	30.7%	
Unknown	-	0.0%	-	0.0%		0.0%		0.0%	
Total	327		44,356		8,050		313,628		

Consumer Loans:

TSB's consumer lending by income level of the geography demonstrated a poor distribution rate of loans among geographies of different income levels.

TSB originated 15.9% by number and 11.7% by dollar value of its consumer loans in LMI geographies during the evaluation period. In 2012, TSB failed to originate any loans in low-income census tracts and it originated only 5 loans each in 2013 and 2014 in low-income census tracts.

The following table provides a summary of TSB's consumer loan distribution based on geographies of different income levels.

Distribution of Consumer Lending by Geographic Income of the Census Tract					
2012					
Geographic Income	Bank				HH Dem.
	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	4.1%
Moderate	71	16.7%	1,010	11.6%	18.8%
LMI	71	16.7%	1,010	11.6%	22.9%
Middle	287	67.7%	5,918	67.7%	51.7%
Upper	66	15.6%	1,808	20.7%	25.5%
Unknown	0	0.0%	0	0.0%	
Total	424		8,736		
2013					
Geographic Income	Bank				HH Dem.
	#	%	\$000's	%	%
Low	5	1.1%	166	1.8%	4.1%
Moderate	71	15.3%	1,002	10.7%	18.8%
LMI	76	16.3%	1,168	12.4%	22.9%
Middle	322	69.2%	6,519	69.3%	51.7%
Upper	67	14.4%	1,715	18.2%	25.5%
Unknown	0	0.0%	0	0.0%	
Total	465		9,402		
2014					
Geographic Income	Bank				HH Dem.
	#	%	\$000's	%	%
Low	5	1.3%	44	0.6%	4.1%
Moderate	49	13.0%	758	10.2%	18.8%
LMI	54	14.3%	802	10.8%	22.9%
Middle	266	70.6%	4,590	61.8%	51.7%
Upper	57	15.1%	2,039	27.4%	25.5%
Unknown		0.0%		0.0%	
Total	377		7,431		
GRAND TOTAL					
Geographic Income	Bank				HH Dem.
	#	%	\$000's	%	%
Low	10	0.8%	210	0.8%	
Moderate	191	15.1%	2,770	10.8%	
LMI	201	15.9%	2,980	11.7%	
Middle	875	69.1%	17,027	66.6%	
Upper	190	15.0%	5,562	21.8%	
Unknown	-	0.0%	-	0.0%	
Total	1,266		25,569		

Action Taken in Response to Written Complaints with Respect to CRA:

DFS nor TSB received any CRA related complaints during the evaluation period.

Community Development Test: "Outstanding"

TSB's community development performance demonstrated excellent responsiveness to the community development needs of its assessment area through community development loans, investments and services, considering TSB's capacity and the need for and availability of opportunities for community development in its assessment area.

During the evaluation period, TSB originated \$11.7 million in new community development loans and had \$4.8 million outstanding from prior evaluation periods. TSB made \$1.4 million in new community development investments and had \$272,000

outstanding from prior evaluation periods. TSB also made \$33,000 in new community development grants.

Community Development Lending: “Outstanding”

TSB’s community development lending for the evaluation period totaled \$16.5 million, which was an increase of 29.3% (\$3.7 million) over the prior evaluation period’s lending. The \$11.7 million originated by TSB during the current evaluation period represented an increase of 33.0% (\$2.9 million) from the \$8.8 million originated during the prior evaluation period. This demonstrated an excellent level of community development lending for the evaluation period.

The table below provides a summary of TSB’s community development lending for the evaluation period.

Community Development Loans				
Purpose	This Evaluation Period		Outstandings from Prior Evaluation Periods	
	# of Loans	\$000	# of Loans	\$000
Affordable Housing	12	4172	6	1190
Economic Development	4	726		2077
Community Services	0	0		1107
Other (Revitalization&Stabilization)	13	6792		473
Total	29	11690	6	4847

Below are highlights of TSB’s community development lending.

- TSB made a \$1.9 million commercial mortgage loan to construct student housing in a low-income census tract.
- TSB originated two commercial mortgage loans totaling \$1.9 million for the acquisition of a mobile home park, which provides affordable housing.
- TSB made a commercial mortgage in the amount of \$2.4 million to construct a new pharmacy in a low-income census tract and revitalize and stabilize the area.

Community Development Investments: “Satisfactory”

TSB’s community development investments for the evaluation period totaled \$1.7 million, of which \$1.4 million were new investments. New investments for this evaluation period represented an 11.2% increase over the \$1.2 million investments made during the prior evaluation period. TSB also made \$33,000 in community development grants. This demonstrated an adequate level of community development investments for the evaluation period.

Community Development Investments and Grants				
	This Evaluation Period		Outstandings from Prior Evaluation Periods	
	# of Inv.	\$000	# of Inv.	\$000
CD Investments				
Affordable Housing				
Economic Development				
Community Services	13	\$ 1,389	4	272
Other (Please Specify)				
Total	13	\$ 1,389	4	272
CD Grants	# of Grants	\$000	Not Applicable	
Affordable Housing				
Economic Development				
Community Services	13	\$ 33		
Other (Please Specify)				
Total	13	\$ 33		

Below are highlights of TSB’s community development investments and grants.

- TSB’s qualified investments primarily included the purchase of municipal bonds, bond anticipation notes, and notes supporting community services within the assessment area. The proceeds from the investments were used to purchase school buses for the Tioga Central School district, which offers free or reduced lunches to LMI children. Investments also included a \$130,000 investment for the improvement of the Town of Newfield water district, \$120,000 in the improvement of the Village of Etten’s water district and \$100,000 in the Hurricane Sandy Small Business Emergency Fund after the area was devastated by two major floods in 2011.
- TSB also made \$33,000 in charitable donations to various community service organizations located throughout its assessment area.

Community Development Services: “Outstanding”

TSB demonstrated an excellent level of community development services over the course of the evaluation period as approximately 50 officers and other bank personnel provided their expertise and services free of charge to various community service organizations throughout TSB’s assessment area.

- TSB loan officers have teamed up with a nonprofit organization offering sustainable, secure and affordable housing. The loan officers serve as financial partners and resources for the organization.
- TSB hosted a workshop providing information on the products available and the

process for financing a college education.

Innovative or Complex Practices:

TSB offers a First-Time Homebuyers Program. The program offers loans with no lock-in and no application fees and fixed monthly payments geared toward affordability.

TSB worked with several agencies to assist small businesses in promoting economic development, increasing employment opportunity and engaging in activities to revitalize and stabilize geographies within the assessment area.

Responsiveness to Community Development Needs:

TSB demonstrated an adequate level of responsiveness to credit and community development needs.

Additional Factors

The extent of participation by the banking institution's Board of Directors or Board of Trustees in formulating the banking institution's policies and reviewing its performance with respect to the purposes of the CRA.

TSB's board of directors reviews and approves the CRA policy annually, while CRA performance and a summary of the CRA self- assessment is presented and discussed quarterly. CRA training is provided to the board, senior management and all bank employees annually.

Discrimination and other illegal practices

- *Any practices intended to discourage applications for types of credit set forth in the banking institution's CRA Public File.*

DFS examiners did not note any practices that were intended to discourage applications for the types of credit offered by the institution.

- *Evidence of prohibited discriminatory or other illegal credit practices.*

DFS examiners did not note any evidence of prohibited discriminatory or other illegal practices.

Record of opening and closing offices and providing services at offices

TSB has 11 full-service facilities, five of which are in Tioga County, four in Broome County one of which is in a moderate-income census tract, one in Chemung County and one in Tompkins County located in a moderate-income census tract. TSB has not closed or opened any branches since the prior evaluation period. However, during the 4th quarter of 2014, TSB opened a loan production office in Ithaca, New York.

Distribution of Branches within the Assessment Area								
County	N/A #	Low #	Moderate #	Middle #	Upper #	Total #	LMI %	LMI and Distressed or Underserved
Broome*	0	0	1	1	2	4	25%	25%
Chemung*	0	0	0	1	0	1	0%	0%
Tioga	0	0	0	3	2	5	0%	0%
Tompkins*	0	0	1	0	0	1	100%	100%
Total	-	-	2	5	4	11	18%	18%

*Partial County

Process Factors

- Activities conducted by the banking institution to ascertain the credit needs of its community, including the extent of the banking institution's efforts to communicate with members of its community regarding the credit services being provided by the banking institution.

TSB encourages its directors, officers and employees to serve in local organizations with a goal for social and economic well-being of the community. Through participation and interaction with these organizations TSB ascertains the credit needs of its community.

- The extent of the banking institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the banking institution

TSB used print advertisements, bulletins/brochures, billboards and television/radio segments to advertise to the community and make it aware of the various programs, products and services offered by the bank.

Other factors that in the judgment of the Superintendent bear upon the extent to which a banking institution is helping to meet the credit needs of its entire community

DFS noted no other factors.

GLOSSARY

Aggregate Penetration Rate

The number of loans originated and purchased by all reporting lenders in specified categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

Community Development

“Community development”:

1. Affordable housing (including multifamily housing) for low- or moderate-income (“LMI”) individuals;
2. Community services targeted to LMI individuals;
3. Activities that promote economic development by financing business or farms that meet the size eligibility standards of the United States Small Business Administration (“SBA”) Development Company or Small Business Investment Company programs, or have gross annual incomes of \$1 million or less;
4. Activities that revitalize or stabilize LMI geographies; and
5. Activities that seek to prevent defaults and/or foreclosures in loans included in (1) and (3) above.

Community Development Loan

A loan that has its *primary purpose* community development. This includes but is not limited to loans to:

- Borrowers for affordable housing rehabilitation and construction, including construction and permanent financing for multifamily rental property serving low or moderate income (“LMI”) persons;
- Nonprofit organizations serving primarily LMI or other community development needs;
- Borrowers to construct or rehabilitate community facilities that are located in LMI areas or that primarily serve LMI individuals;
- Financial intermediaries including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds or pools, micro-finance institutions, and low-income or community development credit unions that primarily lend or facilitate lending to promote community development;
- Local, state and tribal governments for community development activities; and
- Borrowers to finance environmental clean up or redevelopment of an industrial site as part of an effort to revitalize the LMI community in which the property is located.

Community Development Service

Service that has community development as its *primary purpose*, is related to the provision of financial services, and has not been considered in the evaluation of the banking institution's retail banking services. This includes but is not limited to:

- Providing technical assistance on financial matters to nonprofit, tribal or government organizations serving LMI housing or economic revitalization and development needs;
- Providing technical assistance on financial matters to small businesses or community development organizations;
- Lending employees to provide financial services for organizations facilitating affordable housing construction and rehabilitation or development of affordable housing;
- Providing credit counseling, home buyers and home maintenance counseling, financial planning or other financial services education to promote community development and affordable housing;
- Establishing school savings programs for LMI individuals;
- Providing seminars for LMI persons on banking and bank account record-keeping;
- Making ATM “Training Machines” available for extended periods at LMI community sites or at community facilities that serve LMI individuals; and
- Technical assistance activities to community development organizations such as:
 - ❖ Serving on a loan review committee;
 - ❖ Developing loan application and underwriting standards;
 - ❖ Developing loan processing systems;
 - ❖ Developing secondary market vehicles or programs;
 - ❖ Assisting in marketing financial services, including the development of advertising and promotions, publications, workshops and conferences;
 - ❖ Furnishing financial services training for staff and management;
 - ❖ Contributing accounting/bookkeeping services; and
 - ❖ Assisting in fund raising, including soliciting or arranging investments.

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 Home Mortgage Disclosure Act, enacted by Congress in 1975, and subsequently amended, requires institutions to annually report data about applications for residential (including multifamily) financing.

Income Level

The income level for borrowers is based on household or family income. A geography's income is categorized by median family income for the geography. In both cases, the income is compared to the MSA or statewide nonmetropolitan median income.

Income level of individual or geography	% of the area median income
Low-income	Less than 50
Moderate-income	At least 50 and less than 80
Middle-income	At least 80 and less than 120
Upper-income	120 or more

Loans to Small Businesses

Small business loans to businesses with gross annual revenues of \$1 million or less.

Low or Moderate Income ("LMI") Geographies

Those census tracts or block numbering areas where, according to the 2000 U.S. Census, the median family income is less than 80% of the area median family income. In the case of tracted areas that are part of a Metropolitan Statistical Area ("MSA") or Primary Metropolitan Statistical Area ("PMSA"), this would relate to the median family income for the MSA or PMSA in which the tracts are located. In the case of BNAs and tracted areas that are not part of a MSA or PMSA, the area median family income would be the statewide non-metropolitan median family income.

LMI Borrowers

Borrowers whose income, as reported on the loan application which the lender relied upon in making the credit decision, is less than 80% of the area median family income. In cases where the residential property is located in a MSA or PMSA, this would relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure borrower income levels are updated annually by the U.S. Department of Housing and Urban Development ("HUD").

LMI Individuals/Persons

Individuals or persons whose income is less than 80% of the area median family income. In the case where the individual resides in a MSA or PMSA, this would relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure individual income levels are updated annually by HUD.

LMI Penetration Rate

A number that represents the percentage of a bank's total loans (for a particular product) that was extended to LMI geographies or borrowers. For example, an LMI penetration rate of 20% would indicate that the bank made 20 out of a total of 100 loans in LMI geographies or to LMI borrowers.

Low-Income Housing Tax Credit (LIHTC)

A dollar for dollar tax credit for affordable housing, created under the Tax Reform Act of 1986, that provides incentives to invest in projects for the utilization of private equity in the development of affordable housing aimed at low income Americans. It is also more commonly called Section 42 credits in reference to the applicable section of the IRC. The tax credits are more attractive than tax deductions as they provide a dollar for dollar reduction in a taxpayer's federal income tax. It is more commonly attractive to corporations since the passive loss rules and similar tax changes greatly reduced the value of tax credits and deductions to individual taxpayers.

New Markets Tax Credit (NMTC)

The New Markets Tax Credits (NMTC) Program was established by Congress in December 2000 to stimulate economic and community development and job creation in low-income communities. It permits individual and corporate taxpayers to receive a credit against federal income taxes for making qualified equity investments in Community Development Entities (CDEs). The credit provided to the investor totals 39% of the cost of the investment and is claimed over a 7-year period. CDEs must use substantially all of the taxpayer's investments to make qualified investments in low-income communities. The Fund is administered by the US Treasury Department's Community Development Financial Institutions Fund (CDFI).

Qualified Investment

A lawful investment, deposit, membership share or grant that has community development as its *primary purpose*. This includes but is not limited to investments, deposits, membership shares or grants in or to:

- Financial intermediaries (including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds, micro-finance institutions and low-income or community development credit unions) that primarily lend or facilitate lending in LMI areas or to LMI individuals in order to promote community development;
- Organizations engaged in affordable housing rehabilitation and construction;
- Organizations, including, for example, small business investment corporations that promote economic development by financing small businesses;

- Facilities that promote community development in LMI areas or LMI individuals, such as youth programs, homeless centers, soup kitchens, health care facilities, battered women's centers, and alcohol and drug recovery centers;
- Projects eligible for low-income housing tax credits;
- State and municipal obligations, such as revenue bonds that specifically support affordable housing or other community development needs;
- Organizations serving LMI housing or other community development needs, such as counseling for credit, home ownership, home maintenance, and other financial services education; and
- Organizations supporting activities essential to the capacity of LMI individuals or geographies to utilize credit to sustain economic development, such as day care operations and job training programs that facilitate access to permanent jobs.