

PUBLIC DISCLOSURE

FEBRUARY 5, 2001

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**ADIRONDACK TRUST COMPANY
RSSD ID 645317**

**473 BROADWAY
SARATOGA SPRINGS, NEW YORK 12866**

FEDERAL RESERVE BANK OF NEW YORK

**33 Liberty Street
New York, New York 10045**

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.

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INSTITUTION

INSTITUTION'S CRA RATING: Adirondack Trust Company is rated **“OUTSTANDING.”**

The following table indicates the performance levels of Adirondack Trust Company (“Adirondack”) with respect to the lending, investment and service tests.

PERFORMANCE LEVELS	ADIRONDACK TRUST COMPANY		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* Note: The lending test is weighted more heavily than the investment and service tests when determining the overall rating.

Adirondack's level of compliance with the Community Reinvestment Act ("CRA") is based on an evaluation of the performance criteria for large retail institutions specified under the CRA with respect to the lending, investment and service tests. In summary:

Performance under the lending test is rated "outstanding" based primarily on the following findings:

- The number of home purchase, refinance, home improvement and small business loans originated by the bank represented excellent responsiveness to credit needs in the bank's assessment area.
- Overall, the geographic distribution of loans reflected excellent penetration throughout the assessment area.
- The distribution of housing-related loans among borrowers of different income levels was good when considering the high housing costs in the assessment areas.
- The distribution of loans to small businesses of different sizes was excellent.
- The bank had an excellent level of community development loans totaling \$2.6 million.

Performance under the investment test is rated "outstanding" based on the following finding:

- The bank had an excellent level of qualified investments totaling \$6.45 million.

Performance under the service test is rated "outstanding" based on the following findings:

- The bank's delivery systems were readily accessible to all portions of the bank's assessment area, and they did not vary in a way that inconvenienced certain portions of the assessment area.
- The bank provides a high level of community development services throughout its assessment area.

DESCRIPTION OF INSTITUTION

Headquartered in Saratoga Springs, New York, Adirondack is the sole subsidiary of 473 Broadway Holding Corporation, a bank holding company. As of September 30, 2000, the bank had total assets of \$395 million, net loans and leases of \$229 million, and total deposits of \$339 million. Twenty-five percent of the bank's real estate loans are for one- to four-family residential units.

Adirondack operates seven retail branches throughout the central portion of Saratoga County in northeastern New York State. The bank offers a variety of consumer and commercial loan products, deposit products and trust services. These loan products include residential mortgages, consumer loans and small business loans.

Adirondack's assessment area remains the same as it was at the previous examination. It consists of a portion of Saratoga County located in Metropolitan Statistical Area ("MSA") 0160 (Albany-Schenectady-Troy, NY), a rural community primarily consisting of middle- and upper-income census tracts. The bank's assessment area includes 21 census tracts with 1 low-income tract and 3 moderate-income census tracts. The low-income tract has no population and no owner-occupied housing units. This assessment area is in compliance with the requirements of Section 228.41 of Regulation BB and does not arbitrarily exclude low- and moderate-income ("LMI") geographies.

Adirondack's previous CRA examination was conducted as of February 1, 1999, and resulted in an overall rating of "outstanding." There are no financial or legal factors that would keep Adirondack from fulfilling its responsibility under the CRA.

PERFORMANCE CONTEXT

Adirondack's performance in its assessment area is evaluated in terms of the economic, demographic and competitive context in which the bank operates. The financial marketplace is highly competitive with many non-financial institutions competing with local lenders in the area. Primary bank competitors include Saratoga National Bank and Trust Company, Pioneer Savings Bank, Fleet Bank National Association, Ballston Spa National Bank, TrustCo Bank National Association and Cohoes Savings Bank.

Based on deposits reported to the Federal Deposit Insurance Corporation ("FDIC") on June 30, 1999, Adirondack's branch deposits represent 19 percent of all bank branch deposits in Saratoga County. For 1999, Adirondack had 7 percent of the total of all loans reported in the assessment area under Regulation C - Home Mortgage Disclosure Act ("HMDA"). M & T Mortgage Corporation and Homestead Funding Corporation dominate the home purchase, refinance and home improvement market. These lenders represent a combined 18 percent of the reported HMDA-related loans. For the same period, Adirondack was the market leader in small business lending with 41 percent of the reported loans.

Demographic and economic information also impact the bank's performance context and is discussed below. Information was obtained from publicly available sources including the U.S. Department of Commerce's Bureau of Census, 1990, the U.S. Department of Labor, the U.S. Department of Housing and Urban Development ("HUD"), and the New York State Department of Labor.

Demographic Characteristics

According to the 1990 Census, Adirondack's assessment area has a population of 92 thousand and 11 percent of the PMSA's population. More than 24 thousand families live in the bank's assessment area, of which 12 percent or 2,896 families reside in moderate-income geographies.

Income Characteristics

The 1990 median family income for the assessment area is \$39,612, which exceeds the income figure of \$39,425 for MSA 0160 (Albany-Schenectady-Troy, NY), but falls slightly below the \$39,741 for the state. The 1999 HUD estimated median family income for Saratoga County is \$49,700. The 1990 Census indicates that 37.5 percent of the families residing in the assessment area are upper-income, 26.6 percent are middle-income, 19.2 percent are moderate-income and 16.7 percent are low-income. The number of families living below the poverty line totaled 4.8 percent, lower than the state's 10 percent.

Housing Characteristics

Of the 37 thousand housing units in the bank's assessment area, 64 percent or 23,716 are owner-occupied while 10,105 or 27 percent are rental. Single-family units represent 55 percent of all housing structures. Approximately 11.6 percent of the owner-occupied units are located in moderate-income census tracts, limiting lending opportunities. Most of the housing stock is relatively new with only 30 percent built prior to 1950. The median housing value of \$102 thousand is higher than the MSA's median housing value of \$99 thousand, but lower than the state's \$130 thousand. According to the New York State Association of Realtors, housing prices increased slightly. At the end of 1998, the association reported that the average sale price of a single-family home was \$147,372 and increased to \$149,054 in 1999 and to \$153,261 in 2000.

These high housing prices place a burden on LMI families who, according to community contacts, need affordable housing options and assistance with down payment and closing costs.

Labor, Employment and Economic Characteristics

Services, retail trade and government are the dominant industries in Saratoga County. Employment in the service sector expanded 2.7 percent between 1993 and 1996, while retail and wholesale trade employment grew 7.7 percent. Employment in government declined 1.8 percent

for the same period. Even though manufacturing jobs have steadily decreased since 1990, this category remains the fourth highest employment sector. The average unemployment rate for Saratoga County has steadily declined since 1993 from 5 percent to 3.3 percent in 1999. The average civilian labor force increased almost 10 percent during the same period.

Since 1996, the city has engaged in a campaign to bring more high-tech businesses to Saratoga Springs in order to increase attractive jobs. Among the companies that have already located in the city are Flow Management Technologies, Inc., which provides web-based services to medical patients; Eden Communications, Inc., a software developer; and Systems 1 Inc., which offers support to web-based companies. The Saratoga Economic Development Corp. estimates that the greater Saratoga Springs area has almost one thousand high-tech jobs.

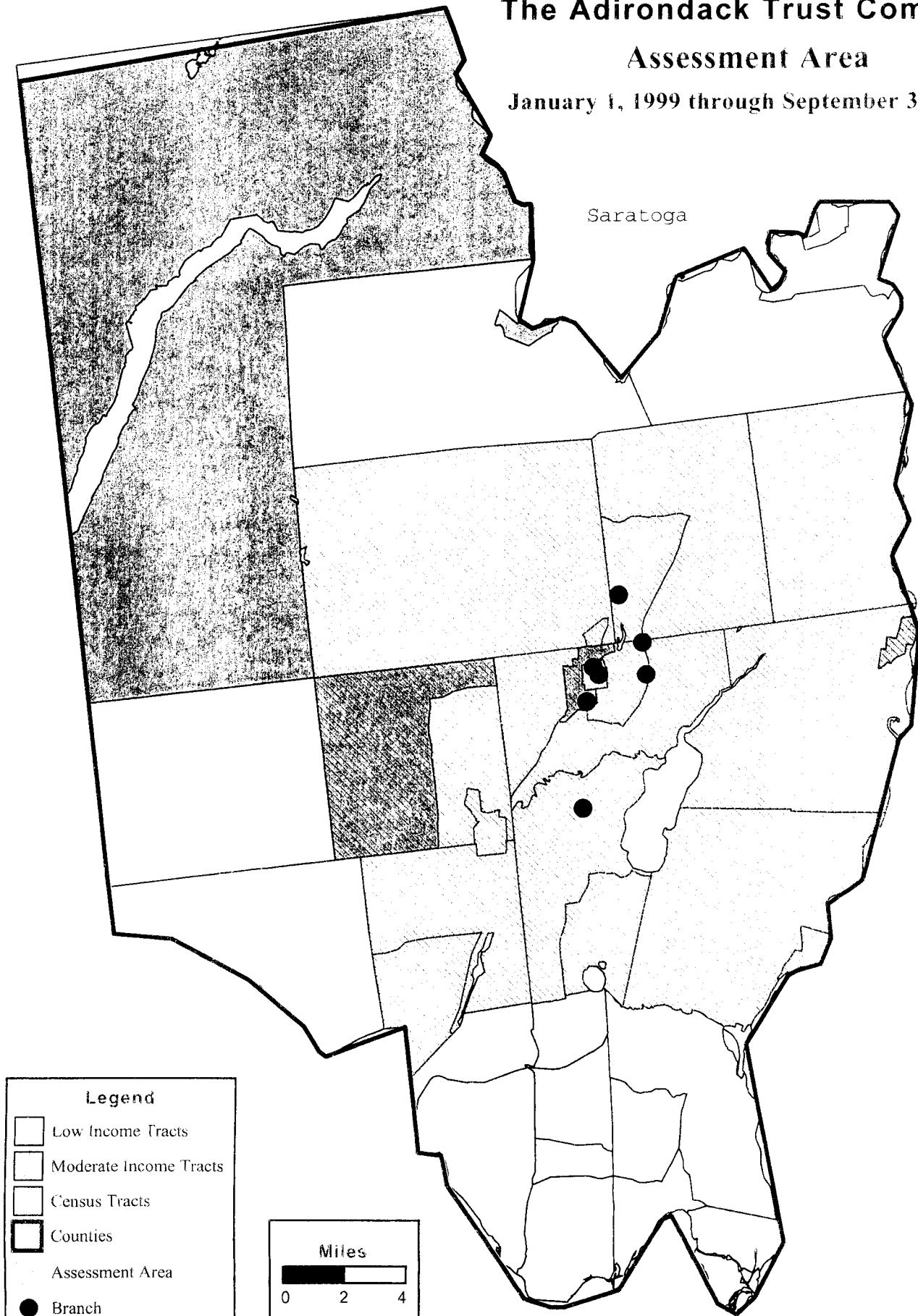
In Saratoga County, Ace Hardware Company recently opened a warehouse employing over 300 workers. One of the largest employers remains the Quad/Graphics' Saratoga plant with approximately 1,300 workers. Of the 3,637 business establishments in Saratoga County in 1994, 3,513 had between 1 and 49 employees, and 115 businesses had between 50 and 499 employees.

The following map illustrates Adirondack's assessment area:

The Adirondack Trust Company Assessment Area

January 1, 1999 through September 30, 2000

Saratoga



SCOPE OF EXAMINATION

A full review of Adirondack's performance in its assessment area was conducted using the *Interagency Procedures and Guidelines for Large Retail Institutions*. The evaluation of the bank's performance covered the period of January 1, 1999, through September 30, 2000, and included home purchase loans, refinancings of such loans ("refinancings"), home improvement loans and multifamily loans as reported under HMDA, together with its small business loans as reported under CRA.

In addition, community development loans reported under CRA and the investment test and service test activity were evaluated for the period between October 1, 1998, and September 30, 2000. Primary focus was placed on the bank's small business lending activity because the bank is a leader in small business lending.

Although the examination period includes activity after 1999, peer and aggregate comparisons are based on performance for that entire year.

For evaluation of the geographic distribution of loans, geographies were classified on the basis of the Census Bureau's 1990 Census data. The distribution of loans to borrowers of different income levels was determined based on 1999 HUD estimated median family income data, as applicable.

Examiners met with two community contacts for this examination, a Chamber of Commerce organization and a nonprofit community services organization operating in Adirondack's assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Adirondack's record of meeting the credit needs of its assessment areas through its lending performance is rated "outstanding."

Lending Activity: Lending activity reflected an excellent response to the assessment area's credit needs. In particular, the bank offered and originated a significant volume of loans to the small business community. During the examination period, Adirondack originated loans totaling \$121 million, as described in the following table. Of Adirondack's total number of loans, 24 percent of the number and 27 percent of the dollar amount were HMDA-related loans. Small business lending accounted for 76 percent of the number and 73 percent of the dollar amount of all loans originated. Some of these small business loans were originated under the Small Business Administration ("SBA") Low Doc, 7A and 504 Programs and in conjunction with the New York Business Development Corporation.

EXHIBIT 1				
Summary of Lending Activity				
Adirondack Trust Company				
January 1, 1999 – September 30, 2000				
Loan Type	#	%	\$(000s)	%
HMDA home purchase	182		\$19,077	
HMDA refinancings	108		10,553	
HMDA home improvement	65		426	
HMDA multifamily	14		3,149	
Total HMDA-related	369	24	\$33,205	27
Total small business	1,181	76	\$88,011	73
TOTAL LOANS	1,550	100	\$121,216	100

Assessment Area Concentration: A substantial majority of the bank's loan originations were made within its assessment area. Specifically, 90 percent of the number and 92 percent of the dollar amount of the bank's loans were originated in the assessment area, as shown in the following table:

EXHIBIT 2

Lending Inside and Outside The Assessment Area

January 1, 1999 – September 30, 2000

	Inside				Outside			
	#	%	\$ (000s)	%	#	%	\$ (000s)	%
HMDA home purchase	159	87	16,296	85	23	13	2,781	15
HMDA refinancing	103	95	10,165	96	5	5	388	4
HMDA home improvement	60	92	398	93	5	8	28	7
HMDA multifamily	14	100	3,149	100	0	0	0	0
Total HMDA-related	336	91	30,008	90	33	9	3,197	10
Total small business	1,056	89	80,971	92	125	11	7,040	8
TOTAL LOANS	1,392	90	110,979	92	158	10	10,237	8

Geographic Distribution of Lending: Overall, the geographic distribution of HMDA-related and small business loans across census tract income levels was excellent. The single low-income census tract in the bank's assessment area contained neither permanent population nor owner-occupied housing units. For details, see Exhibits 3 through 6.

Home Purchase Loans

The geographic distribution of home purchase loans in LMI geographies was excellent. During the examination period, 12 percent or 19 of the bank's home purchase loans were in LMI geographies where 12 percent of the owner-occupied housing units are located. Loans were originated in all three moderate-income tracts in the assessment area. For 1999, Adirondack's lending performance exceeded that of the aggregate and a group of similarly situated lenders, which reported 9 percent and 8 percent, respectively, in LMI geographies. In 1999, 14 percent of the bank's home purchase loans were in LMI geographies.

Refinancings

The geographic distribution of refinancings in LMI geographies was excellent. During the examination period, 13 percent or 13 of the refinancings were in LMI geographies, where 12 percent of owner-occupied housing units are located. For 1999, Adirondack outperformed the aggregate and a group of similarly situated lenders, which originated 9 percent and 10 percent, respectively, in LMI geographies. In 1999, 14 percent of the bank's refinancings were in LMI geographies.

Home Improvement Loans

Distribution of home improvement loans in LMI geographies was excellent. During the examination period, 15 percent or nine of the home improvement loans were originated in LMI geographies, which contain 12 percent of the owner-occupied housing units in the assessment area. For 1999, Adirondack's performance exceeded that of the aggregate and a group of similarly situated financial institutions, which originated 7 percent and 4 percent, respectively, in LMI geographies. In 1999, 14 percent of the bank's home improvement loans were in LMI geographies.

Small Business Loans

The distribution of small business lending in LMI geographies was excellent. During the examination period, 14 percent or 145 of all small business loans were originated in LMI geographies, which contain 12 percent of the business establishments in the assessment area. For 1999, Adirondack outperformed the aggregate and a group of similarly situated lenders. In 1999, 13 percent of the bank's small business loans were in LMI geographies, while the aggregate originated 11 percent in LMI geographies. The distribution of loans to moderate-income geographies was enhanced by the bank's participation in the SBA 7A, Low Doc, and 505 Programs. Some of the SBA loans were originated in conjunction with the New York Business Development Corporation.

Borrower Characteristics: The overall distribution of loans among borrowers of different income levels and businesses of different sizes was good given the significant gap between income levels and housing costs in the bank's assessment area, as discussed in the performance context beginning on page BB3. Conclusions for HMDA-related lending were based principally on lending to moderate-income borrowers since the ratio of housing cost to income generally makes homeownership unavailable to most low-income borrowers. Based on the 1999 HUD estimated median family income, low-income borrowers would have earned, at most, \$24,850. For details, see Exhibits 7 through 10.

Home Purchase Loans

The distribution of home purchase loans to LMI borrowers was good. The bank originated 19 percent of its loans to LMI borrowers while LMI families represent 36 percent of the families in the assessment area. Lending to moderate-income borrowers was good, representing 14 percent of all home purchase loans, while moderate-income families represent 19 percent of all families in the assessment area. Lending to low-income borrowers was limited to 5 percent of all home purchase originations, while low-income borrowers represent 17 percent of families in the assessment area.

Overall for 1999, the bank's performance lagged behind the performance of the aggregate, but was consistent with a group of similarly situated lenders. In 1999, Adirondack originated 19 percent of its home purchase loans to LMI borrowers, while the aggregate originated 26 percent of such loans to LMI borrowers. In 1999, the bank originated 4 percent of its home purchase loans to low-income borrowers, while the aggregate originated 6 percent to such borrowers. However, the bank's performance was consistent with that of a group of similarly situated lenders, indicating that lending to such borrowers was very difficult given their income levels. According to the 1999 HUD estimated median family income, low-income families would have earned, at most, \$24,850 a year. The average housing cost is over six times this amount.

Refinancings

The distribution of refinancings to LMI borrowers in the assessment area was good. During the examination period, the bank originated 23 percent of the total number of refinance loans to LMI borrowers, while LMI families represent 36 percent of the families in the assessment area. Lending to moderate-income borrowers was good and represented 16 percent of the total of all refinancings. Moderate-income families represent 19 percent of the families in the assessment area. For 1999, Adirondack's performance was consistent with that of the aggregate.

Loans to low-income borrowers was adequate and represent 7 percent of the total number of refinance loan originations in the assessment area, while 17 percent of families in the assessment area are low-income. For 1999, the bank outperformed the aggregate and a group of similarly situated lenders. In 1999, the bank originated 7 percent of the refinance loans to low-income borrowers, while the aggregate originated 5 percent to such borrowers.

Home Improvement Loans

The bank's home improvement lending to LMI borrowers in the assessment area was excellent. During the examination period, Adirondack originated 43 percent of the total of all home improvement loans to LMI borrowers while LMI families represent 36 percent of the families in the assessment area. Lending to moderate-income borrowers totaled 18 percent of all home improvement loans while moderate-income families represent 19 percent of the families in the assessment area. Loans to low-income borrowers amounted to 25 percent of all home improvement originations in the assessment area, while 17 percent of families in the assessment area are low-income.

For 1999, Adirondack outperformed the aggregate and a group of similarly situated lenders. In 1999, the bank originated 28 percent to LMI borrowers, while the aggregate originated 23 percent to such borrowers.

Small Business Loans

Small Business Loans

The bank's record of lending to businesses of different sizes was excellent in the assessment area. Of all the small business loans reported, 80 percent were for amounts of \$100 thousand or less, and the average size of the loan was \$26 thousand, an amount that would typically meet the credit needs of smaller businesses.

Approximately 56 percent of the small business loans in the assessment area were to businesses with gross annual revenues ("GAR") of \$1 million or less. However, the bank's share of small business loans to businesses with GAR of \$1 million or less may be higher than reported by the bank since 17 percent of all small business loans were made to businesses where the borrower's GAR was not a factor in the credit decision. Management indicated that these loans are for business purposes and are primarily made to businesses with GAR of \$1 million or less and factors other than revenue are considered in the credit decision. If these loan originations are included, 73 percent of the bank's small business loans were made to businesses with GAR of \$1 million or less. This compares favorably with the fact that 92 percent of business establishments in the assessment area have GAR of \$1 million or less. For 1999, Adirondack's performance was better than the performance of both the peer group and the aggregate.

Community Development Lending: The bank had an excellent level of community development loans during the examination period. Overall community development loans totaled \$2.63 million. Of the total, 58 percent or \$1.5 million of the loans were directed toward community services. Approximately 21 percent or \$550 thousand of the community development loans were directed toward revitalization and stabilization efforts, while approximately 20 percent or \$540 thousand went to affordable housing needs. Economic development accounted for 1 percent or \$25 thousand. Examples of the community loans approved by the bank are as follows:

- A line of credit in the amount of \$250 thousand to Transitional Services Association, Inc., a nonprofit organization that provides residential support through group homes for disabled individuals who are predominantly LMI.
- A line of credit in the amount of \$100 thousand to Catholic Charities of Saratoga, a nonprofit organization that provides health needs programs, home care, crisis assistance and group homes to assist the economically disadvantaged.
- A number of short-term notes totaling \$160 thousand to provide working capital to Unlimited Possibilities, Inc., a nonprofit organization that provides vocational and rehabilitative training services to disabled LMI individuals. Funding is provided by New York State Office of Mental Health.

INVESTMENT TEST

The bank's performance under the investment test is rated "outstanding." Overall investments during the examination period totaled \$6.45 million. Ninety-six percent or \$6.16 million of the total qualified investments were targeted for revitalization and stabilization and the remaining 4 percent was divided primarily between affordable housing and small business development. Grant donations amounted to less than .5 percent of the total qualified investments and were targeted mostly to supportive services.

Most of the investments were in municipal obligations of the city of Saratoga Springs for activities that were used to revitalize and stabilize a moderate-income area in the West Avenue corridor of the city, and general obligation bonds of the New York towns of Cohoes and Corinth for the construction of schools in moderate-income census tracts.

SERVICE TEST

The bank's performance under the service test was rated "outstanding."

Retail Services

Adirondack's branches are readily accessible to the community and their services are tailored to the convenience and needs of all portions of its assessment area. Of the seven branch locations in the assessment area, two or 29 percent are located in LMI census tracts. This compares favorably with the demographics of the assessment area where 14 percent of the population resides in LMI geographies. During the examination period, no branch office was opened or closed.

A network of 16 24-hour automated teller machines ("ATMs") offers an alternative system of delivering banking services in the assessment area. Nine of the ATMs are located in branch offices while seven are located off-site in various retail and commercial locations. Of the on-site ATMs, three or 33 percent were located in LMI geographies while three or 43 percent of the off-site ATMs were in LMI geographies.

The same full range of retail and commercial deposit and loan services were offered at all branch offices, except trust services which are offered only at the main branch. Normal banking hours are 9 a.m. to 3 p.m., with extended hours, evenings and weekends available at all branch locations.

Community Development Services

Adirondack is a leader in providing community development services. Many of the bank's directors, officers and employees participated in several seminars conducted by local community service organizations, including the Saratoga County Department of Social Services.

Also, bank management was proactive in providing technical assistance for the support of community development activities. Management and staff served as directors, advisors or committee members to 18 organizations throughout the bank's assessment area. These organizations include:

- The City of Saratoga Springs Community Development Advisory Committee. This committee is responsible for the allocation and distribution of the Saratoga Springs Community Development Block Grants. The grants are used to help LMI individuals and families with housing redevelopment and rehabilitation.
- The City of Saratoga Springs Office of Community Development. The bank is involved with this office in the development, formation and operation of a citywide housing program. Homeowners are provided with zero-interest loans or low-interest loans of up to 3 percent for home improvement (plumbing, heating, electricity, and energy efficiency). In order to facilitate this program, Adirondack offers its personnel and computer facilities at no charge. As of the examination date, the bank was servicing 14 loans with an outstanding balance of \$62,781.
- The Saratoga Economic Development Fund, which provides loans to small businesses that do not qualify for bank or SBA financing.

The bank also serviced loans at no charge for the Saratoga Community Religious Institutions Loan Program ("SCRIP"). This organization provides no-interest loans to help fund a borrower's initial rental deposits and first month's rent for formerly homeless or assisted housing persons re-entering the housing market. During the examination period the program made 11 loans (from \$250 to \$750), and at this examination the bank was servicing 95 loans with an outstanding balance of \$33,674.

In addition, the bank and Wesley Health Care Center have established the "Barbara Fund" to provide loans to entry level employees for personal expenses. Originated by the bank and secured by a deposit account funded by Wesley, the loans are currently priced at 5 percent. The borrowers are considered LMI and would not typically qualify for traditional bank financing. During the examination period, there were 15 loans with an outstanding balance of \$14,800.

The bank's South Broadway branch provides meeting facilities without charge to local community organizations, including a number of nonprofit groups that provide support services for LMI individuals.

COMPLIANCE WITH FAIR LENDING LAWS

No credit practices were identified that violated the substantive provisions of the anti-discrimination laws and regulations, including the Equal Credit Opportunity Act (Regulation B), the Fair Housing Act, the Home Mortgage Disclosure Act (Regulation C), and all relevant agency regulations pertaining to nondiscriminatory treatment of credit applicants.

EXHIBIT 3										
Distribution of Home Purchase Loans Across Census Tract Income Levels										
January 1, 1999 - September 30, 2000										
Tracts	Low-income		Moderate-income		Middle-income		Upper-income		TOTALS	
	% Owner-Occupied Units	% of Loans	% Owner-Occupied Units	% of Loans	% Owner-Occupied Units	% of Loans	% Owner-Occupied Units	% of Loans	# Owner-Occupied Units	# of Loans
Adirondack Assessment Area										
SARATOGA	0.00	0.00	11.59	11.95	81.40	78.62	7.01	9.43	23,716	159
MSA 0160 Total	0.00	0.00	11.59	11.95	81.40	78.62	7.01	9.43	23,716	159
New York Total	0.00	0.00	11.59	11.95	81.40	78.62	7.01	9.43	23,716	159
Assessment Area	0.00	0.00	11.59	11.95	81.40	78.62	7.01	9.43	23,716	159

EXHIBIT 4										
Distribution of Refinancings Across Census Tract Income Levels										
January 1, 1999 - September 30, 2000										
Tracts	Low-income		Moderate-income		Middle-income		Upper-income		TOTALS	
	% Owner-Occupied Units	% of Loans	% Owner-Occupied Units	% of Loans	% Owner-Occupied Units	% of Loans	% Owner-Occupied Units	% of Loans	# Owner-Occupied Units	# of Loans
Assessment Area										
SARATOGA	0.00	0.00	11.59	12.62	81.40	80.58	7.01	6.80	23,716	103
MSA 0160 Total	0.00	0.00	11.59	12.62	81.40	80.58	7.01	6.80	23,716	103
New York Total	0.00	0.00	11.59	12.62	81.40	80.58	7.01	6.80	23,716	103
Assessment Area	0.00	0.00	11.59	12.62	81.40	80.58	7.01	6.80	23,716	103

EXHIBIT 5										
Distribution of Home Improvement Loans Across Census Tract Income Levels										
January 1, 1999 - September 30, 2000										
Tracts	Low-income		Moderate-income		Middle-income		Upper-income		TOTALS	
	% Owner-Occupied Units	% of Loans	% Owner-Occupied Units	% of Loans	% Owner-Occupied Units	% of Loans	% Owner-Occupied Units	% of Loans	# Owner-Occupied Units	# of Loans
Assessment Area										
SARATOGA	0.00	0.00	11.59	15.00	81.40	83.33	7.01	1.67	23,716	60
MSA 0160 Total	0.00	0.00	11.59	15.00	81.40	83.33	7.01	1.67	23,716	60
New York Total	0.00	0.00	11.59	15.00	81.40	83.33	7.01	1.67	23,716	60
Assessment Area	0.00	0.00	11.59	15.00	81.40	83.33	7.01	1.67	23,716	60

EXHIBIT 6										
Distribution of Small Business and Small Farm Loans Across Census Tract Income Levels										
January 1, 1999 - September 30, 2000										
Tracts	Low-income		Moderate-income		Middle-income		Upper-income		TOTALS	
	% of Business Estab.	% of Loans	% of Business Estab.	% of Loans	% of Business Estab.	% of Loans	% of Business Estab.	% of Loans	# of Business Estab.	# of Loans
Assessment Area										
SARATOGA	0.00	0.00	12.25	13.73	77.53	81.25	10.22	5.02	2,652	1,056
MSA 0160 Total	0.00	0.00	12.25	13.73	77.53	81.25	10.22	5.02	2,652	1,056
New York Total	0.00	0.00	12.25	13.73	77.53	81.25	10.22	5.02	2,652	1,056
Assessment Area	0.00	0.00	12.25	13.73	77.53	81.25	10.22	5.02	2,652	1,056

Business establishment numbers are based on 1999 Dun & Bradstreet data

EXHIBIT 7
Distribution of Home Purchase Loans Across Borrower Income Levels
January 1, 1999 - September 30, 2000

Assessment Area	Low-income		Moderate-income		Middle-income		Upper-income		TOTALS	
	% Of Families	% Of Loans	% Of Families	% Of Loans	% Of Families	% Of Loans	% Of Families	% Of Loans	# Of Families	# Of Loans
	SARATOGA	16.70	5.19	19.19	13.64	26.63	23.38	37.47	57.79	24,329
MSA 0160 Total	16.70	5.19	19.19	13.64	26.63	23.38	37.47	57.79	24,329	154
New York Total	16.70	5.19	19.19	13.64	26.63	23.38	37.47	57.79	24,329	154
Assessment Area	16.70	5.19	19.19	13.64	26.63	23.38	37.47	57.79	24,329	154

EXHIBIT 8
Distribution of Refinancings Across Borrower Income Levels
January 1, 1999 - September 30, 2000

Assessment Area	Low-income		Moderate-income		Middle-income		Upper-income		TOTALS	
	% Of Families	% Of Loans	% Of Families	% Of Loans	% Of Families	% Of Loans	% Of Families	% Of Loans	# Of Families	# Of Loans
	SARATOGA	16.70	7.22	19.19	15.46	26.63	26.80	37.47	50.52	24,329
MSA 0160 Total	16.70	7.22	19.19	15.46	26.63	26.80	37.47	50.52	24,329	97
New York Total	16.70	7.22	19.19	15.46	26.63	26.80	37.47	50.52	24,329	97
Assessment Area	16.70	7.22	19.19	15.46	26.63	26.80	37.47	50.52	24,329	97

EXHIBIT 9
Distribution of Home Improvement Loans Across Borrower Income Levels
January 1, 1999 - September 30, 2000

Assessment Area	Low-income		Moderate-income		Middle-income		Upper-income		TOTALS	
	% Of Families	% Of Loans	% Of Families	% Of Loans	% Of Families	% Of Loans	% Of Families	% Of Loans	# Of Families	# Of Loans
	SARATOGA	16.70	25.00	19.19	18.33	26.63	21.67	37.47	35.00	24,329
MSA 0160 Total	16.70	25.00	19.19	18.33	26.63	21.67	37.47	35.00	24,329	60
New York Total	16.70	25.00	19.19	18.33	26.63	21.67	37.47	35.00	24,329	60
Assessment Area	16.70	25.00	19.19	18.33	26.63	21.67	37.47	35.00	24,329	60

EXHIBIT 10
**Distribution of Small Business
And Small Farm Loan Activity by Loan Size**
January 1, 1999 - September 30, 2000

Assessment Area	Small Business and Farm Loans			TOTALS			
	<=\$100,000	> \$100,000 <=\$250,000	> \$250,000 <=\$1 Million	Total # of Loans	% Loans to Bus. GAR <=\$1 Million	# of Business Estab.	% of Bus. with GAR' <=\$1 Million
	SARATOGA	80.21	13.64	6.16	1,056	55.68	2,652
MSA 0160 Total	80.21	13.64	6.16	1,056	55.68	2,652	92.16
New York Total	80.21	13.64	6.16	1,056	55.68	2,652	92.16
Assessment Area	80.21	13.64	6.16	1,056	55.68	2,652	92.16

Business establishment numbers are based on 1999 Dun & Bradstreet data

EXHIBIT 11

Summary of Community Development Lending

Assessment Area	Commitment (000s)	%	Outstanding (000s)	%	New Money (000s)	%	Housing Units
Saratoga County (partial) MSA 0160 (Albany-Schenectady- Troy, NY)	\$2,629	100%	\$2,629	100%	\$2,629	100%	0
NEW YORK ASSESSMENT AREA TOTALS	\$2,629	100%	\$2,629	100%	\$2,629	100%	0
Direct Activity	\$2,604	99%	2,604	99%	\$2,604	99%	0
Indirect Activity	\$25	1%	\$25	1%	\$25	1%	0
TOTAL ACTIVITY	\$2,629	100%	\$2,629	100%	\$2,629	100%	0
Affordable Housing	\$540	20%	\$540	20%	\$540	20%	0
Community Service	\$1,514	58%	\$1,514	58%	\$1,514	58%	0
Economic Development	\$25	1%	\$25	1%	\$25	1%	0
Revitalization & Stabilization	\$550	21%	\$550	21%	\$550	21%	0

EXHIBIT 12

Summary of Qualified Investment Activity

Assessment Area	Commitment (000s)	%	Outstanding (000s)	%	New Money (000s)	%	Housing Units
Saratoga County (partial) MSA 0160 (Albany-Schenectady- Troy, NY)	\$6,451	100%	\$6,451	100%	\$6,337	100%	0
NEW YORK ASSESSMENT AREA TOTALS	\$6,451	100%	\$6,451	100%	\$6,337	100%	0
Direct Activity	\$6,451	100%	\$6,451	100%	\$6,337	100%	0
TOTAL ACTIVITY	\$6,451	100%	\$6,451	100%	\$6,337	100%	0
Affordable Housing	\$120	1.75%	\$120	1.75%	\$6	.1%	0
Community Service	\$17	.25%	\$17	.25%	\$17	.25%	0
Economic Development	\$150	2%	\$150	2%	\$150	2.4%	0
Revitalization & Stabilization	\$6,164	96%	\$6,164	96%	\$6,164	97.25%	0

CRA APPENDIX A

SCOPE OF EXAMINATION

The scope of the examination of Adirondack is discussed on page BB7.

CRA APPENDIX B

GLOSSARY

Aggregate lending: The number of loans originated and purchased by all lenders subject to reporting requirements as a percentage of the aggregate number of loans originated and purchased by all lenders in the MSA/assessment area.

ATM: Automated teller machine.

Census tract: Small subdivisions of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. They usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: Affordable housing for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals, activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

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).

GAR: Gross annual revenues.

Geography: A census tract or a block numbering area delineated by the U.S. Bureau of the Census in the most recent decennial census.

HMDA-related loans: Loans reported by the bank under Regulation C, Home Mortgage Disclosure Act. They include home purchase mortgage loans, home improvement loans, multi-family loans and refinancing of such loans.

Home Mortgage Disclosure Act (“HMDA”): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include data such as the race, gender, and income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home mortgage loans: Include home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

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.

LMI: Low- and moderate-income, as in LMI census tracts.

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 lenders in the MSA/assessment area.

MSA: A metropolitan statistical area as defined by the director of the Office of Management and Budget.

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.

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

Multifamily: Refers to a residential structure that contains five or more units.

New York Business Development Corporation: This program provides financing for small businesses throughout New York State. For every \$30 thousand of financing, one job is created or preserved. The lender takes a subordinate position if required.

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.

Small Business Administration 504 Loan Program: Provides growing businesses with long-term, fixed-rate financing for major fixed assets, such as land and buildings. For each \$35 thousand of funds borrowed from the 504 Loan Program, one full-time permanent private job is retained or created, or there is an alternative explicit economic impact on the local economy.

Small Business Administration Low Doc Program: The SBA's quick and easy program for providing a guaranty on small business loans of \$150 thousand or less. SBA will guarantee up to 80 percent of the loan if it is for \$100 thousand or less and 75 percent on loans of more than \$100 thousand.

Small loans to business: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small loans to farms: 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 thousand or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent in the case of a geography.