

PUBLIC DISCLOSURE

January 12, 2010

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Country Bank
27226**

**200 East 42nd Street
New York, New York 10017**

**Federal Deposit Insurance Corporation
350 Fifth Avenue
New York, New York 10118**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

INSTITUTION RATING

INSTITUTION'S OVERALL CRA RATING is rated Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

Country Bank's (CB's) CRA overall performance is "Satisfactory" and reflects its commitment to meeting the credit needs of its assessment area. An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area in a manner consistent with its resources and capabilities. The bank's CRA-related activities from its previous evaluation date of September 25, 2006, to January 12, 2010, were considered. The following points summarize the basis for the overall rating.

LENDING TEST

- The bank's lending levels reflect reasonable responsiveness to assessment area credit needs. The bank's average loan-to-deposit (LTD) ratio of 87.2 percent is reasonable, given the bank's size, financial condition, available lending opportunities, and assessment area credit needs.
- A majority of the bank's loans were originated within its assessment area and is considered satisfactory.
- The geographic distribution of commercial loans and residential real estate loans reflects an excellent dispersion throughout the assessment area.
- The distribution of the bank's commercial loans reflects reasonable dispersion among retail customers of different revenue sizes.
- During the evaluation period, no complaints regarding the bank's CRA performance were received. Therefore, this criterion was not considered in assigning the overall rating.

COMMUNITY DEVELOPMENT TEST

- The bank's overall community development performance demonstrates adequate responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services, considering the bank's capacity, as well as the need and availability of such opportunities in its assessment area.

community in which the building is located. In addition, the loan helped revitalize this low-income geography.

- In 2008, the bank originated a \$2.7 million commercial real estate loan for the acquisition of a commercial building, located in a moderate-income census tract in Manhattan. The loan proceeds will also fund the development of the property into a residential structure. This loan created housing in a moderate-income geography, as well as revitalizes this moderate-income geography.
- In addition to the above-referenced loans, the bank has a revolving line of credit for \$700,000 with a private not-for profit mortgage lender specializing in financing the rehabilitation and construction of low-and moderate-income housing in New York and New Jersey.
- The bank also provides a \$105,000 revolving line of credit to a privately-owned business development corporation that was organized in 1955 to meet the medium and long-term credit needs as a complement to conventional banking loans. The business development corporation provides fixed interest rates for working capital, equipment, and real property.

Qualified Investments

A qualified investment for the purposes of this evaluation is a lawful investment, deposit, donation membership share, or grant that has community development as its primary purpose.

Country Bank has an adequate level of qualified community development investments and grants; although rarely in a leadership position, particularly those that are not routinely provided by private investors. New community development investments and qualified grants extended from September 25, 2006, to January 12, 2010, totaled approximately \$2.9 million. The bank's total outstanding qualified community development investments of approximately \$2.9 million represents 0.6 percent of total assets (\$492.7 million), 8.4 percent of total equity capital (\$34.7 million), and 3.0 percent of total securities (\$95.9) as of September 30, 2009. The following are the bank's qualifying investments:

- **Senior Housing Crime Prevention Foundation Investment Corporation (SHCPF) – The bank invested \$1.0 million in 2007 and another \$1 million in 2008 in SHCPF. The SHCPF's mission is to provide safe and secure living environments for senior housing residents through the provision of the Senior Crimestoppers Program and to allow banks the most favorable regulatory and business structure possible for the purpose of fulfillment of CRA obligations and retail banking opportunities. The funds are used by SHCPF to support Senior Crime Stoppers Program for low-to moderate-income seniors residing in a senior housing facility within the bank's assessment area.**
- During the evaluation period, CB renewed two certificates of deposit for \$100,000 each in recognized Community Development Financial Institutions (CDFIs). The CDFIs where the deposits were held are the First American International Bank and Carver Federal Savings