



## **PUBLIC DISCLOSURE**

December 6, 2021

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

The Upstate National Bank  
Charter Number 12018

729 Proctor Avenue  
Ogdensburg, New York 13669

Office of the Comptroller of the Currency

5000 Brittonfield Parkway  
Suite 102B  
East Syracuse, New York 13057

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

**Table of Contents**

Overall CRA Rating..... 1  
Description of Institution..... 2  
Scope of the Evaluation..... 3  
Discriminatory or Other Illegal Credit Practices Review..... 3  
State Rating..... 5  
    State of New York..... 5  
Lending Test ..... 7  
Appendix A: Scope of Examination..... A-1  
Appendix B: Summary of MMSA and State Ratings..... B-1  
Appendix C: Definitions and Common Abbreviations..... C-1  
Appendix D: Tables of Performance Data..... D-1

## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Satisfactory**.

**The lending test is rated: Satisfactory.**

The major factors that support this rating include:

- The Lending Test rating is based on performance in the state of New York (NY), which demonstrated an overall reasonable distribution of loans to geographies of different income levels and an overall reasonable distribution of loans to borrowers of different income levels.
- The Upstate National Bank (UNB or bank) had a more than reasonable loan-to-deposit ratio during the evaluation period.
- The bank originated and purchased a majority of loans outside the assessment area (AA) during the evaluation period.

### Loan-to-Deposit Ratio

UNB's average loan-to-deposit ratio during the evaluation period was more than reasonable. The bank's average quarterly loan-to-deposit ratio during the evaluation period, January 1, 2018 through December 31, 2020, was 109.4 percent. In comparison, four similarly situated institutions had average quarterly loan-to-deposit ratios ranging from 51.0 percent to 124.9 percent during the same period.

### Lending in Assessment Area

A majority of the bank's loans were outside its AAs.

The bank originated and purchased 51.4 percent of its total loans outside the bank's AAs during the evaluation period. The bank originated and purchased 44.8 percent of its home mortgage loans and 57.9 percent of its small loans to businesses from inside the bank's AAs during the evaluation period.

This analysis is performed at the bank, rather than the AA level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	103	44.8	127	55.2	230	38,239	47.1	42,872	52.9	81,111
Small Business	55	57.9	40	42.1	95	14,046	56.9	10,624	43.1	24,670
Total	158	48.6	167	51.4	325	52,285	49.4	53,496	50.1	105,781

## Description of Institution

UNB is a \$205 million, single state, community bank headquartered in Ogdensburg, NY. While chartered in Ogdensburg, all administrative and operational activity is handled in Rochester, NY. UNB is majority owned by George Karfunkel. The bank operates three full-service branches; one is located in the city of Rochester, NY, which is part of the Rochester, NY metropolitan statistical area (MSA), one is located in the town of Philadelphia, NY, which is part of the Watertown-Fort Drum, NY MSA, and one is located in the town of Ogdensburg, NY, which is part of the non-MSA portion of New York State.

The bank has one automated teller machine (ATM), which is non-deposit taking and located at the Rochester branch. The ATM can only be utilized during the building's hours of operation (7:00 a.m. to 7:00 p.m.). Banking hours are 9:00 a.m. to 4:00 p.m. at each branch location. However, the teller window at the Rochester branch is only open from 10:00 a.m. to 2:00 p.m. The Ogdensburg branch is the only location with a drive-thru window, which opens 45 minutes prior to the branch. Since the prior CRA evaluation, there were no branch openings or closings, and the bank was not a part of a merger or acquisition.

UNB offers traditional products and services, with a primary focus on commercial banking products. Banking products advertised on the bank's website consist solely of commercial products and include commercial and industrial loans, lines of credit, term loans, revolving line facilities, commercial real estate (investor) mortgages, commercial real estate (owner-occupied) mortgages, and short-term and bridge financing. The bank will originate personal loans at a customer's request; however, the bank does not advertise consumer products on their website or in branch locations. UNB is not licensed to originate residential mortgage loans; therefore, all one-to four- family residential mortgage loans on the balance sheet are loans purchased or originated as commercial real estate loans to investors. All lending officers are located at the Rochester branch. Consumer loan applications are accepted at all branches and are sent to the Rochester branch for underwriting and approval. Commercial loan applications are only accepted at the Rochester branch. UNB offers online banking services for retail customers. The service allows customers to view deposit account balances and transfer balances between UNB accounts, and the service includes a bill pay feature.

UNB sources deposits from its three AAs. As of December 31, 2020, UNB's deposit base totaled \$194.8 million. The Federal Deposit Insurance Corporation (FDIC) market share reports indicated the majority of the bank's deposits, as of June 30, 2020, were derived from the Rochester, NY MSA, which accounted for 86.9 percent of total deposits. The Watertown-Fort Drum, NY MSA and St. Lawrence County non-MSA AAs contributed 9.2 percent and 3.9 percent of the deposit base, respectively.

As of December 31, 2020, gross loans equaled \$176.9 million or 86.5 percent of total assets. Management continued strategic focus on commercial loan growth, primarily commercial real estate, as evidenced by the bank's significant concentration in commercial real estate loans at 512.8 percent of total capital, as of December 31, 2020. The loan mix was consistent with management's business strategy and consists of the following: \$92.9 million (52.5 percent) commercial real estate, \$73.5 million (41.5 percent) residential real estate, \$10.0 million (5.7 percent) commercial and industrial, and \$469 thousand (0.3 percent) in other loans. Loans classified as residential real estate on the call report were either commercial loans secured by one-to four-family real estate or purchased one-to four-family mortgage loans.

UNB has no legal, financial, or other impediments that would hinder its ability to help meet the credit needs in its AA. UNB's last CRA evaluation was dated October 1, 2018, at which time the bank's performance was rated "Needs to Improve".

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

The bank's performance was assessed using home mortgage loans and small loans to businesses originated and purchased during the evaluation period. The evaluation period covered a three-year period from January 1, 2018 through December 31, 2020. The OCC's assessment of small loans to businesses was based on a sample of 95 loan originations, and the assessment of mortgage loans was based on a sample of 29 loans originated during the evaluation period.

Lending performance was assessed based on the bank's primary loan products. Primary loan products, for purposes of this review, were products in which the bank originated at least 20 loans within an AA during the evaluation period. UNB had a sufficient volume of home mortgage loans and small loans to businesses in the Rochester, NY MSA AA to conduct a meaningful analysis. The bank did not originate or purchase a sufficient volume of loans to conduct a meaningful analysis in the Watertown-Fort Drum, NY MSA or St. Lawrence County non-MSA AAs.

### **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one or more of its AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same MSA, multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

### **Ratings**

In determining overall conclusions for UNB, the rating was based upon the bank's performance in its only Rating Area, the state of New York.

The state rating is based on performance in all bank AAs. Refer to the "Scope" section under each state Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

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

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

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

## **State Rating**

### **State of New York**

**CRA rating for the State of New York<sup>1</sup>:** Satisfactory

**The Lending Test is rated:** Satisfactory

The major factors that support this rating include:

- The geographic distribution of loans is reasonable.
- The distribution of loans to borrowers of different income levels and businesses of different sizes is reasonable.
- UNB did not receive any CRA related complaints during the evaluation period.

### **Description of Institution's Operations in New York**

As of December 31, 2020, UNB had three AAs within the state of New York. These AAs included the Rochester, NY MSA AA, the Watertown-Fort Drum, NY MSA AA, and the St. Lawrence County non-MSA AA. Refer to Appendix A for the geographies that make up the AAs. All state of New York AAs met the requirements of the CRA regulation and did not arbitrarily exclude any low- or moderate-income tracts.

UNB offers traditional products and services through its three branches and one non-deposit taking ATM, with a primary focus on commercial banking products. Banking products advertised on the bank's website consist solely of commercial products and include commercial and industrial loans, lines of credit, term loans, revolving line facilities, commercial real estate (investor) mortgages, commercial real estate (owner-occupied) mortgages, and short-term and bridge financing. UNB is not licensed to originate residential products; therefore, all home mortgage loans used in the analysis of the bank's performance under the Lending Test consist of purchased residential mortgages or were originated as commercial loans to investors. Consumer loans are originated; however, lending volume is limited.

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<sup>1</sup> This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within a MMSA.

## Rochester, NY MSA AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: UNB Rochester NY MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	193	22.8	15.0	32.1	27.5	2.6
Population by Geography	749,356	13.0	13.5	37.6	35.2	0.8
Housing Units by Geography	323,313	13.9	14.3	38.6	33.1	0.1
Owner-Occupied Units by Geography	192,326	5.1	10.4	42.4	42.1	0.0
Occupied Rental Units by Geography	107,438	25.9	20.4	33.3	20.3	0.2
Vacant Units by Geography	23,549	31.6	18.8	31.3	18.3	0.1
Businesses by Geography	53,029	12.5	11.2	36.9	39.2	0.3
Farms by Geography	1,127	4.2	7.4	43.9	44.5	0.1
Family Distribution by Income Level	182,181	22.0	16.3	19.3	42.3	0.0
Household Distribution by Income Level	299,764	25.0	15.7	16.9	42.4	0.0
Median Family Income MSA - 40380 Rochester, NY MSA		\$67,757	Median Housing Value			\$132,345
			Median Gross Rent			\$827
			Families Below Poverty Level			11.0%
<i>Source: 2015 ACS and 2020 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The Rochester, NY MSA AA consisted of all census tracts within Monroe County, which included the City of Rochester. Per the 2015 American Community Survey (ACS) data, the Rochester, NY MSA AA included 44 low-income tracts, 29 moderate-income tracts, 62 middle-income tracts, 53 upper-income tracts and five tracts for which income had not been designated. The bank's Rochester, NY MSA AA complied with the CRA regulation and did not arbitrarily exclude low- and moderate-income geographies.

UNB offered their full range of products and services through one branch and one non-deposit-taking ATM located in the Rochester, NY MSA AA. According to the June 30, 2020 FDIC Market Share Report, UNB had \$123.0 million in deposits in the Rochester, NY MSA AA, which accounted for 86.9 percent of UNB's bank-wide deposits. UNB ranked 14th out of 18 deposit taking institutions in the MSA with a 0.6 percent market share of deposits. The deposit market in the Rochester, NY MSA AA was dominated by four national and regional banks, whose combined deposit market share was 61.5 percent. These banks included Manufacturers and Traders Trust Co., Key Bank. N.A., JPMorgan Chase and Canandaigua National Bank and Trust Company. Other banks in the Rochester, NY MSA AA included Citizens Bank, Bank of America, and Five Star Bank, with market shares of 8.0, 6.7, and 6.0 percent, respectively.

Home mortgage loans and small loans to businesses represented the primary products for CRA evaluation purposes. Home mortgage loan originations and purchases in the Rochester, NY MSA AA accounted for 94.2 percent of all home mortgage loans originated inside the bank's AAs. Small loans to



businesses in the Rochester, NY MSA AA accounted for 96.4 percent of all small loans to businesses originated inside the bank's AAs.

There were approximately 323.3 thousand total housing units in the Rochester, NY MSA AA of which, 59.5 percent were owner-occupied; 33.2 percent were rental; and 7.5 percent were vacant units. The median housing value was \$132.3 thousand based on the 2015 ACS data.

The OCC utilized two community contacts within the Rochester, NY MSA AA. The first was obtained from an interagency listening session held in April 2021. The organizations were generally concerned with affordable and decent housing for low- and moderate-income persons and families, low- and moderate-income neighborhood revitalization and stabilization, community services for low- and moderate-income persons and families, and economic development through small business lending. The second contact emphasized that banks need to do a better job of working with minority-led organizations and historically marginalized communities, as well as developing better cultural understanding of the populations and communities they serve.

## **Scope of Evaluation in New York**

The OCC conducted a full-scope review of the Rochester, NY MSA AA and limited-scope reviews of the Watertown-Fort Drum MSA AA and St. Lawrence County non-MSA AA. The Rochester, NY MSA AA accounted for 86.9 percent of deposits at the bank. Of loans originated or purchased in the bank's AAs, 94.2 percent of home mortgage loans and 96.4 percent of small loans to businesses were originated or purchased in the Rochester, NY MSA AA during the evaluation period. UNB did not originate or purchase a sufficient volume of loans in the Watertown-Fort Drum, NY MSA or St. Lawrence County non-MSA AAs to perform a meaningful full-scope analysis. Lending activity in the limited-scope AAs was considered in overall Lending Test conclusion. The tables in Appendix D contain lending data for full- and limited-scope AAs.

## **LENDING TEST**

The bank's performance under the Lending Test in New York is rated Satisfactory.

## **Conclusions for Areas Receiving Full-Scope Reviews**

Based on the full-scope reviews, the bank's performance in the Rochester, NY MSA AA is reasonable.

## **Distribution of Loans by Income Level of the Geography**

The bank exhibited excellent geographic distribution of loans in the Rochester, NY MSA AA.

### ***Home Mortgage Loans***

Refer to Table O of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

### **Rochester, NY MSA AA**

The bank's geographic distribution of home mortgage loans by income level was excellent during the evaluation period. The bank's level of home loan originations in both low-income and moderate-income

geographies exceeded the percentage of owner-occupied housing units and aggregate lending in the AA.

### ***Small Loans to Businesses***

Refer to Table Q of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

#### Rochester, NY MSA AA

The bank's geographic distribution of small loans to businesses by income level was excellent during the evaluation period. The bank's level of small loans to businesses in both low- and moderate-income geographies exceeded the percentage of businesses in low- and moderate-income tracts and aggregate lending in the AA.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibited a reasonable distribution of loans to individuals of different income levels and businesses of different sizes.

### ***Home Mortgage Loans***

Refer to Table P of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

#### Rochester, NY MSA AA

The bank demonstrated reasonable distribution of home mortgage loans to borrowers of different incomes during the evaluation period. The percentage of home mortgage loans to low-income borrowers exceeded the percentage of low-income families and aggregate lending in the AA. The percentage of home mortgage loans to moderate-income borrowers was below the percentage of moderate-income families and aggregate lending in the AA.

### ***Small Loans to Businesses***

Refer to Table R of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

#### Rochester, NY MSA AA

The bank's distribution of small loans to businesses was reasonable during the evaluation period. The percentage of bank loans to businesses with gross annual review of \$1 million or less was below the percentage of those businesses but significantly exceeded the aggregate lending in the AA.

### **Responses to Complaints**

UNB did not receive any CRA related complaints during the evaluation period.

### **Conclusions for Area Receiving a Limited-Scope Review**

Bank deposit and lending activity in the Watertown-Fort Drum MSA and St. Lawrence County non-MSA AAs was not significant enough to warrant full-scope review of these AAs. While volume was

low, the bank's home mortgage performance was consistent with performance in the full-scope AA. Geographic distribution of small loans to businesses and distribution of small loans to businesses by revenue was below the full-scope AA.

## Appendix A: Scope of Examination

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The following table identifies the period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

<b>Time Period Reviewed:</b>	01/01/2018 through 12/31/2020	
<b>Bank Products Reviewed:</b>	Home mortgage loans and small loans to businesses	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Not Applicable		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>State of New York</b>		
Rochester, NY MSA	Full-scope	Monroe County
Watertown-Fort Drum, NY MSA	Limited-scope	Jefferson County (partial)
St. Lawrence County Non-MSA	Limited-scope	St. Lawrence County (partial)

## Appendix B: Summary of MMSA and State Ratings

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RATINGS	The Upstate National Bank
Overall Bank:	Lending Test Rating
UNB	Satisfactory
MMSA or State:	
New York	Satisfactory

## Appendix C: Definitions and Common Abbreviations

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The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

**Community Development (CD):** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

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

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

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

**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.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.



**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2018-2020	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
Rochester NY MSA AA	97	37,087	94.2	29,033	5.1	33.0	3.6	10.4	30.9	8.6	42.4	16.5	39.2	42.1	19.6	48.6	0.0	0.0	0.0	
St Lawrence non-MSA AA	2	150	1.9	792	0.0	0.0	0.0	12.8	100.0	16.5	65.2	0.0	62.6	22.0	0.0	20.7	0.1	0.0	0.1	
Watertown-Ft Drum NY MSA AA	4	1,002	3.9	527	0.0	0.0	0.0	0.4	75.0	0.0	99.6	25.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Total</b>	<b>103</b>	<b>38,239</b>	<b>100.0</b>	<b>30,352</b>	<b>4.6</b>	<b>31.1</b>	<b>3.5</b>	<b>10.4</b>	<b>34.0</b>	<b>8.7</b>	<b>45.2</b>	<b>16.5</b>	<b>40.8</b>	<b>39.8</b>	<b>18.4</b>	<b>47.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Rochester NY MSA AA	97	37,087	94.2	29,033	22.0	69.6	6.9	16.3	13.0	18.0	19.3	13.0	22.2	42.3	4.3	39.7	0.0	0.0	13.1
St. Lawrence non-MSA AA	2	150	1.9	792	23.1	100.0	4.5	17.4	0.0	15.5	19.8	0.0	23.6	39.7	0.0	47.9	0.0	0.0	8.5
Watertown -Ft Drum NY MSA AA	4	1,002	3.9	527	21.4	25.0	1.1	24.0	50.0	10.8	23.9	0.0	18.2	30.7	25.0	53.7	0.0	0.0	16.1
<b>Total</b>	<b>103</b>	<b>38,239</b>	<b>100.0</b>	<b>30,352</b>	<b>22.1</b>	<b>65.5</b>	<b>6.8</b>	<b>16.7</b>	<b>17.2</b>	<b>17.8</b>	<b>19.5</b>	<b>13.8</b>	<b>22.2</b>	<b>41.7</b>	<b>3.4</b>	<b>40.2</b>	<b>0.0</b>	<b>0.00</b>	<b>13.1</b>

*Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography (\$000)																			2018-2020
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Rochester NY MSA AA	53	13,988	97.7	13,823	12.5	37.7	10.3	11.2	15.1	10.3	36.9	20.8	36.5	39.2	26.4	42.7	0.3	0.0	0.2
St. Lawrence non-MSA AA	0	0	0.0	928	0.0	0.0	0.0	12.8	0.0	13.1	55.7	0.0	61.2	29.1	0.0	25.1	2.3	0.0	0.5
Watertown-Ft Drum NY MSA AA	2	57.5	3.6	219	0.0	0.0	0.0	4.6	0.0	0.9	95.1	100.0	99.1	0.0	0.0	0.0	0.3	0.0	0.0
<b>Total</b>	<b>55</b>	<b>14,046</b>	<b>100</b>	<b>14,970</b>	<b>11.6</b>	<b>36.4</b>	<b>9.5</b>	<b>11.2</b>	<b>14.4</b>	<b>10.3</b>	<b>38.9</b>	<b>23.6</b>	<b>39.0</b>	<b>38.0</b>	<b>25.5</b>	<b>41.0</b>	<b>0.4</b>	<b>0.0</b>	<b>0.2</b>

Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2018-2020</b>	
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>				<b>Businesses with Revenues &lt;= 1MM</b>			<b>Businesses with Revenues &gt; 1MM</b>		<b>Businesses with Revenues Not Available</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	
Rochester NY MSA AA	53	13,988,444	96.4	13,823	84.9	77.4	45.3	5.6	20.8	9.4	1.8	
St. Lawrence non-MSA AA	0	0	0	928	77.2	0	33.6	5.1	0	17.7	0	
Watertown-Ft Drum NY MSA AA	2	57,500	3.6	219	78.0	50.0	48.9	3.8	50.0	18.2	0	
<b>Total</b>	<b>55</b>	<b>14,045,944</b>	<b>100</b>	<b>14,970</b>	<b>84.4</b>	<b>76.4</b>	<b>44.6</b>	<b>5.6</b>	<b>21.8</b>	<b>10.1</b>	<b>1.8</b>	

*Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*